



Millard Oakley STEM Center

TENNESSEE TECH

MEMORANDUM

TO: President Philip Oldham
TTU President

VIA: Dr. Claire Stinson
Vice President for Planning and Finance

VIA: Dr. Lori Bruce
Provost

VIA: Dr. Lisa Zagumny
Dean of College of Education

FROM: Darek W. Potter
Interim Director of Millard Oakley STEM Center

DATE: March 7, 2019

RE: Request Approval of Increased Fee for STEM Mobile use

[Handwritten signatures and initials]
3/14/19



RECEIVED

MAR 13 2019

PLANNING & FINANCE

The STEM Mobile, operated by the Millard Oakley STEM Center, has been in operation since Fall 2013. The current weekly rental fee of \$2,300/week has been in place since October 2017.

We recently analyzed the STEM Mobile operational data from Fall 2015–Spring 2018. Subsequently, we are requesting approval for a new fee structure that is based upon current data.

The following fee formula was developed using the information provided within the attached worksheet. It should be noted that the formula is based upon a 3-year average STEM Mobile usage of 25 weeks per year.

$$\text{Cost} = \$1,925 + (\# \text{ miles}) * (\$17.88/\text{mile}) + (\# \text{ additional weeks}) * (\$1,515/\text{week})$$

Using the above formula, a one-week STEM Mobile trip to Stone Memorial High School (35 miles away) would be associated with a fee of \$2,550.80. Likewise, a one-week STEM Mobile trip to Cannon County High School (63 miles away) would be associated with a fee of \$3,051.44.

We propose to revisit/adjust the STEM Mobile fee structure every two years to account for variations in usage, insurance, moving company costs, etc.

Weekly Rates based on 25 weeks of active use.	Week 1	Additional Week
STEM Mobile Depreciation: [(Purchase \$250K - value at end of life \$20K) / lifespan 10 yrs = \$20K per year]	\$ 920.00	\$ 920.00
TDOT Inspection: \$275/year	\$ 11.00	\$ 11.00
Insurance: \$3,125/year	\$ 125.00	\$ 125.00
Broadband: \$500/year	\$ 20.00	\$ 20.00
Security: \$500/year	\$ 20.00	\$ 20.00
Maintenance: \$1,300/year	\$ 52.00	\$ 52.00
Technology: \$2,500/year (includes depreciation & new/replacement items)	\$ 100.00	\$ 100.00
Supplies/Consumables: (\$.50 per student at an average of 300 students per week)	\$ 150.00	\$ 150.00
Fuel: \$354 per tank fill up, predicted to last 2 weeks	\$ 177.00	\$ 177.00
Yearly Fixed Cost:	\$ 1,575.00	\$ 1,575.00

Labor Set Up 4 hours @ \$35/hour	\$ 140.00	-
Monitoring 3 hours @ \$35/hour	\$ 105.00	-
Teardown 3 hours @ \$35/hour	\$ 105.00	-
Labor Fixed Cost:	\$ 350.00	-

Subtotal Fixed Costs (Yearly + Labor):	\$ 1,925.00	\$ 1,575.00
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Staff Travel \$.47/mile (Distance x 4: trip includes back-forth delivery & back-forth pickup)	\$ 1.88	-
STEM Mobile Transport \$4.00/mile (Distance x 4: trip includes back-forth delivery & back-forth pickup)	\$ 16.00	-
Subtotal Mileage Unit Cost:	\$ 17.88	-
Distance to Site	X	
Total Mileage Cost:	#VALUE!	

Total Cost (Fixed + Mileage):	#VALUE!	\$ 1,575.00
Cost for 2 weeks:		#VALUE!

Cost Formula = \$1,925 + (# miles)*(\$17.88/mile) + (# additional weeks) + (\$1,515)

# One Way Miles	X
# Additional Weeks	0
Total Cost	#VALUE!