



MEMORANDUM

TO: TTU Deans, Department Chairs, Faculty

FROM: Dr. Lawrence Schovanec, President
Dr. Michael Galyean, Provost & Senior Vice President
Noel Sloan, Vice President for Administration & Finance & CFO

DATE: March 27, 2019

RE: FY2020 - Summer Budgets

Historically, summer budgets have been distributed in the Spring term at a set amount. A few years ago, a change was made to distribute summer budgets during the fall term. This distribution was at the historically set amount and not adjusted for additional teaching needs or past history. Summer “above-base” funding has also been in place as an additional funding “call out” from the Office of the Provost in Spring term, which was an attempt to address higher demand for certain courses and programs.

To provide colleges with greater flexibility and pre-planning to continue the growth of summer offerings (both face-to-face and online), we have decided to make a change for the next fiscal year. Thus, beginning with FY2020, what has previously been referred to as “summer budgets” and “above-base budgets” will be added to each college’s base budget and thereby will be available September 1. We will do a one-time adjustment to the amount added to base budgets, calculated as follows:

1. Current summer base budget total is \$5.5 million. Summer above-base budget has ranged between \$1.6 million to \$2 million (2016 and 2018, respectively). Based on these values, we will allocate \$7 million to college base budgets.
2. Allocations to individual colleges will be based on 3-year average of weighted semester credit hour (“WSCH”) to determine “hold-harmless” groups (Summer 2016, Summer 2017, and Summer 2018).
3. Funds will be allocated to “hold-harmless” groups so that the minimum amount added to the college base budget equals that college’s current summer base budget.
4. Remaining funds will be allocated (\$7 million less hold harmless funding) to colleges based on 3-year average of WSCH.

Under this methodology, every college still retains their current summer base budget funding, and colleges that have increased summer WSCH generation will receive increased funding.

An additional amount of funding above the \$7 million will be placed in an incentive, performance-based funding pool to be distributed at the end of each summer term to support growth in WSCH and student success metrics.

We hope that this change will provide colleges the ability to make decisions throughout the year that will increase summer offerings without the need for separate “base” and “summer” and “above-base” funding distributions. Please note that this proposed change is for FY2020. There is no change for Summer 2019, and a memorandum for above-base funding for the upcoming summer will be sent separately in the next few weeks.