

**Tennessee Higher Education Commission  
Breakdown of Outcomes-Based Formula Components  
Impact on 2022-23 State Appropriations**

---

This analysis examines the impact of individual outcome changes on each institution's 2022-23 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 2022-23 formula, and remained as they were in the 2021-22 formula, this analysis isolates the state appropriation gained or lost.

The starting point for the analysis is a scenario where all other institutions' 2022-23 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 2022-23 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.

## Impact of Outcomes Formula Components on 2022-23 THEC Recommended State Appropriations

Starting Point	APSU			ETSU			MTSU			TSU		
	\$ 3,550,600	Outcome	Outcome	\$ 4,609,800	Outcome	Outcome	\$ 6,663,100	Outcome	Outcome	\$ 2,481,600	Outcome	Outcome
	Effect	Change	Weight	Effect	Change	Weight	Effect	Change	Weight	Effect	Change	Weight
Students Accumulating 30 hrs	\$ (62,200)	-8.4%	3.0%	\$ (117,100)	-9.0%	6.0%	\$ (56,900)	-4.7%	3.0%	\$ (53,500)	-12.3%	4.0%
Students Accumulating 60 hrs	\$ (33,000)	-2.5%	4.5%	\$ (90,700)	-4.1%	7.5%	\$ (47,500)	-1.9%	4.5%	\$ (86,200)	-10.4%	6.0%
Students Accumulating 90 hrs	\$ 69,200	2.3%	7.5%	\$ 109,500	2.3%	9.0%	\$ (32,100)	-0.4%	7.5%	\$ (166,200)	-7.9%	10.0%
Bachelors and Associates	\$ 273,200	2.6%	27.5%	\$ 554,700	3.0%	20.0%	\$ (525,300)	-1.4%	22.5%	\$ (653,400)	-8.7%	22.5%
Masters / Ed Specialists	\$ 1,072,400	16.0%	20.0%	\$ 196,000	2.3%	15.0%	\$ (508,300)	-3.8%	20.0%	\$ (240,600)	-7.7%	12.5%
Doctoral / Law Degree	\$ -	NA	0.0%	\$ (432,100)	-4.3%	15.0%	\$ (90,100)	-4.5%	7.5%	\$ 106,900	4.1%	7.5%
Research and Service	\$ 45,600	2.4%	10.0%	\$ 360,300	10.9%	10.0%	\$ 138,900	3.1%	10.0%	\$ (223,100)	-5.3%	15.0%
Degrees per 100 FTE	\$ 383,900	7.7%	17.5%	\$ 85,700	3.9%	7.5%	\$ 12,600	0.4%	10.0%	\$ (100)	1.1%	12.5%
Six-Year Graduation Rate	\$ 120,500	0.9%	10.0%	\$ 367,600	2.7%	10.0%	\$ 988,100	4.7%	15.0%	\$ 213,800	2.6%	10.0%
E&G sf (less portables)	\$ 125,500	1.9%		\$ (337,500)	-3.6%		\$ (87,500)	-0.6%		\$ (9,000)	-0.1%	
Rate for E&G sf	\$ 107,300	2.7%		\$ 157,800	2.7%		\$ 240,300	2.7%		\$ 111,800	2.7%	
Portable E&G sf	\$ -	NA		\$ -	0.0%		\$ (3,300)	-28.1%		\$ -	NA	
Rate for Portable E&G sf	\$ -	2.7%		\$ -	2.7%		\$ 100	2.7%		\$ -	2.7%	
20+ Yr Old sf	\$ 275,600	43.9%		\$ (79,200)	-5.5%		\$ 157,200	8.6%		\$ (6,900)	-0.7%	
Rate for 20+ Year Old sf	\$ 24,400	2.7%		\$ 36,600	2.7%		\$ 53,500	2.7%		\$ 24,800	2.7%	
Rate for Utilities	\$ 115,100	4.3%		\$ 136,400	4.3%		\$ 257,900	4.3%		\$ 120,300	4.3%	
Rent	\$ 6,600	11.1%		\$ (77,800)	-46.0%		\$ (106,500)	-55.6%		\$ -	NA	
Equipment	\$ 28,100	4.4%		\$ 85,000	7.6%		\$ 28,600	1.1%		\$ (5,400)	-0.6%	
Quality Assurance	\$ (63,500)	-2.2%		\$ 202,000	5.7%		\$ 397,800	8.0%		\$ 181,500	10.7%	
<b>Total Increase</b>	<b>\$ 6,039,300</b>			<b>\$ 5,767,000</b>			<b>\$ 7,480,600</b>			<b>\$ 1,796,300</b>		

Note: This table presents the estimated effects of each component of the Outcomes-Based Funding Formula on THEC's recommended state appropriation to each institution. Outcome changes are the percent changes in the weighted outcomes from the 2021-22 formula to the 2022-23 formula.

How to read this table: Using East Tennessee State as an example, the starting point (Cell E5) of \$4,609,800 represents the difference between 2021-22 and 2022-23 appropriations due to the funding formula if East Tennessee State's data had stayed at 2021-22 levels while all other institutions' data changed to 2022-23 levels. This is the beginning "base" on which the effects of East Tennessee State's changes in 2022-23 are built.

Next, the estimated effect of the first outcome -- Students Accumulating 30 hours -- is determined. East Tennessee State had a 9.0% decline (Cell F7) for this outcome between 2021-22 and 2022-23. East Tennessee State's performance on this outcome resulted in a loss of \$117,100 (E7) in recommended appropriations in 2022-23.

The effects of the next outcome -- Students Accumulating 60 hours -- is then determined. Here, East Tennessee State declined 4.1% (F8) from 2021-22 to 2022-23, which corresponds to a loss of \$90,700 (E8) in recommended appropriations in 2022-23.

This process is repeated for the remaining formula outcomes, quality assurance and fixed costs. Appropriations gained or lost due to East Tennessee State's performance in 2022-23 are then summed (Cell F26) for the total change in recommended appropriations from 2021-22 to 2022-23 of \$5,767,000. This amount corresponds to East Tennessee State's change in recommended appropriations highlighted in Column E on the '2022-23 THEC Prelim Rec' tab.

## Impact of Outcomes Formula Components on 2022-23 THEC Recommended State Appropriations

Starting Point	TTU			UM			UTC			UTK		
	\$ 3,609,200 Effect	Outcome Change	Outcome Weight	\$ 8,052,700 Effect	Outcome Change	Outcome Weight	\$ 3,812,500 Effect	Outcome Change	Outcome Weight	\$ 16,183,000 Effect	Outcome Change	Outcome Weight
Students Accumulating 30 hrs	\$ (24,300)	-3.7%	4.0%	\$ (77,100)	-7.1%	3.0%	\$ (8,000)	-0.9%	4.0%	\$ (31,500)	-2.9%	2.0%
Students Accumulating 60 hrs	\$ (47,700)	-3.5%	6.0%	\$ 300	0.0%	4.5%	\$ 49,000	3.2%	6.0%	\$ 21,100	0.7%	4.0%
Students Accumulating 90 hrs	\$ (72,700)	-2.0%	10.0%	\$ 131,700	2.4%	7.5%	\$ 24,000	0.6%	10.0%	\$ 230,300	3.4%	6.5%
Bachelors and Associates	\$ (711,700)	-4.5%	25.0%	\$ (50,500)	-0.3%	22.5%	\$ 152,500	1.0%	25.0%	\$ 783,800	2.3%	20.0%
Masters / Ed Specialists	\$ 190,200	4.6%	15.0%	\$ 377,300	4.6%	10.0%	\$ -	-0.4%	10.0%	\$ 41,900	0.3%	10.0%
Doctoral / Law Degree	\$ 42,300	7.9%	5.0%	\$ (540,400)	-2.7%	15.0%	\$ (97,000)	-5.4%	5.0%	\$ 313,800	0.8%	12.5%
Research and Service	\$ 307,400	13.3%	10.0%	\$ 609,500	-3.5%	10.0%	\$ 153,200	13.6%	10.0%	\$ 2,078,700	5.0%	12.5%
Degrees per 100 FTE	\$ (79,800)	-3.7%	10.0%	\$ 19,000	0.6%	10.0%	\$ 38,000	-0.1%	15.0%	\$ (800)	-0.1%	17.5%
Six-Year Graduation Rate	\$ 159,800	0.8%	15.0%	\$ 943,500	3.7%	17.5%	\$ 300,200	1.4%	15.0%	\$ 8,400	0.0%	15.0%
E&G sf (less portables)	\$ 9,900	0.1%		\$ (182,800)	-1.0%		\$ (128,700)	-1.6%		\$ (898,700)	-2.7%	
Rate for E&G sf	\$ 122,800	2.7%		\$ 324,200	2.7%		\$ 123,300	2.7%		\$ 526,100	2.7%	
Portable E&G sf	\$ 11,400	NA		\$ 2,300	NA		\$ 24,600	298.4%		\$ (7,600)	-100.0%	
Rate for Portable E&G sf	\$ 200	2.7%		\$ -	2.7%		\$ 300	2.7%		\$ -	2.7%	
20+ Yr Old sf	\$ (36,600)	-3.2%		\$ (328,200)	-10.2%		\$ (146,200)	-19.5%		\$ (124,100)	-3.0%	
Rate for 20+ Year Old sf	\$ 29,600	2.7%		\$ 77,700	2.7%		\$ 16,300	2.7%		\$ 110,100	2.7%	
Rate for Utilities	\$ 132,400	4.3%		\$ 280,400	4.3%		\$ 133,500	4.3%		\$ 563,400	4.3%	
Rent	\$ -	NA		\$ 5,400	3.0%		\$ -	0.0%		\$ (42,700)	-23.2%	
Equipment	\$ 144,000	13.6%		\$ 26,700	1.6%		\$ 15,600	2.0%		\$ 316,700	4.2%	
Quality Assurance	\$ 96,500	3.3%		\$ 799,700	14.5%		\$ 168,800	5.7%		\$ 115,500	1.1%	
<b>Total Increase</b>	<b>\$ 3,882,900</b>			<b>\$ 10,471,400</b>			<b>\$ 4,631,900</b>			<b>\$ 20,187,400</b>		

Note: This table presents the estimated effects of each component of the Outcomes-Based Funding Formula on THEC's recommended state appropriation to each institution. Outcome changes are the percent changes in the weighted outcomes from the 2021-22 formula to the 2022-23 formula.

How to read this table: Using Tennessee Tech University as an example, the starting point (Cell B49) of \$3,609,200 represents the difference between 2021-22 and 2022-23 appropriations due to the funding formula if Tennessee Tech's data had stayed at 2021-22 levels while all other institutions' data changed to 2022-23 levels. This is the beginning "base" on which the effects of Tennessee Tech's changes in 2022-23 are built.

Next, the estimated effect of the first outcome -- Students Accumulating 30 hours -- is determined. Tennessee Tech had a 3.7% decrease (Cell C51) for this outcome between 2021-22 and 2022-23. Tennessee Tech's performance on this outcome resulted in a loss of \$24,300 (B51) in recommended appropriations in 2022-23.

The effects of the next outcome -- Students Accumulating 60 hours -- is then determined. Here, Tennessee Tech declined 3.5% (C52) from 2021-22 to 2022-23, which corresponds to a loss of \$47,700 (B52) in recommended appropriations in 2022-23.

This process is repeated for the remaining formula outcomes, quality assurance and fixed costs. Appropriations gained or lost due to Tennessee Tech's performance in 2022-23 are then summed (Cell B70) for the total change in recommended appropriations from 2021-22 to 2022-23 of \$3,882,900. This amount corresponds to Tennessee Tech's change in recommended appropriation highlighted in Column E on the '2022-23 THEC Prelim Rec' tab.

## Impact of Outcomes Formula Components on 2022-23 THEC Recommended State Appropriations

Starting Point	UTM		
	Effect	Outcome Change	Outcome Weight
Starting Point	\$ 2,156,100		
Students Accumulating 30 hrs	\$ (10,300)	-2.9%	4.0%
Students Accumulating 60 hrs	\$ (2,100)	-0.3%	6.0%
Students Accumulating 90 hrs	\$ (75,200)	-4.4%	10.0%
Bachelors and Associates	\$ (184,900)	-2.3%	30.0%
Masters / Ed Specialists	\$ 323,100	36.1%	15.0%
Doctoral / Law Degree	\$ -	NA	0.0%
Research and Service	\$ (19,800)	-12.6%	5.0%
Degrees per 100 FTE	\$ (2,300)	-0.1%	10.0%
Six-Year Graduation Rate	\$ 400,200	2.2%	20.0%
E&G sf (less portables)	\$ 223,300	6.5%	
Rate for E&G sf	\$ 63,600	2.7%	
Portable E&G sf	\$ -	NA	
Rate for Portable E&G sf	\$ -	2.7%	
20+ Yr Old sf	\$ (29,600)	-5.0%	
Rate for 20+ Year Old sf	\$ 15,300	2.7%	
Rate for Utilities	\$ 55,000	4.3%	
Rent	\$ (261,200)	-98.7%	
Equipment	\$ 6,400	1.8%	
Quality Assurance	\$ 176,500	10.8%	
<b>Total Increase</b>	<b>\$ 2,834,100</b>		

Note: This table presents the estimated effects of each component of the Outcomes-Based Funding Formula on THEC's recommended state appropriation to each institution. Outcome changes are the percent changes in the weighted outcomes from the 2021-22 formula to the 2022-23 formula.

How to read this table: Using University of Tennessee at Martin as an example, the starting point (Cell B93) of \$2,156,100 represents the difference between 2021-22 and 2022-23 appropriations due to the funding formula if UT Martin's data had stayed at 2021-22 levels while all other institutions' data changed to 2022-23 levels. This is the beginning "base" on which the effects of UT Martin's changes in 2022-23 are built.

Next, the estimated effect of the first outcome -- Students Accumulating 30 hours -- is determined. UT Martin had a 2.9% decrease (Cell C95) for this outcome between 2021-22 and 2022-23. UT Martin's performance on this outcome resulted in a loss of \$10,300 (B95) in recommended appropriations in 2022-23.

The effects of the next outcome -- Students Accumulating 60 hours -- is then determined. Here, UT Martin declined 0.3% (C96) from 2021-22 to 2022-23, which corresponds to a loss of \$2,100 (B96) in recommended appropriations in 2022-23.

This process is repeated for the remaining formula outcomes, quality assurance and fixed costs. Appropriations gained or lost due to UT Martin's performance in 2022-23 are then summed (Cell B114) for the total change in recommended appropriations from 2021-22 to 2022-23 of \$2,834,100. This amount corresponds to UT Martin's change in recommended appropriation highlighted in Column E on the '2022-23 THEC Prelim Rec' tab.

## Impact of Outcomes Formula Components on 2022-23 THEC Recommended State Appropriations

Starting Point	Chattanooga			Cleveland			Columbia			Dyersburg		
	\$ 2,048,100 Effect	Outcome Change	Outcome Weight	\$ 765,500 Effect	Outcome Change	Outcome Weight	\$ 1,158,100 Effect	Outcome Change	Outcome Weight	\$ 669,000 Effect	Outcome Change	Outcome Weight
Students Accumulating 12 hrs	\$ (64,100)	-9.9%	3.0%	\$ (11,600)	-4.3%	3.0%	\$ (12,500)	-2.5%	3.0%	\$ (32,700)	-12.9%	3.0%
Students Accumulating 24 hrs	\$ (116,600)	-7.2%	5.0%	\$ (5,900)	-1.0%	5.0%	\$ 12,300	1.0%	5.0%	\$ (14,600)	-2.6%	5.0%
Students Accumulating 36 hrs	\$ (80,800)	-2.8%	7.0%	\$ 12,800	1.3%	7.0%	\$ 32,900	1.5%	7.0%	\$ 69,700	7.6%	7.0%
Dual Enrollment	\$ (2,600)	-0.2%	5.0%	\$ -	0.0%	5.0%	\$ 3,400	0.2%	7.5%	\$ (147,400)	-10.5%	10.0%
Associates	\$ (84,000)	-0.4%	22.5%	\$ (191,500)	-4.5%	22.5%	\$ 349,300	5.3%	22.5%	\$ 68,700	2.0%	22.5%
1-2 Year Certificates	\$ (2,300)	-0.7%	10.0%	\$ 2,000	9.8%	2.5%	\$ (43,700)	-24.0%	17.5%	\$ (17,900)	-20.2%	10.0%
<1yr Certificates	\$ (21,400)	-3.9%	10.0%	\$ 144,300	15.5%	17.5%	\$ (3,500)	-5.5%	2.5%	\$ 48,600	26.0%	10.0%
Job Placements	\$ (134,000)	-2.0%	15.0%	\$ (264,000)	-9.8%	15.0%	\$ 14,000	1.4%	5.0%	\$ 100,600	7.1%	12.5%
Transfers Out with 12 hrs	\$ (44,100)	-2.8%	10.0%	\$ (29,500)	-11.7%	5.0%	\$ 158,900	9.3%	15.0%	\$ 800	0.2%	10.0%
Workforce Training (Contact Hours)	\$ 137,100	10.8%	7.5%	\$ (18,200)	-5.0%	12.5%	\$ (222,000)	-16.0%	10.0%	\$ (10,400)	-10.1%	5.0%
Awards per 100 FTE	\$ 51,200	5.1%	5.0%	\$ (34,700)	-4.0%	5.0%	\$ 23,200	3.2%	5.0%	\$ (25,200)	-2.6%	5.0%
E&G sf (less portables)	\$ (197,900)	-3.9%		\$ 551,300	36.9%		\$ -	0.0%		\$ -	0.0%	
Rate for E&G sf	\$ 78,300	2.7%		\$ 35,700	2.7%		\$ 38,700	2.7%		\$ 31,900	2.7%	
Portable E&G sf	\$ -	NA		\$ -	NA		\$ -	NA		\$ -	NA	
Rate for Portable E&G sf	\$ -	2.7%		\$ -	2.7%		\$ -	2.7%		\$ -	2.7%	
20+ Yr Old sf	\$ (68,300)	-17.3%		\$ (25,700)	-8.7%		\$ 60,600	27.1%		\$ (5,700)	-4.4%	
Rate for 20+ Year Old sf	\$ 8,800	2.7%		\$ 7,300	2.7%		\$ 7,700	2.7%		\$ 3,400	2.7%	
Rate for Utilities	\$ 84,400	4.3%		\$ 30,800	4.3%		\$ 41,700	4.3%		\$ 27,600	4.3%	
Rent	\$ 3,200	1.8%		\$ (1,100)	-8.3%		\$ 11,900	12.0%		\$ -	NA	
Equipment	\$ 16,400	1.8%		\$ 53,400	21.1%		\$ 4,100	1.6%		\$ 27,800	10.8%	
Quality Assurance	\$ (18,600)	-1.1%		\$ 43,300	7.2%		\$ 32,400	3.2%		\$ -	-1.0%	
<b>Total Increase</b>	<b>\$ 1,592,800</b>			<b>\$ 1,064,200</b>			<b>\$ 1,667,500</b>			<b>\$ 794,200</b>		

Note: This table presents the estimated effects of each component of the Outcomes-Based Funding Formula on THEC's recommended state appropriation to each institution. Outcome changes are the percent changes in the weighted outcomes from the 2021-22 formula to the 2022-23 formula.

How to read this table: Using Columbia State as an example, the starting point (Cell H5) of \$1,158,100 represents the difference between 2021-22 and 2022-23 appropriations due to the funding formula if Columbia State's data had stayed at 2021-22 levels while all other institutions' data changed to 2022-23 levels. This is the beginning "base" on which the effects of Columbia State's changes in 2022-23 are built.

Next, the estimated effect of the first outcome -- Students Accumulating 12 hours -- is determined. Columbia State had a 2.5% decline (Cell I7) for this outcome between 2021-22 and 2022-23. Columbia State's performance on this outcome resulted in a loss of \$12,500 (H7) in recommended appropriations in 2022-23.

The effects of the next outcome -- Students Accumulating 24 hours -- is then determined. Here, Columbia State increased 1.0% (I8) from 2021-22 to 2022-23, which corresponds to a gain of \$12,300 (H8) in recommended appropriations in 2022-23.

This process is repeated for the remaining formula outcomes, quality assurance and fixed costs. Appropriations gained or lost due to Columbia State's performance in 2022-23 are then summed (Cell H28) for the total change in recommended appropriations from 2021-22 to 2022-23 of \$1,667,500. This amount corresponds to Columbia State's change in recommended appropriations highlighted in Column E on the '2022-23 THEC Prelim Rec' 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 2022-23 THEC Recommended State Appropriations

Starting Point	Jackson			Motlow			Nashville			Northeast		
	\$ 956,100 Effect	Outcome Change	Outcome Weight	\$ 1,356,400 Effect	Outcome Change	Outcome Weight	\$ 1,413,500 Effect	Outcome Change	Outcome Weight	\$ 1,450,300 Effect	Outcome Change	Outcome Weight
Students Accumulating 12 hrs	\$ (39,300)	-9.9%	3.0%	\$ (24,000)	-3.8%	3.0%	\$ (43,100)	-7.7%	3.0%	\$ (35,900)	-8.5%	3.0%
Students Accumulating 24 hrs	\$ (41,100)	-4.6%	5.0%	\$ (36,300)	-2.4%	5.0%	\$ (67,800)	-4.7%	5.0%	\$ (96,700)	-8.8%	5.0%
Students Accumulating 36 hrs	\$ (26,800)	-1.8%	7.0%	\$ (29,700)	-1.1%	7.0%	\$ (62,200)	-2.3%	7.0%	\$ (101,200)	-5.0%	7.0%
Dual Enrollment	\$ (121,600)	-6.6%	7.5%	\$ 77,100	4.0%	7.5%	\$ (114,600)	-4.2%	15.0%	\$ 50,700	3.5%	10.0%
Associates	\$ 76,800	1.7%	22.5%	\$ 445,700	5.2%	22.5%	\$ 557,700	6.7%	22.5%	\$ (67,400)	-0.6%	22.5%
1-2 Year Certificates	\$ 22,200	24.4%	10.0%	\$ -	-20.9%	0.0%	\$ 14,300	3.5%	10.0%	\$ 3,900	0.7%	12.5%
<1yr Certificates	\$ (3,400)	-2.7%	10.0%	\$ 35,900	7.2%	20.0%	\$ 24,400	14.9%	10.0%	\$ (95,000)	-25.5%	7.5%
Job Placements	\$ (89,400)	-3.8%	15.0%	\$ 12,600	1.5%	7.5%	\$ (201,700)	-10.3%	7.5%	\$ (97,500)	-1.8%	15.0%
Transfers Out with 12 hrs	\$ (400)	-0.1%	5.0%	\$ (18,700)	-1.0%	12.5%	\$ (79,500)	-5.8%	10.0%	\$ (16,000)	-3.2%	5.0%
Workforce Training (Contact Hours)	\$ (21,200)	-4.1%	10.0%	\$ 7,900	1.5%	10.0%	\$ 41,500	10.7%	5.0%	\$ 78,100	8.4%	7.5%
Awards per 100 FTE	\$ 53,400	6.9%	5.0%	\$ 64,700	7.4%	5.0%	\$ 75,100	10.1%	5.0%	\$ 34,600	3.8%	5.0%
E&G sf (less portables)	\$ -	0.0%		\$ (4,800)	-0.2%		\$ -	0.0%		\$ -	0.0%	
Rate for E&G sf	\$ 38,400	2.7%		\$ 45,200	2.7%		\$ 57,800	2.7%		\$ 43,200	2.7%	
Portable E&G sf	\$ -	NA		\$ -	NA		\$ -	0.0%		\$ -	NA	
Rate for Portable E&G sf	\$ -	2.7%		\$ -	2.7%		\$ 200	2.7%		\$ -	2.7%	
20+ Yr Old sf	\$ 7,500	2.2%		\$ 500	0.3%		\$ -	NA		\$ -	0.0%	
Rate for 20+ Year Old sf	\$ 9,500	2.7%		\$ 5,300	2.7%		\$ -	2.7%		\$ 4,000	2.7%	
Rate for Utilities	\$ 33,300	4.3%		\$ 39,100	4.3%		\$ 50,300	4.3%		\$ 46,400	4.3%	
Rent	\$ -	0.0%		\$ -	NA		\$ 64,000	101.6%		\$ (14,600)	-3.2%	
Equipment	\$ 13,500	4.2%		\$ 51,800	12.8%		\$ (2,300)	-0.8%		\$ 19,100	3.1%	
Quality Assurance	\$ -	1.2%		\$ 25,200	2.2%		\$ 157,500	15.6%		\$ (39,600)	-3.2%	
<b>Total Increase</b>	<b>\$ 867,500</b>			<b>\$ 2,053,900</b>			<b>\$ 1,885,100</b>			<b>\$ 1,166,400</b>		

Note: This table presents the estimated effects of each component of the Outcomes-Based Funding Formula on THEC's recommended state appropriation to each institution. Outcome changes are the percent changes in the weighted outcomes from the 2021-22 formula to the 2022-23 formula.

How to read this table: Using Jackson State as an example, the starting point (Cell B52) of \$956,100 represents the difference between 2021-22 and 2022-23 appropriations due to the funding formula if Jackson State's data had stayed at 2021-22 levels while all other institutions' data changed to 2022-23 levels. This is the beginning "base" on which the effects of Jackson State's changes in 2022-23 are built.

Next, the estimated effect of the first outcome -- Students Accumulating 12 hours -- is determined. Jackson State had a 9.9% decline (Cell C54) for this outcome between 2021-22 and 2022-23. Jackson State's performance on this outcome resulted in a loss of \$39,300 (B54) in recommended appropriations in 2022-23.

The effects of the next outcome -- Students Accumulating 24 hours -- is then determined. Here, Jackson State decreased 4.6% (C55) from 2021-22 to 2022-23, which corresponds to a loss of \$41,100 (B55) in recommended appropriations in 2022-23.

This process is repeated for the remaining formula outcomes, quality assurance and fixed costs. Appropriations gained or lost due to Jackson State's performance in 2022-23 are then summed (Cell B75) for the total change in recommended appropriations from 2021-22 to 2022-23 of \$867,500. This amount corresponds to Jackson State's change in recommended appropriations highlighted in Column E on the '2022-23 THEC Prelim Rec' 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 2022-23 THEC Recommended State Appropriations

Starting Point	Pellissippi			Roane			Southwest			Volunteer		
	\$ 2,266,300 Effect	Outcome Change	Outcome Weight	\$ 1,506,000 Effect	Outcome Change	Outcome Weight	\$ 1,780,800 Effect	Outcome Change	Outcome Weight	\$ 1,845,300 Effect	Outcome Change	Outcome Weight
Students Accumulating 12 hrs	\$ (97,600)	-11.9%	3.0%	\$ (35,800)	-7.9%	3.0%	\$ (129,700)	-15.7%	3.0%	\$ (51,400)	-7.6%	3.0%
Students Accumulating 24 hrs	\$ (216,700)	-9.2%	5.0%	\$ (68,300)	-6.0%	5.0%	\$ (201,400)	-9.6%	5.0%	\$ (105,300)	-6.6%	5.0%
Students Accumulating 36 hrs	\$ (201,200)	-5.0%	7.0%	\$ (82,800)	-4.0%	7.0%	\$ (145,500)	-4.2%	7.0%	\$ (46,600)	-1.7%	7.0%
Dual Enrollment	\$ (65,000)	-2.5%	10.0%	\$ (21,500)	-0.6%	15.0%	\$ 79,100	6.8%	7.5%	\$ 5,300	0.4%	5.0%
Associates	\$ 483,200	3.8%	22.5%	\$ (39,500)	-0.2%	22.5%	\$ (248,600)	-2.3%	22.5%	\$ 309,100	3.5%	22.5%
1-2 Year Certificates	\$ -	-17.7%	0.0%	\$ 26,400	13.6%	10.0%	\$ (1,600)	-6.0%	2.5%	\$ 20,400	12.5%	5.0%
<1yr Certificates	\$ (138,500)	-5.3%	20.0%	\$ (73,800)	-33.2%	10.0%	\$ (32,000)	-4.1%	17.5%	\$ 2,700	0.3%	15.0%
Job Placements	\$ (98,700)	-4.1%	7.5%	\$ (26,500)	-1.9%	5.0%	\$ (16,800)	-1.2%	5.0%	\$ 11,900	0.5%	7.5%
Transfers Out with 12 hrs	\$ 9,400	0.3%	15.0%	\$ (57,500)	-6.3%	10.0%	\$ (170,900)	-8.7%	12.5%	\$ (113,700)	-5.7%	15.0%
Workforce Training (Contact Hours)	\$ (11,100)	-2.0%	5.0%	\$ (39,700)	-2.2%	7.5%	\$ 135,300	8.5%	12.5%	\$ 477,200	8.7%	10.0%
Awards per 100 FTE	\$ 80,200	9.7%	5.0%	\$ 44,800	4.4%	5.0%	\$ 30,200	5.1%	5.0%	\$ 44,000	5.9%	5.0%
E&G sf (less portables)	\$ 495,000	10.2%		\$ (44,600)	-1.1%		\$ -	0.0%		\$ -	0.0%	
Rate for E&G sf	\$ 92,900	2.7%		\$ 71,900	2.7%		\$ 114,900	2.7%		\$ 59,300	2.7%	
Portable E&G sf	\$ -	0.0%		\$ -	0.0%		\$ -	NA		\$ -	NA	
Rate for Portable E&G sf	\$ 800	2.7%		\$ 100	2.7%		\$ -	2.7%		\$ -	2.7%	
20+ Yr Old sf	\$ (100)	0.0%		\$ -	0.0%		\$ 7,600	0.8%		\$ 91,800	39.4%	
Rate for 20+ Year Old sf	\$ 14,400	2.7%		\$ 20,800	2.7%		\$ 25,200	2.7%		\$ 8,800	2.7%	
Rate for Utilities	\$ 81,700	4.3%		\$ 62,400	4.3%		\$ 99,400	4.3%		\$ 51,200	4.3%	
Rent	\$ -	NA		\$ (19,100)	-13.8%		\$ -	NA		\$ -	NA	
Equipment	\$ 27,100	3.6%		\$ 12,200	3.2%		\$ (36,400)	-3.0%		\$ 14,600	2.5%	
Quality Assurance	\$ 124,300	7.1%		\$ (97,200)	-7.4%		\$ 167,100	12.7%		\$ (67,800)	-4.3%	
<b>Total Increase</b>	<b>\$ 2,846,400</b>			<b>\$ 1,138,300</b>			<b>\$ 1,456,700</b>			<b>\$ 2,556,800</b>		

Note: This table presents the estimated effects of each component of the Outcomes-Based Funding Formula on THEC's recommended state appropriation to each institution. Outcome changes are the percent changes in the weighted outcomes from the 2021-22 formula to the 2022-23 formula.

How to read this table: Using Volunteer State as an example, the starting point (Cell K99) of \$1,845,300 represents the difference between 2021-22 and 2022-23 appropriations due to the funding formula if Volunteer State's data had stayed at 2021-22 levels while all other institutions' data changed to 2022-23 levels. This is the beginning "base" on which the effects of Volunteer State's changes in 2022-23 are built.

Next, the estimated effect of the first outcome -- Students Accumulating 12 hours -- is determined. Volunteer State had a 7.6% decline (Cell L101) for this outcome between 2021-22 and 2022-23. Volunteer State's performance on this outcome resulted in a loss of \$51,400 (K101) in recommended appropriations in 2022-23.

The effects of the next outcome -- Students Accumulating 24 hours -- is then determined. Here, Volunteer State decreased 6.6% (L102) from 2021-22 to 2022-23, which corresponds to a loss of \$105,300 (K102) in recommended appropriations in 2022-23.

This process is repeated for the remaining formula outcomes, quality assurance and fixed costs. Appropriations gained or lost due to Volunteer State's performance in 2022-23 are then summed (Cell K122) for the total change in recommended appropriations from 2021-22 to 2022-23 of \$2,556,800. This amount corresponds to Volunteer State's change in recommended appropriations highlighted in Column E on the '2022-23 THEC Prelim Rec' 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 2022-23 THEC Recommended State Appropriations

Starting Point	Walters		
	\$	Outcome Change	Outcome Weight
	\$ 1,588,800		
	Effect		
Students Accumulating 12 hrs	\$ (39,700)	-7.6%	3.0%
Students Accumulating 24 hrs	\$ (68,000)	-5.6%	5.0%
Students Accumulating 36 hrs	\$ (58,200)	-2.7%	7.0%
Dual Enrollment	\$ 42,700	1.7%	10.0%
Associates	\$ 325,900	4.0%	22.5%
1-2 Year Certificates	\$ 5,300	14.3%	2.5%
<1yr Certificates	\$ 31,900	3.2%	17.5%
Job Placements	\$ (89,100)	-3.1%	7.5%
Transfers Out with 12 hrs	\$ 8,100	0.5%	15.0%
Workforce Training (Contact Hours)	\$ 389,900	51.2%	5.0%
Awards per 100 FTE	\$ 67,000	7.3%	5.0%
E&G sf (less portables)	\$ 155,300	3.2%	
Rate for E&G sf	\$ 88,100	2.7%	
Portable E&G sf	\$ -	NA	
Rate for Portable E&G sf	\$ -	2.7%	
20+ Yr Old sf	\$ (5,500)	-0.9%	
Rate for 20+ Year Old sf	\$ 16,200	2.7%	
Rate for Utilities	\$ 76,100	4.3%	
Rent	\$ (132,000)	-100.0%	
Equipment	\$ 27,500	7.1%	
Quality Assurance	\$ 273,000	26.1%	
<b>Total Increase</b>	<b>\$ 2,703,300</b>		

Note: This table presents the estimated effects of each component of the Outcomes-Based Funding Formula on THEC's recommended state appropriation to each institution. Outcome changes are the percent changes in the weighted outcomes from the 2021-22 formula to the 2022-23 formula.

How to read this table: For Walters State, the starting point (Cell B146) of \$1,588,800 represents the difference between 2021-22 and 2022-23 appropriations due to the funding formula if Walters State's data had stayed at 2021-22 levels while all other institutions' data changed to 2022-23 levels. This is the beginning "base" on which the effects of Walters State's changes in 2022-23 are built.

Next, the estimated effect of the first outcome -- Students Accumulating 12 hours -- is determined. Walters State had a 7.6% decline (Cell C148) for this outcome between 2021-22 and 2022-23. Walters State's performance on this outcome resulted in a loss of \$39,700 (B148) in recommended appropriations in 2022-23.

The effects of the next outcome -- Students Accumulating 24 hours -- is then determined. Here, Walters State decreased 5.6% (C149) from 2021-22 to 2022-23, which corresponds to a loss of \$68,000 (B149) in recommended appropriations in 2022-23.

This process is repeated for the remaining formula outcomes, quality assurance and fixed costs. Appropriations gained or lost due to Walters State's performance in 2022-23 are then summed (Cell B169) for the total change in recommended appropriations from 2021-22 to 2022-23 of \$2,703,300. This amount corresponds to Walters State's change in recommended appropriations highlighted in Column E on the '2022-23 THEC Prelim Rec' tab. THEC's Community College recommendation is only for the sector as a whole. Institutional detail is for informational purposes only.



# 2022-23 State Appropriations Distribution Recommendation

	A	B	C	D	E = C + D	F = E + A	G = E / A	H = F / B
			<b>Breakdown of 2022-23 Changes</b>					
Academic Formula Units	2022-23 Appropriation <sup>1</sup>	2022-23 Formula Calculation	Outcomes Formula Adjustments	Share of New Funding	2022-23 Changes	2022-23 Recommendation	Percent Change	Percent Funded
<b>LGI Universities</b>								
Austin Peay	\$58,069,700	\$92,275,200	\$1,733,000	\$4,306,300	\$6,039,300	\$64,109,000	10.4%	69.5%
East Tennessee <sup>2</sup>	77,155,200	119,353,700	197,000	5,570,000	5,767,000	82,922,200	7.5%	69.5%
Middle Tennessee	112,926,200	173,307,000	(607,300)	8,087,900	7,480,600	120,406,800	6.6%	69.5%
Tennessee State	43,192,500	64,754,000	(1,225,800)	3,022,100	1,796,300	44,988,800	4.2%	69.5%
Tennessee Tech <sup>2</sup>	61,329,000	93,862,400	(497,500)	4,380,400	3,882,900	65,211,900	6.3%	69.5%
University of Memphis	133,589,000	207,352,600	794,600	9,676,800	10,471,400	144,060,400	7.8%	69.5%
<b>Subtotal</b>	<b>\$486,261,600</b>	<b>\$750,904,900</b>	<b>\$394,000</b>	<b>\$35,043,500</b>	<b>\$35,437,500</b>	<b>\$521,699,100</b>	<b>7.3%</b>	<b>69.5%</b>
<b>Community Colleges<sup>3</sup></b>								
Chattanooga	\$35,357,600	\$53,184,400	(\$889,200)	\$2,482,000	\$1,592,800	\$36,950,400	4.5%	69.5%
Cleveland	12,983,800	20,220,000	120,600	943,600	1,064,200	14,048,000	8.2%	69.5%
Columbia	19,529,800	30,510,100	243,600	1,423,900	1,667,500	21,197,300	8.5%	69.5%
Dyersburg	11,574,200	17,802,400	(36,600)	830,800	794,200	12,368,400	6.9%	69.5%
Jackson	16,234,400	24,615,400	(281,300)	1,148,800	867,500	17,101,900	5.3%	69.5%
Motlow	22,731,900	35,675,300	389,000	1,664,900	2,053,900	24,785,800	9.0%	69.5%
Nashville	23,863,600	37,061,200	155,500	1,729,600	1,885,100	25,748,700	7.9%	69.5%
Northeast	24,770,700	37,332,500	(575,800)	1,742,200	1,166,400	25,937,100	4.7%	69.5%
Pellissippi	38,335,600	59,275,100	80,100	2,766,300	2,846,400	41,182,000	7.4%	69.5%
Roane	26,138,700	39,261,000	(693,900)	1,832,200	1,138,300	27,277,000	4.4%	69.5%
Southwest	31,503,300	47,440,800	(757,300)	2,214,000	1,456,700	32,960,000	4.6%	69.5%
Volunteer	30,892,500	48,145,100	310,000	2,246,800	2,556,800	33,449,300	8.3%	69.5%
Walters	27,113,400	42,916,500	700,500	2,002,800	2,703,300	29,816,700	10.0%	69.5%
<b>Subtotal</b>	<b>\$321,029,500</b>	<b>\$493,439,800</b>	<b>(\$1,234,800)</b>	<b>\$23,027,900</b>	<b>\$21,793,100</b>	<b>\$342,822,600</b>	<b>6.8%</b>	<b>69.5%</b>
<b>UT Universities</b>								
UT Chattanooga	\$63,908,400	\$98,653,100	\$27,900	\$4,604,000	\$4,631,900	\$68,540,300	7.2%	69.5%
UT Knoxville <sup>2</sup>	262,574,900	406,992,500	1,193,800	18,993,600	20,187,400	282,762,300	7.7%	69.5%
UT Martin <sup>2</sup>	36,028,900	55,937,300	223,600	2,610,500	2,834,100	38,863,000	7.9%	69.5%
<b>Subtotal</b>	<b>\$362,512,200</b>	<b>\$561,582,900</b>	<b>\$1,445,300</b>	<b>\$26,208,100</b>	<b>\$27,653,400</b>	<b>\$390,165,600</b>	<b>7.6%</b>	<b>69.5%</b>
<b>Total Colleges and Universities</b>	<b>\$1,169,803,300</b>	<b>\$1,805,927,600</b>	<b>\$604,500</b>	<b>\$84,279,500</b>	<b>\$84,884,000</b>	<b>\$1,254,687,300</b>	<b>7.3%</b>	<b>69.5%</b>
TN Colleges of Applied Technology <sup>2</sup>	\$80,045,700	\$122,577,000	(\$604,500)	\$5,720,500	\$5,116,000	\$85,161,700	6.4%	69.5%
<b>Total Academic Formula Units</b>	<b>\$1,249,849,000</b>	<b>\$1,928,504,600</b>	<b>\$0</b>	<b>\$90,000,000</b>	<b>\$90,000,000</b>	<b>\$1,339,849,000</b>	<b>7.2%</b>	<b>69.5%</b>

1 - Recurring funding. Includes funding of \$7.4M for legislative initiatives. A breakdown of these initiatives by campus is included in Appendix A.

2 - Does not include recurring funds appropriated to the ETSU Gray Fossil Site (\$350K), ETSU Rural Public Health Project (\$750K), TTU College of Engineering (\$3M), UT Knoxville College of Engineering (\$3M), UT Martin Parsons Center (\$200K), UT Martin Selmer Center (\$190K), UT Martin Somerville Center (\$250K), TCATs Correctional Education Investment Initiative (\$426K), and TCAT Staffing Capacity (\$8M).

3 - THEC's community college recommendation is for the sector as a whole. Institutional detail displayed here is for informational purposes only.