

Dear Colleagues:

Governor Lee presented his 2024-25 budget to the 113th Tennessee General Assembly on Monday, February 5, 2024. We have conducted a preliminary analysis of the details of the Governor's Budget, and I wanted to outline how his proposed budget could affect our University operations, if approved by the General Assembly.

Highlights of the budget as they relate to MTSU's institutional needs and priorities are as follows:

- Net operating appropriations for our University, which includes adjustments made through the funding formula, will increase by \$2.4 million.
- The Governor's Budget included partial funding for a 3.0 percent salary pool for MTSU in the amount of \$3.8 million. As in years past, this is only partial funding and the University will need to fund \$2.1 million from our current budget, which will be a challenge. The University will receive an additional \$1.55 million to cover group health insurance premium increases for a partial year.
- The Governor recommended \$50 million in capital maintenance funding for all higher education. Of the thirteen (13) capital maintenance projects submitted by MTSU, only one was funded. The one funded project totals \$2.5 million and will provide upgrades for fire alarm systems, fire sprinkler systems, life safety systems, and all related work across the campus.
- The budget also included \$66.4 million in capital improvement funding for all higher education. The capital project submitted by the University was not included in the budget. The Governor proposed funding only one of the twelve (12) capital projects recommended by THEC.

As the General Assembly moves the Governor's Budget through various committees, I will keep the campus updated on any impact to the University.

Sincerely,
Sidney A. McPhee
President

I AM *true* **BLUE**.

MIDDLE TENNESSEE STATE UNIVERSITY