



**Relentlessly focused on increasing the number of
Tennesseans with a postsecondary credential**

POLICY MANUAL

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TENNESSEE HIGHER EDUCATION COMMISSION

POLICY MANUAL

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OVERVIEW

The Tennessee Higher Education Commission is relentlessly focused on increasing the number of Tennesseans with a postsecondary credential. The Commission pursues this goal by innovating for student access and success, creating a policy environment conducive to increased degree attainment, and protecting students and consumers.

The Commission was created in the fall of 1967 by the Tennessee General Assembly to achieve coordination and foster unity in higher education in this state. The Commission is composed of nine voting members appointed from the general public, each serving six-year terms and representing the three Grand Divisions of the state equally; three constitutional officers (Comptroller of the Treasury, State Treasurer, and Secretary of State) who are ex-officio voting members; one voting student member; and the Executive Director of the State Board of Education, as an ex-officio, non-voting member.

The Commission provides leadership in public policy development for higher education in Tennessee, from ensuring fair and equitable funding of the various public institutions to managing growth in a way that ensures the efficiency of state appropriations. A number of policies first implemented by the Commission have been emulated at a statewide level across the country.

Among the Commission's statutory responsibilities are strategic planning for Tennessee postsecondary education; reviewing and approving new academic programs; setting binding tuition ranges for public institutions; developing formulae and recommending the operating and capital budgets for public higher education; providing data and information to the public, institutions, legislature, and state government; and providing authorization for private postsecondary institutions operating within the state. The Commission is also Tennessee's State Approving Agency for the U.S. Department of Veterans Affairs to insure that any postsecondary institution desiring to offer veterans benefits to its students meets the department's standards. The underlying principles of the Commission in the fulfillment of the responsibilities and development of policies are integrity, collaboration, innovation, and excellence.

ACADEMIC POLICIES

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Section Title: Academic Policies

Policy Title: New Academic Programs: Approval Process

Policy Number: A 1.0

1.0.1A

Purpose. Pursuant to Tennessee Code Annotated § 49-7-202(q)(2)(A), the Tennessee Higher Education Commission has the statutory responsibility to review and approve new academic programs for public institutions of higher education in the State of Tennessee. These responsibilities shall be exercised so as to:

- promote academic quality;
- maximize cost effectiveness and efficiency to ensure the benefits to the state outweigh the costs and that existing programs are adequately supported;
- fulfill student demand, employer need, societal, and economic requirements;
- avoid unnecessary duplication and ensure that proposed academic programs cannot be delivered more efficiently through collaboration or alternative arrangements; and
- encourage cooperation among all institutions, both public and private.

These expectations for program quality and viability are underscored by Tennessee Code Annotated § 49-7-202(d)(4)(A)-(C). This statute directs public higher education to:

- address the state's economic development, workforce development and research needs;
- ensure increased degree production within the state's capacity to support higher education; and
- use institutional mission differentiation to realize statewide efficiencies through institutional collaboration and minimized redundancy in degree offerings, instructional locations, and competitive research.

1.0.2A

New Academic Programs Subject to Approval. Programs subject to approval, per this policy, are associate degree programs, baccalaureate degree programs, master's degree programs, and doctoral degree programs.

1.0.2B

Joint Degree Academic Programs. For purposes of this policy, a joint degree academic program is whereby two (2) or more institutions grant a single academic award for completion of an academic program.

For new joint programs that involve the development of a new academic program, a Memorandum of Understanding that clearly outlines program responsibilities and fiscal arrangements among participating institutions must be developed and approved concurrently with the program proposal at each institution.

If any partner institution does not currently offer the academic program for the joint degree, the joint degree program must undergo the new academic program approval process as outlined in this policy.

If two (2) or more institutions create a joint degree program with academic programs that have already been approved at each institution, then the new joint degree program does not need to undergo the new academic program process and would be subject to the Academic Policy A 1.1 – Academic Program Modifications.

1.0.3A1

Criteria for Review. THEC staff consider the following criteria in order to maximize state resources in evaluating academic programs:

- Alignment with the state master plan for higher education and institutional mission – An institution must provide evidence that the proposed academic program aligns with the state’s master plan for higher education and institutional mission, with a focus on leveraging differentiation to realize statewide efficiency of degree offerings, instructional locations, and competitive research.
- Feasibility – An institution must provide documentation that demonstrates the need for the new academic program including student interest, local and regional demand, industry support, and workforce need.
- Institutional capacity to deliver the proposed academic program – Supporting documentation must be included that confirms an institution can deliver the proposed program within existing and projected resources.
- Program costs/revenues – An institution must provide documentation of all new anticipated costs and revenues

associated with the academic program.

1.0.3A2

No Unnecessary Duplication. The THEC Academic Program Inventory provides the initial indication of apparent duplication or undue proliferation of programs in the state. When other similarly titled existing programs may serve the same potential student population, an institution seeking to develop potentially duplicative programs should consult THEC with evidence to demonstrate that a newly proposed academic program is:

- in accord with the institution's distinct mission as approved by the Commission;
- sufficiently different from all related existing programs in the geographical region in quality and/or rigor, costs of degree completion, student success and completion rates, etc.; and
- more cost effective or otherwise in the best interests of the State to initiate a new academic program rather than meet the demand through other arrangements (e.g., collaborative means with other institutions, distance education technologies, and consortia).

1.0.4A

Steps to Establish a New Academic Program. The process in developing a new academic program is multi-staged and includes the following essential steps:

- Letter of Notification (LON)
- New Academic Program Proposal (NAPP)
- External Review
- Institutional Governing Board Approval
- Commission Action

1.0.5 A

Letter of Notification (LON). The LON must address the criteria for review as outlined previously in Sections 1.0.3A1 and 1.0.3A2. The LON should provide clear, supporting documentation that the proposed academic program contributes to meeting the priorities and goals of the institution's academic or master plan; why the institution needs the academic program; and why the state needs graduates from that particular academic program. The submission of the LON must also include a letter from the President or Chancellor signifying support for development of the proposed academic program.

1.0.5B

Evaluation of Letter of Notification (LON). The LON will be posted on the THEC website for a 15 calendar day period for comment by interested parties. Evaluation of the LON will be conducted by THEC

staff and will include consideration of any public comments. The 15 calendar day public comment period may be extended to a maximum of 30 calendar days at the discretion of THEC staff.

THEC staff have the authority to request additional information for the proposed program including, but not limited to, an external, independent feasibility study.

Based on the assessment of the LON both internally, and in relation to external comments, THEC staff will make one of the following determinations and notify the institution within 30 calendar days after the close of the public comment period:

- to support;
- not to support; or,
- to defer a decision based on revision of the LON.

Furthermore, the THEC Executive Director has the authority to refer action on the LON to the Commission for determination if deemed appropriate and/or at the request of the Chairman of the Commission.

1.0.5C

Letter of Notification (LON) Expiration. All approved LONs are valid for two (2) years from the date a determination of support is made. If the Commission has not approved the academic program for implementation within two (2) years from the date a determination of support is made, the LON is no longer valid. An institution can request an extension in writing to the THEC Executive Director if extenuating circumstances have delayed the proposed academic program.

LONs that have been submitted, but not approved, are valid for up to two (2) years based on the original submission date. An institution can request an exception in writing to the THEC Executive Director if extenuating circumstances have delayed the proposed academic program.

1.0.6A

New Academic Program Proposal (NAPP). Institutions are responsible for quality academic program development and THEC encourages the use of external consultants in development of new programs. The NAPP is to be submitted in entirety to THEC in accordance with requirements outlined in the NAPP checklist on the THEC website.

1.0.7A

External Review. External reviewers will be required to serve as expert evaluators for all proposed new academic programs. For doctoral programs, two (2) external reviewers will be required to evaluate the proposed academic program.

THEC will select reviewers from the proposed institutional external reviewer list. Individuals used in the development stage as external consultants may not serve as external reviewers. External reviewers should be selected in alignment with criteria outlined in the Ethical Obligations of Evaluators policy statement for the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC).

In the event no external reviewers proposed by the institution are available or acceptable, THEC staff reserve the right to approve an exception or propose alternative external reviewers and may opt, when appropriate, to authorize a paper review of the proposed academic program rather than a visit to the campus by the external reviewer.

The institution or system office will be notified of the selected reviewers, the review modality, dates of availability of THEC staff, and provide a list of questions for the external reviewer to address during the course of the review. Institutions may add additional questions to the THEC review questions. The external reviewer must provide a written report in response to the questions concurrently to the institution/system office and THEC staff within 30 calendar days of the conclusion of the site visit.

The institution will be responsible for inviting the external reviewer, all scheduling, expenses and contracting with the external reviewer. THEC will provide a summary of the required agenda sessions for the site visit.

1.0.7B **Post-External Review.** After receipt of the external reviewer’s report, an institution must propose solutions to THEC in keeping with best practices for all issues identified by the reviewer.

1.0.8A **Institutional Governing Board Approval.** Prior to inclusion on the Commission agenda, an institution must have received institutional governing board approval in alignment with institutional/system policies regarding new program approval. Approval from the institutional governing board can be attained at any time in the development of the proposed program but documentation of approval must be provided prior to Commission consideration.

1.0.9A **Request for Inclusion on Commission Agenda.** Once all requirements of the multi-stage process have been satisfied, THEC staff will notify the institution/system that they are able to request inclusion on the next Commission agenda.

1.0.10 **A Commission Action.** Proposed academic programs supported by THEC staff and approved by the institutional governing board will be presented to the Commission for action at the earliest possible scheduled

meeting.

Commission action on a given academic program may take one (1) of four (4) actions:

- approval
- disapproval
- conditional approval
- deferral

Conditional approval may be granted in special cases. This type of approval is reserved for academic programs for which the need is temporary. Conditional approvals will identify a date that the academic program must be terminated.

1.0.10B

Advertisement of New Academic Program. New academic programs may not be advertised by any public institution prior to approval by the Commission unless exceptional circumstances require special consideration. Requests for special consideration shall be submitted in writing after a determination of support has been made following post- external review. Requests for special consideration must be approved by the THEC Executive Director. Students may not apply or be admitted to any program prior to final approval by the Commission.

1.0.10C

Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) Action. If a new program requires SACSCOC approval, the institution must notify the THEC Chief Academic Officer in writing within 90 days of receipt of the approval or denial from SACSCOC.

If SACSCOC denies approval for the new academic program, the institution must notify the THEC Chief Academic Officer that it will appeal the SACSCOC decision or withdraw the program within 90 days from SACSCOC's denial.

1.0.11A

Approval of New Tennessee Board of Regents (TBR) Community College Programs. New TBR community college associate degree programs are subject to the criteria for review and accountability set forth in Section 1.0.3A1 of this policy. These guidelines must be the basis for TBR staff review and governing board approval.

After final approval by TBR of a new associate degree program, TBR must submit a written request for the program to be included on the next Commission agenda for approval. The request must include documentation of governing board approval and all new academic program approval materials. Prior to inclusion on the Commission agenda, THEC staff will review new program approval materials to ensure completeness and alignment with Section 1.0.3A1 of this policy. Those new degree programs that are submitted with complete documentation and are confirmed to be in

alignment with Section 1.0.3A1 will be included on the next Commission meeting agenda.

While new certificates and replicated associate degree programs at TBR community colleges are not subject to this policy, they are subject to academic program inventory notification as outlined in Section 1.0.10B and post-approval monitoring requirements as outlined in Section 1.0.11A.

Academic program replication is defined as the addition of an associate degree program at a TBR community college that has already been approved and is active at one (1) or more TBR community colleges.

1.0.11B **TBR Academic Program Inventory Notification.** TBR will provide a monthly summary report to THEC of all community college program actions approved by TBR, including those programs not subject to this policy. THEC will list all approved community college and certificate programs and reported changes on the THEC Academic Program Inventory.

1.0.12A **Post-Approval Monitoring.** Post-approval monitoring is an annual process by which academic programs are evaluated and is initiated when a new program receives approval by the Commission or is reported through TBR academic program inventory notification. Performance of academic programs, based on goals established in program approval documentation, will be evaluated by THEC annually. The monitoring period will be three (3) years for pre-baccalaureate programs, five (5) years for baccalaureate and master's programs, and seven (7) years for doctoral programs. While the program is in post- approval monitoring, any changes that would affect the academic program inventory related to the approved program will need to be submitted in writing to THEC staff for consideration.

THEC staff may choose to extend the monitoring period if additional time is needed for the program to demonstrate success on program benchmarks. Annually, the Commission will review post-approval monitoring reports on academic programs that are currently being monitored, including information on those programs not meeting program benchmarks. Additionally, pursuant to Tennessee Code Annotated § 49-7-202(q)(1)(B), the Commission may recommend to the President/Chancellor that a program be terminated if it is deemed unnecessarily duplicative. Copies of such recommendations will be forwarded to the Education Committees of the General Assembly.

Upon completion of post-approval monitoring, academic programs will be evaluated via Quality Assurance Funding, which is a statewide supplemental funding incentive to encourage continuous improvement of academic programs.

Sources: THEC Meetings: April 22, 1988; January 29, 1997; November 14, 2002; January 27, 2011; July 28, 2011; January 29, 2015; January 26, 2017; January 25, 2019; July 28, 2022; and January 27, 2023; and January 25, 2024.

Section Title: Academic Policies
Policy Title: Academic Program Modifications
Policy Number: A 1.1

1.1.1 A Program Modifications Subject to Approval. The Tennessee Higher Education Commission (THEC) Executive Director will have approval authority for modifications to currently approved academic programs as reflected in THEC's Academic Program Inventory (API). Should the Executive Director determine a proposed Academic Program Modification would be more appropriately evaluated as a new academic program under Academic Policy A1.0 – New Academic Programs: Approval Process, which would be then considered for approval by the Commission.

1.1.2 A Modifications to Currently Approved Programs. Modifications requiring approval from THEC are limited to the following changes and may require an external review if deemed necessary by THEC staff:

- Adding an academic program degree designation to an existing program (e.g., adding a B.A. to an existing B.S.).
- Changing an academic program degree designation (e.g., B.A. to B.F.A; M.A. to M.F.A.; Ed.D. to Ph.D.).
- Changing the six-digit Classification of Instructional Program (CIP) code for an approved academic program.
- Establishing a free-standing academic program from an existing concentration that has demonstrated steady enrollment and graduation numbers for a period of the last three (3) years. This program modification may be considered only if the establishment of the concentration as a free-standing academic program does not compromise the remaining academic program and requires limited new resources.
- Consolidating two (2) or more existing academic programs into a single academic program.

- Creating a joint degree program consisting of academic programs that are already approved at each participating institution.

1.1.3 A **Criteria for Review of Proposed Program Modifications.** The Academic Program Modification (APM) checklists located on the THEC website specify the criteria for each type of academic program modification. However, the stringency of individual criteria will depend on the specific academic program, and, in particular circumstances, other criteria may be added based on THEC staff evaluation

1.1.4 A **Duplication as a Result of Proposed Modification of Currently Approved Programs.** Institutions must examine the potential impact of any academic program modification on current academic programs offered within their institution and existing academic programs offered in public and private institutions across Tennessee to ensure the program modification would not be unnecessarily duplicative.

1.1.5 A **Quality Assurance Funding.** Newly approved academic program modifications will be subject to Quality Assurance Funding, which is a statewide supplemental funding incentive to encourage continuous improvement of academic programs.

1.1.6 A **Program Modifications to Currently Approved Programs at Tennessee Community Colleges.** Modifications of academic programs offered at the community colleges are not required to seek approval from THEC for program modifications but must be reported monthly by the Tennessee Board of Regents (TBR) to THEC staff.

Sources: THEC Meetings: April 22, 1988; April 19, 1996; January 29, 1997; November 14, 2002; April 26, 2007; January 27, 2011; January 29, 2015; January 26, 2017; and July 28, 2022.

Section Title: Academic Policies

Policy Title: Extensions of Existing Programs

Policy Number: A1.2

- 1.2.10 **Extensions Subject to Approval.** An extension subject to approval is a full degree program or full certificate program (as described in 1.2.10A below) that will be extended to an off-campus Tennessee location that is at least 30 miles distant from the parent campus and where all courses needed for the program will be available.
- 1.2.10A **Program Threshold.** If the program to be extended would not require Commission approval as a new program (e.g., an undergraduate certificate program of less than 24 hours), Commission approval is not required for the extension.
- 1.2.10B **Notice.** Prior to governing board consideration of an extension that the governing board staff sees as below the threshold in 1.2.10A above, notice should be given the Commission staff. In the event the Commission staff interprets the extension as requiring Commission approval, prompt arrangements will be made to discuss the extension with the institution and its governing board staff for a determination of applicable policy.
- 1.2.20 **Criteria for Review.** The criteria set out in Provisions 1.2.20A - 1.2.20P will generally be used in reviewing new extension proposals. However, the stringency of individual criteria may depend on the specific extension and, in particular circumstances, other criteria may be added. References in these provisions to certain institutional policies, such as overall admissions standards, does not mean that such policies need to be approved by the Commission.
- 1.2.20A **Mission.** Extension goals should adhere to the role and scope of the institution as set forth in its approved mission statement as part of the current State master plan adopted by the Commission.
- 1.2.20B **Curriculum.** The curriculum for the extension should be the same as that for the program on the main campus.
- 1.2.20C **Academic Standards.** The admission, retention, and graduation standards for the extension should be the same as those for the program offered on the parent campus.

- 1.2.20D **Faculty.** Faculty for the extension should, if at all possible, be regular institutional faculty. Whenever regular faculty will not be used for the extension, those who are used should be hired by the established institutional processes for hiring part-time or adjunct faculty.
- 1.2.20E **Library Resources.** The library resources for the extension that are available on-site or in reasonably close proximity should be at least comparable to those for the program on the parent campus.
- 1.2.20F **Administration and Student Support.** The extension should have continuing administration and student support on-site through the presence of full-time and part-time administrators, adequate clerical staff, and professional counselors to assist in career planning and job placement.
- 1.2.20G **Special Resources.** When programs are extended that require special resources, such as laboratories or particular computing capabilities, these resources should be available on-site at the level at least comparable to the level provided for the program on the parent campus.
- 1.2.20H **Facilities.** Facilities for the extended program should meet the standards of the Southern Association of Colleges and Schools and applicable professional accrediting bodies. Whenever possible extended programs should be housed in facilities donated without cost to the institution or in rented facilities, as opposed to facilities that must be purchased by the institution.
- 1.2.20I **Student Demand.** Provision 1.1.20I applies to the extension but with less documentation required.
- 1.2.20J **Employer Need.** Provision 1.1.20I applies to the extension but with less documentation required.
- 1.2.20K **No Unnecessary Duplication.** The institution should demonstrate that other similar programs offered by public or private institutions are not sufficiently available to the student population to be served. In particular, sufficient notice must be given to appropriate public institutions within 30 miles of the site for the extension to permit them opportunity to offer the program.
- 1.2.20L **Cooperating Institutions.** Provision 1.1.20K applies to the extension.
- 1.2.20M **Diversity.** Provision 1.1.20L applies to the extension.

1.2.20N **Lower Division Programs.** Universities should not extend lower division programs, except where the extension site is closer to the university than to a 2-year campus or where every 2-year campus that is closer is also unable or unwilling to offer the program.

1.2.20O **Telecommunications.** (Reserved)

1.2.20P **Cost/Benefit.** The benefit to the State should outweigh the cost.

Approved: April 22, 1988

Revised: January 29, 1997

Revised: November 14, 2002

Section Title: Academic Policies
Policy Title: New Academic Units
Policy Number: A 1.3

1.3.1 A **Purpose.** Pursuant to Tenn. Code Ann. § 49-7-202(q)(2)(A), the Tennessee Higher Education Commission (THEC) has the statutory responsibility to review and approve new academic departments or divisions at public universities and community colleges. Pursuant to Section VII of the Rules of Procedure, the Executive Director shall be empowered to act for the Commission in the interim when the Commission is not in session.

1.3.2 A **Definition of Academic Units.** Academic units include, but are not limited to, colleges, departments, institutes, schools, and other divisions that house at least one academic program including degrees, certificates, and minors.

1.3.3 A **Approval Process for New Academic Units** - Following proper institutional approval, a public community college or university seeking to establish a new academic unit shall submit a written request to THEC's Executive Director. The request shall be in alignment with Section 1.3.4A and include all required materials as outlined in the New Academic Units Checklist available on the THEC website.

1.3.4 A **Criteria for Review.** Proposals for new academic units will be evaluated on the following criteria:

- Feasibility of the new academic unit
- Alignment with the Tennessee State Master Plan for Higher Education and institutional mission
- Required investment for new and/or renovated facilities
- Overall costs associated with the new academic unit

1.3.5 A **Modifications to Existing Academic Units.** Any changes, with the exception of a name change, to existing academic units must be submitted to THEC for review and approval.

1.3.5B **Name Changes of Academic Units.** For purposes of maintaining accurate records, institutions renaming an existing academic unit shall submit written notification to THEC prior to the name change taking effect.

Sources: THEC Meetings: April 22, 1988; January 29, 2015; January 26, 2017; and January 27, 2023.

Section Title: Academic Policies
Policy Title: Off-Campus Instruction – Community Colleges and Universities
Policy Number: A 1.4A

1.4A.1A **Scope and Purpose.** Pursuant to T.C.A. §49-7-202(q)(3), the Tennessee Higher Education Commission (THEC) is to review and approve or disapprove all proposals for off-campus locations at public institutions, including the community colleges and universities.

The Commission will take action on proposed off-campus centers at Commission meetings. The Commission delegates the authority for review and approval of off-campus sites to the Executive Director. The Executive Director maintains the discretion to refer an off-campus site to the Commission for approval.

This policy fulfills the Commission's charge to develop policies and procedures for the purpose of reviewing and approving off-campus locations at community colleges and universities. In cases where a Tennessee College of Applied Technology (TCAT) is considered a part of a community college, as is the case with TCAT Chattanooga and Chattanooga State Community College, the joint institution will be considered under this policy.

1.4A.2A **Definitions.**

Off-Campus Center --is a location that is geographically apart from the main campus where students can enroll and complete academic programs. There must be a continuing administrative presence, evidenced by at least one full- time or part-time administrator housed on-site.

Off-Campus Site – is a physical space that is used to offer credit enrollment. Some examples of typical offerings at off-campus sites include, dual enrollment or dual credit offerings; workforce development opportunities; and short-term, specific instructional needs. An off-campus site does not offer all courses necessary to complete an academic program.

Academic Program – is one that culminates in a certificate (academic, technical, or graduate); associate degree, bachelor's degree, or graduate degree (master's, professional, or doctorate).

1.4A.3A **Locations Subject to Approval.** Proposals for off-campus centers and off-campus sites will be subject to review and approval under this policy. Proposal formats appropriate to the following requested action are available on the THEC website:

- Establish an Off-Campus Center; and
- Establish an Off-Campus Site.

1.4A.4A **Exclusions to the Off-Campus Instruction Policy.** The following offerings and/or locations are excluded from this off-campus location policy for both off-campus centers and off-campus sites:

- Non-credit coursework;
- Continuing education coursework;
- On-line offerings, unless the student is required to be at the location (synchronously or asynchronously) to receive instruction
- Study abroad coursework; and
- Clinical, practice, and student teaching locations.

1.4A.5A **Off-Campus Center**

1.4A.5A1 Letter of Notification. A Letter of Notification (LON) informing THEC of a proposal to establish a new off-campus center is required at least 90 days in advance of any facilities acquisition, including lease execution and/or presentation to the State Building Commission or State Architect. In extenuating circumstances, the Executive Director maintains the discretion to review a LON within a shorter timeperiod.

The LON must include signatures and approvals from the President of the institution and a system representative (where applicable). The establishment of off-campus centers must be consistent with and reference the most recently approved campus master plan and institutional mission profile approved by THEC. Upon review and approval by the Executive Director, the institution and system can move forward with the proposed off-campus center request.

1.4A.5A2 Criteria for Review of Off-Campus Centers. THEC considers the following criteria in order to maximize state resources in evaluating the establishment of off-campus center locations:

- **Needs Assessment** – Proposal requires supporting documentation of need for the new off-campus center that justifies institutional allocation/reallocation of state resources. The proposal must document the following:
 - Community or industry support,
 - A description of the target population; and,
 - How the proposed center contributes to the state’s higher education completion agenda.
- **Sustainable Demand** – Proposal requires a projected headcount and full-time equivalent enrollment in the location’s initial year and over the following four (4) academic years.
- **Operational Costs and Revenues** – Proposal requires supporting documentation detailing program costs and revenues associated with the proposed location. Projected costs include but are not limited to items such as leasing agreements, square footage and renovated space, equipment, utilities, instructional resources, administrative and faculty salaries, and all other items deemed necessary by the Commission. Revenues include but are not limited to items such as tuition and fees, state appropriations, and sales and services.
- **Existing Off-Campus Centers** – In the event an institution has an existing

off-campus center and another institution proposes an off-campus center at the same location, the two institutions are required to document any communications and agreements related to the proposed off-campus center request to the THEC staff. THEC staff will review the request and will render a recommendation for approval or denial. If approved, an off-campus center code will be provided for the institution with the proposed off-campus center.

- **Facilities** – Facilities planned or in place for the off-campus location should be appropriate for the enrollment and type of academic programs offered. In particular, facilities should meet the standards of SACSCOC, and other applicable accrediting and regulating agencies. Whenever the establishment or upgrading of a location requires substantially new facilities, which may or may not include a land purchase, the community should be willing to provide the site, access to all necessary utilities, highways, and access roads, and make a substantial contribution towards the initial planning and construction of the location. The leasing or acquisition of space or land is subject to approval by THEC and the State Building Commission and must comply with current State laws set forth in Tennessee Code Annotated §§12-1-106, - 107 or §§12-2-114 - 115, State Building Commission policy, and THEC policy numbers F4.1 - Master Plans and F4.2 - Lease Space Funding and License Agreements.
- **Administration** – Plans for administration of the off-campus center should be appropriate for the enrollment and character of the academic programming offered.

1.4A.5A3

Commission Action. Proposed off-campus centers approved by institutional or governing boards and recommended by THEC staff will be presented to the Commission for action at the earliest possible scheduled meeting.

In keeping with SACSCOC principles and federal requirements for truth in-advertising, students may not enroll in any new off-campus center nor may any off-campus center be advertised by any public institution prior to approval by the Commission to implement.

- 1.4A.5A4** **Major Changes to Off-Campus Centers.** Institutions must notify THEC of any major changes to the academic program offerings at an off-campus center at least one semester prior to the change. Changes include:
- Adding new academic programs (see THEC Policy A1.5 – Academic Actions Notification)
 - Extending existing academic programs (see THEC Policy A1.2 – Extension of Existing Academic Programs); and,
 - Inactivating and/or terminating academic programs (see THEC Policy A1.5 – Academic Actions Notification).

1.4A.6A **Off-Campus Sites**

1.4A.6A1 **Criteria for Review of Off-Campus Sites.** An off-campus site is a physical space that is used to offer course credit. Some examples of typical offerings at off-campus sites include dual enrollment or dual credit offerings; workforce development opportunities; and short-term, specific instructional needs. The Commission considers the following criteria in order to maximize state resources in evaluating the creation and operation of off-campus sites:

- **Need** – Proposal requires supporting documentation of need for the new off-campus site that justifies institutional allocation/reallocation of state resources.
- **Demand** – Proposal requires projected headcount and full-time equivalent enrollment in the first semester and first year.
- **Operational Costs and External Support** – Proposal supporting documentation detailing operational costs associated with the proposed location, as well as a short narrative around any expenses and resources, including any cost sharing agreements with business or school systems.

1.4A.6A2 **Executive Director Review.** The Commission delegates the authority for review and approval of off-campus sites to the Executive Director. The Executive Director maintains discretion to refer an off-campus site request to the Commission for approval.

1.4A.7A1 **Review of Off-Campus Locations.** THEC will monitor off-campus location enrollments every three (3) years to determine that enrollments are continuous and to identify any potentially low-enrollment locations. During this review, THEC will request all institutions operating off-campus locations to provide updates in the event of any major change in offerings (e.g., shifting the purpose of a center or site from training teachers to dual enrollment) or increases and/or decreases in enrollment of twenty-five percent or more. THEC reserves the right to request an institution submit a new request for an off-campus location code in the event of a major change in offerings.

1.4A.7A2 **Phase-Out and Closing of Off-Campus Locations.** THEC may recommend that an institution and/or governing board phase out and close off-campus locations that experience low enrollment over time. Institutions and/or governing boards will have an opportunity to provide a justification for the lack

of enrollment and request that the location remain active until the next review period.

1.4A.7A3

No Unnecessary Duplication. THEC will not approve the establishment of an off-campus location if the proposed delivery of instructional services could reasonably occur through existing institutions or other off-campus locations.

It is expected that institutions and/or systems will resolve any conflicts between the institutions impacted by the proposed off-campus location submission prior to submission of the off-campus location request to THEC.

An institution contemplating the creation of an off-campus location, outside the county of its main campus or the contiguous county must review the THEC off-campus inventory to avoid duplication. The institution must communicate its proposal to the impacted institution(s) in writing prior to the submission of the proposal to THEC. Impacted institutions will have 10 business days to review and provide feedback to the requesting institution. Requesting institutions shall document any communications and agreements with impacted institutions in the off-campus request to THEC. Impacted institutions should also submit any unresolved objections to the proposed off-campus location to the THEC Executive Director.

1.4A.8A

This policy will be reviewed every five (5) years unless changes in off-campus location requirements are warranted.

Sources: THEC Meetings: April 22, 1988; November 14, 2002; July 26, 2007; July 27, 2017, and January 28, 2022.

Section Title: Academic Policies
Policy Title: Off-Campus Instruction – Tennessee Colleges of Applied Technology
Policy Number: A 1.4B

Scope and Purpose. Pursuant to T.C.A. §49-7-202(q)(3), the Tennessee Higher Education Commission (THEC) is to review and approve or disapprove all proposals for off-campus locations at public institutions, including the Tennessee Colleges of Applied Technology (TCATs). The Commission grants the authority for review and approval to the Executive Director. The Executive Director maintains the discretion to refer an off-campus location to the Commission for approval.

This policy fulfills the Commission’s charge to develop policies and procedures for the purpose of reviewing and approving off-campus locations at the TCATs. This policy is specific to locations offering diploma credit. The policy will adhere to the Council on Occupational Education (COE) definitions as it relates to off-campus instruction. The COE is the accrediting body for the TCATs. In cases where a TCAT is considered a part of a Community College, as is the case with TCAT Chattanooga and Chattanooga State Community College, the joint institution will be considered under the Off-Campus Instruction - Community Colleges and Universities Policy (A 1.4A).

1.4B.2A

Definitions.

Diploma Credit – is coursework for credit towards a diploma and is only applicable to off-campus locations.

Instructional Service Center is a temporary or permanent location that serves employers and the public for the delivery of programs or portions of programs to meet a critical or sustained need. An instructional service center must be a joint venture between the institution and an employer or another educational agency. The occupational program at an instructional service center must be under the direct control of the main campus and located within the geographic service area designated by the governing board of the institution. Appropriate student services must be available on-site, and the full range of services must be made accessible to participating students at the main campus.

Extension Campus is a subordinate location within a fifty-mile radius site of the main campus. Direct supervision and control are provided from the main campus, and the staff is limited primarily to instructors and support staff. All programs of an extension campus must meet the educational requirements of the main campus and comply with its operational policies”.

Branch Campus-is a subordinate location of the main campus, operating under the supervision of a full-time, on-site, local administrator who reports to the chief administrative officer at the main campus. The branch campus

must meet all educational requirements and comply with the operational policies of the main campus”.

Off-Campus Site – is a physical space that is generally used to offer credit enrollment. Some examples of typical offerings at off-campus sites include: dual enrollment or dual credit offerings; workforce development opportunities, and short-term, specific instructional needs.

1.4B.3A1

Locations Subject to Approval. Proposals for instructional service centers, extension campuses, branch campuses, and off-campus sites will be subject to review and approval under this policy. Proposal formats appropriate to the following requested actions are available on the THEC website:

- Establish an Off-Campus Instructional Service Center, Extension Campus, or Branch Campus.
- Establish an Off-Campus Site.

1.4B.3A2

Criteria for Review of an Instructional Service Center, an Extension Campus, and a Branch Campus. THEC considers the following criteria, to maximize state resources, in evaluating the establishment of an off-campus Instructional Service Center, Extension Campus or Branch Campus locations at TCATs:

- **Needs Assessment** – Proposal must include supporting documentation of need for the new off-campus location that justifies institutional allocation/reallocation of state resources.
- **Sustainable Demand** – Proposal must include supporting documentation of anticipated enrollment in the location’s initial year and over the following four (4) academic years.
- **Operational Costs and Revenues** – Proposal must include supporting documentation detailing program costs and revenues associated with the proposed location. Projected costs include but are not limited to items such as leasing agreements, square footage and renovated space, equipment, utilities, instructional resources, faculty salaries, and all other items deemed necessary by the Commission. Revenues include but are not limited to items such as tuition and fees, state appropriations, and sales and services.
- **Facilities** – Facilities planned or in place for the off-campus location should be appropriate for the enrollment and character of programs offered. In particular, facilities should meet the standards of COE, and other applicable accrediting and regulating agencies. Whenever the establishment or upgrading of a location requires substantially new facilities, which may or may not include a land purchase, the community should be willing to provide the

site, the access to all necessary utilities, highways, and access roads, and make a substantial contribution towards the initial planning and construction of the location. The leasing or acquisition of space or land is subject to approval by THEC and the State Building Commission and must comply with current state laws set forth in T.C.A. §§12-1-106, - 107 or 12-2-114 - 115, State Building Commission policy, and THEC policy numbers F4.1 - Master Plans and F4.2 - Lease Space Funding and License Agreements.

1.4B.3A3

Criteria for Review of Off-Campus Sites. An off-campus site is a physical space that is generally used to offer credit enrollment. Some examples of typical offerings at off-campus sites include: dual enrollment or dual credit offerings, workforce development opportunities; and short-term, specific instructional needs. The Commission considers the following criteria to maximize state resources in evaluating the creation and operation of off-campus sites:

- **Need** – Proposal requires supporting documentation of need for the new off- campus site that justifies institutional allocation/reallocation of state resources.
- **Demand** – Proposal requires supporting documentation of anticipated enrollment at the location.
- **Operational Costs and External Support** – Proposal requires supporting documentation detailing program costs associated with the proposed location, as well as a short narrative around any shared expenses and resources.

1.4B.4A1

Review of Off-Campus Locations. THEC will monitor off-campus location enrollments every three (3) years to determine that enrollments are continuous and identify any potentially low-enrollment locations.

1.4B.4A2

Phase-Out and Closing of Off-Campus Locations. THEC may recommend to the Tennessee Board of Regents (TBR) the phase out and closure of off-campus locations that experience low enrollment over time. TBR and TCATs will have an opportunity to provide a justification for the lack of enrollment and request that the location remain active until the next review period. TBR and TCATs should notify THEC of off-campus locations requiring inactivation every three (3) years.

1.4B.5A1

No Unnecessary Duplication. THEC will not approve the establishment of an off-campus location or site if the proposed delivery of instructional services could reasonably occur through existing TCATs or other off-campus locations.

1.4B.5A2

Service Area. If a proposed off-campus location is in the service area of another institution, it is expected that TCATs will communicate with relevant institutions to coordinate off-campus offerings. TBR will resolve any service area conflicts between TCATs and community colleges prior to submission of the off-campus location request to the Commission.

1.4B.6A

This policy will be reviewed every five (5) years unless changes in off-campus location requirements are warranted.

Sources: THEC Meetings: July 27, 2017 and January 28, 2022.

Section Title: Academic Policies
Policy Title: Academic Actions Notification
Policy Number: A1.5

1.5.1 A **Purpose.** This policy establishes a process for identifying academic actions that must be submitted by public institutions to maintain the accuracy of the state’s Academic Program Inventory (API). In alignment with the statutory responsibility of the Tennessee Higher Education Commission (THEC) to review and approve new academic programs, THEC staff maintain the API. The API includes a listing of all academic programs by degree designations, associated concentrations, credit hours, off-campus locations, delivery modes, access to Academic Common Market, and other fields. To maintain the accuracy of the API, institutions must notify THEC of academic program actions as specified in this policy.

1.5.2 A **Academic Actions Subject to Notification.** This policy applies to academic actions at all public universities, community colleges, and colleges of applied technology for authorized academic programs regardless of program level. After initial academic program approval, subsequent revisions must be reported to, and reviewed by, THEC staff for inclusion in the API. Academic program actions eligible for reporting after campus approval processes are met include:

- Establishment of a certificate program.
- Name change of an existing academic program. Name changes must retain the current National Center for Education Statistics (NCES) Classification of Instructional Programs (CIP) code and be aligned with the corresponding definition.
- Name change of an existing concentration within an academic program.
- Establishment of a new concentration within an existing academic program.
- Change (increase or decrease) in the number of hours of an existing academic program.

- Extension of an existing academic program to an approved off-campus center.
- Change to the primary delivery mode for an existing academic program. The extension to 100 percent off-campus delivery requires additional action if the location of delivery is to be converted from an off-campus site to a center.
- Inactivation of an existing academic program or concentration. If the inactivated academic program or concentration is not reactivated within a period of three (3) years, the academic program or concentration will automatically be terminated and removed from the API.
- Reactivation of an academic program or concentration that was placed on inactivation within the past three (3) years. The date of inactivation and the date of the proposed reactivation must be provided.
- Termination of an academic program or concentration. A teach-out plan should accompany the notification of termination. As the immediate interests of currently enrolled students and faculty are impacted by the termination of an academic program or concentration, timely communication of this decision to students and faculty is important.

1.5.3 A

Notification Schedule. All public universities will be responsible for notifying THEC staff of all institutionally approved academic program actions as outlined in section 1.5.2A no later than:

- May 15 for all actions approved between January 1 and April 30
- August 15 for all actions approved between May 1 and July 31
- January 15 for all actions approved between August 1 and December 31

The Chief Academic Officer at each university will submit all academic program actions designating that each action has been approved through appropriate institutional and/or governing board processes. Chief Academic Officers may also submit

academic actions as outlined in section 1.5.2A outside these reporting dates. Institutions will use THEC's notification reporting protocol as provided on THEC's website.

The Tennessee Board of Regents (TBR) is charged with notification to THEC staff for all community college and colleges of applied technology academic program actions. TBR will provide a monthly summary report to THEC staff of all community college and colleges of applied technology program actions approved by TBR.

Source: THEC Meeting: January 26, 2017, and July 28, 2022

Section Title: Academic Policies

Policy Title: Expedited Academic Programs: Approval Process

Policy Number: A 1.6

1.6.1A **Purpose.** The primary goal of an expedited approval process is to decrease the time of approval for new academic programs which meet workforce, economic, or other state needs while still assuring quality, student demand, uniqueness, and institutional capacity to deliver the proposed program.

1.6.2A **Programs Subject to Approval.** Academic programs considered in high demand will be eligible for an Expedited Academic Program Approval Process. Examples of high demand programs could include:

- Science, Technology, Engineering, and Mathematics (STEM) programs as identified via CIP classification in the Expedited Academic Programs Checklist available on the THEC website
- High demand programs as established in the THEC Academic Supply and Occupational Demand Report
- Programs created in response to demonstrated workforce needs

Doctoral programs and programs which require notification of substantive change to the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) will not be eligible for expedited approval.

1.6.3A **Expedited Approval Process.** The process to develop a new academic program once approved as a high demand program is as follows:

- Expedited Letter of Notification
- Expedited New Academic Program Proposal
- External Review
- Institutional Governing Board Approval
- Commission Action

1.6.4A **Expedited Letter of Notification (ELON).** A formal request must be submitted to the THEC Executive Director by the President/Chancellor of the institution or system office for a new academic program to be considered for the Expedited Academic Approval Process and should include justification as to why the program should be considered for expedited academic program approval. A response will be provided to approve, disapprove, or require additional information.

If approved, the proposed program will be posted on the THEC website for a ten (10) calendar day period for comment by interested parties. At the close of the ten (10) calendar day comment period, THEC will review all comments

and documents in order to identify issues relative to criteria identified in Sections 1.0.2A1 “Criteria for Review” and 1.0.2A2 “No Unnecessary Duplication” in accordance with THEC Academic Policy A 1.0: New Academic Programs: Approval Process.

The ten (10) calendar day public comment period may be extended to a maximum of 20 calendar days per the discretion of THEC staff.

1.6.5A

Expedited New Academic Program Proposal (ENAPP).

In accordance with THEC Academic Policy A 1.0: New Academic Programs: Approval Process, institutions are responsible for quality academic program development. The ENAPP is to be submitted in entirety to THEC and should follow guidelines as outlined on the checklist for Expedited Academic Programs posted on the THEC website.

1.6.6A

External Reviewers. External reviewers will be required to serve as expert evaluators for all proposed academic programs. THEC will select reviewers from the proposed institutional external reviewer list. Individuals used in the development stage as external consultants may not serve as external reviewers. External reviewers should be selected in alignment with criteria outlined in the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) Ethical Obligations of Evaluators Policy Statement.

In the event no external reviewers proposed by the institution are available or acceptable, THEC staff reserve the right to approve an exception or propose alternative external reviewers and may opt, when appropriate, to authorize a paper review of the proposed academic program rather than a visit to the campus by the external reviewer(s).

1.6.7 A

External Review. The institution or governing board will be notified of the selected reviewers, the review modality, dates of availability of THEC staff (if relevant) and provided a list of questions for the external reviewer to address during the course of the review. Institutions may add additional questions to the THEC review questions. The external reviewer must provide a written report in response to the questions concurrently to the institution/governing board and THEC within 30 calendar days of the conclusion of the external reviewer’s visit.

The institution will be responsible for inviting the external reviewer(s), all scheduling, expenses and contracting with the external reviewers. THEC staff will provide a summary of the required agenda sessions for the external reviewer’s visit.

1.6.8A

Post-External Review. After receipt of the external reviewer’s report, an institution must propose solutions to THEC in keeping with best practices

for all issues identified by the reviewer.

1.6.9A **Commission Action.** Proposed academic programs supported by THEC and approved by the institutional governing board will be presented to the Commission for action at the earliest possible scheduled meeting.

Programs may not be advertised by any public institution prior to approval by the Commission unless exceptional circumstances require special consideration. Requests for special consideration shall be submitted in writing and will only be accepted after a determination of support has been made following post-external judgment as described in paragraph 1.0.10A above. Requests for special consideration must be approved by the Executive Director.

Students may not be admitted to any program prior to final approval by the Commission.

1.6.10A **Post-Approval Monitoring.** Performance of new academic programs, based on goals established in documentation submitted at the time of approval, will be evaluated by THEC annually. Post-approval monitoring is initiated when a new expedited program receives approval by THEC Executive Director or the Commission. The monitoring period will be three years for pre-baccalaureate programs, five years for baccalaureate and Master's programs, and seven years for doctoral programs. Upon completion of post-approval monitoring, academic programs will be evaluated via Quality Assurance Funding – a statewide supplemental funding incentive to encourage continuous improvement of programs. THEC staff may choose to extend the monitoring period if additional time is needed for the program to demonstrate success on program benchmarks. Annually, the Commission will review post-approval reports on academic programs that are currently being monitored. If an academic program is deemed deficient, the Commission may recommend to the President/Chancellor that the program be terminated. Copies of such recommendations will be forwarded to the Education Committees of the General Assembly.

Source: THEC Meetings: July 23, 2020; and January 25, 2024.

Section Title: Academic Policies

Policy Title: Quality Initiatives

Policy Number: A2.0

2.0.10 **Scope and Purpose.** The scope and purpose of policies in this subsection are derived from the 1967 Legislative Act creating the Commission, the Comprehensive Education Reform Act of 1984, the Commission’s own determination to establish a comprehensive policy framework for the continued improvement of public institutions of higher education, and, particularly, their faculty, students, programs and libraries and other facilities. In keeping with these mandates, the Commission has undertaken certain responsibilities for the following quality initiatives funded at Tennessee public postsecondary institutions.

Performance Funding for formula-funded degree institutions
Centers of Excellence for universities
Centers of Emphasis for 2-year institutions
Chairs of Excellence for universities
Ned McWherter Scholars Awards
Instructional and Research Equipment
Vocational Improvement Equipment

In discharging these responsibilities, the Commission will endeavor to focus the activities of higher education in the state.

2.0.20 **Funding.** The Commission will recommend funding for each of the quality initiatives according to the following formats.

2.0.20A **Performance Funding.** The Commission staff will review institutional reports for each fiscal year as part of the annual budget process and the Performance Funding supplement will be based on that review.

2.0.20B **Centers of Excellence.** The Commission staff will review funding requests as part of the annual budget process, and the Commission’s recommendation for each Center will be based on that review and recommendations to the Commission by the governing boards. A rigorous external review of Centers will be undertaken periodically, and this review will also influence funding recommendations.

- 2.0.20C **Centers of Emphasis.** The Commission staff will review funding requests as part of the annual budget process, and the Commission's recommendation for each Center will be based on that review and recommendations to the Commission by the State Board of Regents.
- 2.0.20D **Chairs of Excellence.** As part of the annual budget process, the Commission will recommend a total amount of new endowed funds to be designated for Chairs. Whenever a governing board recommends a Chair for a specific institution, the Commission will comment on the suitability of the Chair and transmit its comments to the General Assembly.
- 2.0.20E **Ned McWherter Scholars Awards.** As part of the annual budget process, the Commission will recommend a total amount of new endowed funds to be designated for awards to students at public and private Tennessee institutions of higher education. The Commission will periodically review data on the colleges chosen by Tennessee's brightest high school graduates.
- 2.0.20F **Instructional and Research Equipment.** As part of the annual budget process, the Commission will recommend annual funds for this program at universities and two-year institutions.
- 2.0.20G **Vocational Improvement Equipment.** As part of the annual budget process, the Commission will recommend annual funds for this program at technology centers.

Approved: April 22, 1988

Section Title: Academic Policies

Policy Title: Performance Funding

Policy Number: A2.1

2.1.10 **Criteria for Review.** The criteria for review of annual institutional reports will be established in guidelines to be revised at five-year intervals. These guidelines will be developed by the Commission staff through extensive consultation with the campuses and the governing board staffs and will be approved by the Commission. The guidelines will recognize both improvement and absolute level of performance.

2.1.20 **Scoring.** The Commission staff will assign a total score and relevant subscores to each institutional report. These evaluations will be shared with the institutions and governing board staffs, who will be given opportunity to question any subscore where they believe there is a substantial error.

Approved: April 22, 1988

Section Title: Academic Policies

Policy Title: Centers of Excellence

Policy Number: A2.2

2.2.10 **Categories of Centers.** There are three categories of Centers: Accomplished Centers, other existing Centers, and new Centers. The classification of Centers will be determined by the Commission upon the recommendations of the governing boards and the advice of the Commission Staff.

2.2.10A **Eligibility.** An existing Center is eligible for designation as an Accomplished Center if it has been in operation at least three full years and if it received the best possible evaluation in its most recent external review, as determined by the Commission Staff.

2.2.10B **Selection.** An eligible Center will be designated as an Accomplished Center by the Commission upon the recommendation of the appropriate governing board and the advice of the Commission staff. The criteria for selection are:

- (1) Evidence of substantial accomplishment, including marked improvement in comparative standing,
- (2) A plan for the next 5 years based on the approved mission of the Center and focusing primarily on research,
- (3) Confirmation that any substantial obstacles for long-term success have been removed, and
- (4) Periodic reviews, including five-year intensive reviews, of the accomplished centers.

2.2.20 **Funding.** The Commission will adhere to the following principles in recommending funding for the three categories of Centers:

2.2.20A **Funding Increases.** The Commission will recommend that the aggregate funding for Accomplished Centers for continuing expenses be amounts that are reasonable and can be justified. Accomplished Centers will have first call on funds made available from an aggregate reduction in funding for other Centers.

2.2.20B **Funding Decreases.** The continuing expenses for Accomplished Centers will not be recommended for decrease unless total Centers funding is reduced in

aggregate and, simultaneously, every non-Accomplished Center is either eliminated or substantially reduced in funding through elimination of all activities not deemed to be excellent.

2.2.20C **New Centers.** There may be occasional competitions for a limited number of new Centers, under guidelines that will be developed by the Commission staff in consultation with the governing board staffs and that will be approved by the Commission. New Centers will not be funded unless they have the clear potential to become Accomplished Centers. The initiation of new Centers will not coincide with reductions in continuing expense for Accomplished Centers.

Approved: April 22, 1988

Section Title: Academic Policies

Policy Title: Chairs of Excellence

Policy Number: A2.3

2.3.10 **Appropriate Expenses.** Endowment income shall be used to fund the salary and benefit package of the Chairholder. After salary and benefits of the Chairholder are paid, the remaining endowment income shall accumulate in the Trust Fund or be spent to support the Chairholder's teaching and research activities.

2.3.20 **Chairholders.** A chairholder shall be a full-time employee of the institution. Revolving appointments, (full-time temporary appointments) are also appropriate where the Chairholder is of extraordinary prominence and a permanent full-time appointment is not feasible.

2.3.30 **Chair Endowment Funding Levels.** A minimum endowment of \$1.0 million shall be established as a base level requirement for all approved Chairs of Excellence. Institutions and governing boards shall maintain the flexibility to establish endowments above this minimal level.

2.3.40 **Approval Process.** In submitting a Chair of Excellence for review, the appropriate governing board shall:

- (1) Estimate the annual funding required, by source, to support operation of the Chair;
- (2) Comment on how establishment of the Chair will assist the Institution in achieving that institution's mission;
- (3) Comment on the impact the establishment of the Chair will have on other institutional programs; and
- (4) Describe the general qualifications of individuals that the institution intends to recruit to fill the Chair. After the Chair is filled, the appropriate governing board shall submit a report to the Commission and the joint Legislative Oversight Committee on Education which shall include the appointee's general background, experience, and qualifications.

The Commission, in cooperation with the governing boards, shall submit an annual report to the Joint Legislative Oversight Committee on Education. The report shall include the general status of the Chairs of Excellence

program, the impact that the Chairs of Excellence program has on higher education institutions and programs, and recommendations to enhance the effectiveness of the Chairs of Excellence program.

2.3.50 **Budgetary Review.** Institutions, through their governing boards, shall submit budgetary data on Chairs of Excellence using the guidelines prepared by the Commission staff as a part of the annually July 1 operating budget review process.

2.3.60 **Effects of Inflation on Endowment Income.** The Commission and the governing boards shall monitor the effects of inflation on the endowment program and work with the State Treasurer's office to minimize inflationary effects on endowment income.

2.3.70 **Long-range Goals for the Chairs of Excellence Program.** A statewide five-year plan for Chairs of Excellence shall be developed which include proposed Chairs of Excellence by institution and discipline as well as statewide goals.

Approved: May 5, 1989

Section Title: Academic Policies

Policy Title: Contracts with Private Higher Education Institutions

Policy Number: A3.0

3.0.10 **Purpose.** Contract programs with private colleges and universities generally will address special educational needs in the state. These needs may be “special” relative to the location in the state of the need, or to the unique or specialized program required to meet the need. These special needs must be more economically met by the state through the contract program than through initiating, expanding, or extending comparable programs in public institutions.

3.0.20 **Eligibility.** The Commission may negotiate for academic programs with private colleges and universities that are accredited by the institutional accrediting agency recognized by the Council on Postsecondary Accreditation (COPA) if accreditation is available.

3.0.20A Only academic programs of a secular nature may be contracted.*

3.0.20B State funds allotted to a private institution for a contract program must be used by the institution for the purpose designated in the contract and may provide for the education of Tennessee residents only.

3.0.20C Contracts with private institutions may be negotiated for more than one year with the stipulation that continuation each year is dependent on the availability of state funds.

3.0.20D State funds will be allocated to the private institution for a designated number of either student spaces or student credit hours on a term or academic year basis in accordance with review criteria.

* This requirement is in keeping with the Federal Court’s “primary effect” test which requires (1) that no state aid go to institutions “so pervasively sectarian” that secular activities cannot be separated from sectarian activities and (2) that if secular activities can be separated out, they alone may be funded.

Approved: April 22, 1988

Section Title: Academic Policies

Policy Title: Contract Programs

Policy Number: A3.1

3.1.10 **Review Criteria.** The standards given here are representative of the elements considered by the Commission in the specific appraisal of contract programs. This list is not exhaustive. Review of specific contract programs may call for adjustment in the application of these criteria.

3.1.10A **Mission.** A contract program should be consistent with the mission of the institution as approved by the board of trustees. Further, the contract program should have the approval of the institution's governing board before it is acted upon by the Commission.

3.1.10B **Demand.** There should be well-documented justification for the program in terms of student interest and appropriate employment market demands in Tennessee.

3.1.10C **Curriculum.** The curriculum of the proposed contract program should show a commitment to careful planning via clear statements of the following:

- (1) The degree, major, and sub-majors (options, concentrations, emphasis) to be contracted, as they are to appear on student records and catalog announcements;
- (2) The goals and objectives of the contract program, precise enough to facilitate program evaluation;
- (3) The compatibility of courses with contract program goals and accreditation standards where evaluated;
- (4) The procedures, measures/indicators, standards to be used for on-going institutional evaluation of the contract program;
- (5) The identification of persons and/or advisory groups qualified to provide an independent review of the contract proposal; and
- (6) The professional accreditation status of the program - if accreditation is available.

3.1.10D **Academic Standards.** The admission, retention, and graduation standards should be clearly stated, be compatible with existing institutional policy, and be designed to encourage high quality.

- 3.1.10E **Faculty.** Current and/or anticipated faculty resources should insure a program of high quality. The number and qualification of faculty should at least meet existing institutional standards and be consistent with external standards where appropriate.
- 3.1.10F **Library Resources.** Current and/or anticipated library resources should be adequate to support a high quality program and should meet recognized standards for study at a particular level or in a particular field where such standards are available.
- 3.1.10G **Administration/Organization.** The organizational placement and the administrative responsibility for the program should be clearly defined and designed to promote success of the program.
- 3.1.10H **Support Resources.** All other support resources - existing and/or anticipated - should be adequate to support a high quality program. This would include clear statements of the availability of clerical personnel, equipment, and arrangements for clinical or other affiliations necessary for the program.
- 3.1.10I **Facilities.** Existing and/or anticipated facilities should be adequate to support a high quality program.
- 3.1.10J **Program Costs.** The costs to the state of a contract program should be carefully estimated. The Commission will evaluate whether the cost associated with the program appears to be justified by the educational benefits to students and the state and whether the contract proposal appears to be the most cost effective way to provide the services.
- 3.1.20 **Review Procedures.** Formal request by a private institution for a contract will be initiated by the Commission staff upon submission by the private institution of a contract program proposal.
- 3.1.20A Early and informal contact with Commission staff in the planning of a contract program is encouraged. This involvement may facilitate such activities as:
- (1) Assessment of program need and demand;
 - (2) Identifying criteria that may be seen as particularly important for a given program review;
 - (3) Exploring the need for consultants, the timing of their entry into the planning process, and their role;

- (4) Negotiating changes in the proposal format where that is seen as desirable; and
- (5) Comparing contract program costs with comparable program costs in the public institutions.

3.1.20B A contract program proposal should be submitted to the Commission staff for review no later than July 1 of the fiscal year prior to the fiscal year for which funding will be requested.

3.1.20C When the review process has been completed, the proposal will be presented to the Commission, where it will be approved disapproved, or deferred with a statement of specific conditions necessary for further consideration of the proposal.

3.1.30 **Accountability.** The Commission is responsible for monitoring the institution's use of appropriated funds and for certifying the residency of student applicants.

3.1.30A Contract programs are subject to audit according to procedures established by the Comptroller of the State of Tennessee.

3.1.30B Enrollment information for contract programs will be submitted to the Commission in a form and on a schedule comparable to that of public institutions.

Approved: April 22, 1988

Section Title: Academic Policies

Policy Title: Southern Regional Education Board

Policy Number: A4.0

4.0.10 **General Policy.** Under the aegis of the Southern Regional Education Board (SREB), the Higher Education Commission contracts with institutions for the admission of Tennesseans at a reduced tuition rate into specifically designated programs. With the establishment of the SREB Academic Common Market, Tennesseans gain access to more programs and have the opportunity for waiver of out-of-state fees by the enrolling institutions. This Common Market approach presents the possibility of greater long-term benefits for the citizens of those states which are participants in the Southern Regional Education Board compact.

Approve: April 22, 1988

Section Title: Academic Policies

Policy Title: Academic Common Market

Policy Number: A4.1

4.1.10 **Academic Common Market.** The Tennessee Higher Education Commission is committed to meeting the needs of Tennessee residents for postsecondary education; however, it is impractical for an institution or the state to develop programs in every field of knowledge. Existing programs in other states often have the capacity to serve additional students. For these reasons, the State of Tennessee is a participant in the SREB Academic Common Market. The Academic Common Market assists in eliminating unnecessary duplication, provides for out-of-state tuition remission and increases availability and access to programs necessary to meet the educational needs of citizens of the SREB region.

4.1.20 **Responsibilities of the staff of the Commission with regard to the Academic Common Market.**

4.1.20A The Commission will transmit to SREB annually a list of programs and institutions in the state which the institutions, their governing boards, and the Commission recommend for inclusion in the Market.

4.1.20B The Commission will identify from the inventory of programs offered through the Market by institutions in other states those programs not offered in Tennessee and, thus, those programs which are available to residents of Tennessee.

4.1.20C The Commission will certify residents of Tennessee for participation in the Market.

4.1.20D The Commission will supply data to the SREB on the operation of the Market, e.g., the number of students from other states in the Market programs offered by Tennessee institutions.

4.1.20E The Commission will describe the Market in appropriate state publications.

Approved: April 22, 1988

Section Title: Academic Policies

Policy Title: Regional Contract Program

Policy Number: A4.2.

4.2.10 **Criteria for the establishment of SREB regional contract programs.**

4.2.10A There must be discernible need/demand for graduates beyond the production rate which is possible, or financially feasible, from existing Tennessee programs in public and private institutions.

4.2.10B Contracts will be developed only with institutions and academic programs which are accredited by the appropriate regional accrediting agency and specialized academic accrediting body, where appropriate.

4.2.10C Contracts will be developed only for programs which are not eligible for inclusion in the SREB Academic Common Market.

4.2.20 **Procedures for Contract Program Administration.**

4.2.20 A The Commission will negotiate the contracts between the Commission and the SREB and between the SREB and the institution; these contracts will identify the student quota, the contract fees per student, and the agency for administration of student certification and payment of invoices.

4.2.21 **Evaluation.**

4.2.21A The Commission is responsible for certification of students within the residency rules established by the Commission.

4.2.21B The Commission will prepare the annual appropriations request for contract education for inclusion in the Governor's budget request to the General Assembly.

4.2.21C The Commission will evaluate periodically the contract programs and these programs are subject to audit according to the procedures established by the Comptroller of the State of Tennessee.

Approved: April 22, 1988

Section Title: Academic Policies

Policy Title: Dual Admissions

Policy Number: A5.0

5.0.10 **Scope and Purpose.** In accordance with Tennessee Code Annotated § 49-7-202 as amended by Public Chapter 3, Acts of 2010 (1st Extraordinary Session) it is the policy of the Tennessee Higher Education Commission that the two systems will introduce system dual admission policies under which any person who satisfies the admissions requirements of any two-year institutions governed by the board of regents and any four-year institution governed by the board of regents or the University of Tennessee board of trustees may be admitted to both such institutions. Admission to the four-year institution does not guarantee admission into a particular program.

To facilitate the process, the two systems are encouraged to utilize the Dual Admissions Partnership Agreement template (Attachment A).

Approved: July 26, 2012

FINANCIAL POLICIES

- F1.0 Financial and Statistical Reporting**
- F2.0 Tuition and Fees**
- F3.0 Operating Appropriations**
- F4.0 Capital Projects**
 - F4.1 Master Plans**
 - F4.2 Lease Space Funding and License Agreements**
 - F4.3 (Reserved)**
 - F4.4 (Reserved)**
 - F4.5 Outcomes-Based Funding Formula**
- F5.0 Self-Supporting Academic Entities**

Section Title: Financial Policies

Policy Title: Financial and Statistical Reporting

Policy Number: F1.0

1.0.10 **Scope and Purpose.** The Commission shall establish and enforce uniform standards of accounting, financial, and statistical reporting for all public institutions of higher education and adhere to statutory and administrative reporting requirements.

1.0.20 **Publication of Standards.** The Tennessee Higher Education Commission has promulgated, in conjunction with the Comptroller of the Treasury and Commissioner of Finance and Administration, accounting and financial reporting standards for state community colleges, universities, and colleges of applied technology. These standards are contained in the publication, *Financial Reporting for Tennessee Public Colleges and Universities*.

The Tennessee Higher Education Commission has developed, in conjunction with governing boards and institutions, standards for the enrollment, completion, and ad hoc data collections. These standards are contained in the Data Dictionary, which will be reviewed and updated as necessary and posted on the THEC website.

1.0.30A **Procedures.** The Commission shall adhere to all reporting requirements under Tennessee statute, including an annual report to the Governor and General Assembly that shall address the topics of access, efficiency, productivity, and quality.

1.0.30B The Commission shall work with governing boards and institutions to ensure that the annual audit of financial records for each public institution of higher education in the state is able to be conducted by the Comptroller of the Treasury.

1.0.30C The Commission shall establish a staff-led data governance steering committee to standardize agency procedures and practices relative to data acquisition, management, usage, reporting, and sharing.

1.0.30D The Commission shall, with the guidance of the data governance steering committee, inspect data collected and stored in the THEC Student Information System to ensure the data collected meet the needs of the Commission, the Tennessee Higher Education Master Plan, and the requirements of the State.

- 1.0.30E The Commission shall review the July 1 proposed and October 31 revised budgets of all public higher education programs and transmit the budgets and any comments to the Commissioner of Finance and Administration.
- 1.0.30F The Commission shall collect other statistical information as necessary to carry out its statutory responsibilities. To the extent possible, such information shall be collected in standard formats and at regular intervals in order to minimize the workload of institutions and governing boards. Such information shall include, but not be limited to, instructional costs, students, academic programs, graduates, and facilities.
- 1.0.30G The Commission shall maintain a database for information, assessment, and accountability purposes to facilitate the statewide public policy agenda. Per T.C.A. § 49-8-203(i), institutions shall provide such data elements the Commission deems necessary to carry out this task. The Commission may report any information it considers necessary in accordance with applicable statutes, procedures, and internal policies.
- 1.0.30H The public institutions of higher education shall work with the Commission to ensure that statistical information reported through enrollment, completion, and ad hoc data collections in the THEC Student Information System are accurate and reliable.
- 1.0.30I The Commission shall work with all public institutions of higher education to post a link to the Commission's website, where consumers may view tuition and fees, graduation rates, and other information on programs in the state.
- 1.0.30J The Commission shall submit the revised higher education funding formula for the following fiscal year to the Office of Legislative Budget Analysis and the Comptroller of the Treasury no later than December 1 of each year.
- 1.0.30K The Commission shall report any projected tuition increases for the next academic year to the Office of Legislative Budget Analysis and the Comptroller of the Treasury no later than December 1 of each year.
- 1.1.30L The Commission shall publish a financial disclosure statement for student activity fees, which shall account for the student activity fees at public universities and community colleges, including:
- 1) The number of undergraduate and graduate students enrolled;
 - 2) The source of any student activity fees according to the number of students enrolled as undergraduate or graduate students;
 - 3) The expenditure of the student activity fees; and
 - 4) Funds not expended during the disclosure period.

1.0.30M The Commission shall receive, approve, and submit to the Governor requests for appropriations to support the programs of the Tennessee Student Assistance Corporation.

Approved: April 22, 1988

Revised: May 11, 2017

 May 20, 2021

 November 16, 2023

Applicable Statute

T.C.A. § 3-14-202, legislative budget analysis

T.C.A. § 49-7-112, supply and demand report

T.C.A. § 49-4-207, Tennessee student assistance corporation

T.C.A. § 49-7-202, legislative budget analysis, comptroller, uniform standards, articulation, and transfer report

T.C.A. § 49-7-210, annual report

T.C.A. § 49-7-211, student activity fees

T.C.A. § 49-7-2019, posting of information

T.C.A. § 49-8-203, data

Section Title: Financial Policies

Policy Title: Tuition and Fees

Policy Number: F2.0

2.0.10 **Scope and Purpose.** Since the passage of its enabling legislation, the Commission has engaged with state leaders, institutions, and consumers to advance access and affordability in the higher education sector. The Focus On College and University Success (FOCUS) Act of 2016 augmented the Commission’s responsibility and authority in the financing of higher education in Tennessee, including granting the Commission binding authority on tuition and fee policy.

2.0.20 **Authority.** As the coordinating body for higher education in Tennessee, the Commission is empowered by statute to develop a comprehensive strategic financial plan, focusing on student tuition and other charges; operate an outcomes-based funding formula, which considers the impact of tuition, maintenance fees, and other charges assessed by each institution; promulgate and adopt rules concerning residency, fee waivers, and tuition discounts; and develop and approve tuition policies binding upon all state institutions of higher education.

2.0.30A **Procedures.** The Commission shall review the tuition and institutional fee rates for all state institutions of higher education on an annual basis.

2.0.30B The Commission shall annually develop and approve a tuition and fee policy applicable to tuition and fees charged to in-state, undergraduate students, commonly referred to as “in-state tuition” or “maintenance fees.” This policy shall be binding upon all state institutions of higher education.

2.0.30C The Commission shall have no authority to set a tuition and fee policy applicable to non-resident or graduate students.

2.0.30D The Commission’s tuition policy shall include two (2) approved ranges of allowable percentage adjustment, including:

- 1) One (1) range for any proposed modification to the current tuition rates; and
- 2) One (1) range for any proposed modification to the combined total amount of tuition and all mandatory fees assessed.

Institutions may adopt tuition and fee adjustments within the Commission’s approved policy range(s), but no increase shall exceed the Commission’s

approved maximum percentage adjustment. An institution may, however, reduce tuition and fees if approved by its respective governing board.

Commission staff shall assess compliance. Should an institution seek to restructure its tuition model to accommodate on-time completion, it may request, with governing board approval, a one-time Commission assessment for compliance that recognizes the new tuition model structure.

2.0.30E Commission staff shall annually produce a comparison of fees with the Southern Regional Education Board, peer institutions, and other states for presentation to the Commission and appropriate executive and legislative officials.

2.0.30F The Commission shall determine the number of non-resident students who meet requirements for admission to a Tennessee community college that may be charged in-state tuition rates, provided that those non-resident students charged in-state rates:

- 1) Do not exceed three percent (3%) of the institution's full-time equivalent (FTE) enrollment; and
- 2) Have a bona fide place of residence in a county adjacent to the Tennessee state line that is also within a thirty-mile (30) radius of the city in which the institution is located.

The Commission shall make necessary adjustments to this number every three (3) years.

2.0.30G The Commission shall develop and adopt rules and regulations concerning the implementation and operation of tuition and fee discount, waiver, and credit programs, as applicable by statute.

Approved: April 22, 1988

Revised: May 17, 2019

Applicable Statute

T.C.A. § 8-50-114, tuition waiver for public employees

T.C.A. § 8-50-115, tuition reduction for children of state employees

T.C.A. § 49-7-116, tuition-free courses for full-time university and college employees

T.C.A. § 49-7-119, tuition discount for children of public school teachers

T.C.A. § 49-7-202, strategic financial plan, tuition and fees, funding formula

T.C.A. § 49-7-211, financial disclosure of student activity fees

T.C.A. § 49-7-2303, tuition credits or refunds during military service

T.C.A. § 49-8-102, residency classification for tuition and fees

Section Title: Financial Policies

Policy Title: Operating Appropriations

Policy Number: F3.0

3.0.10 **Scope and Purpose.** The Commission’s enabling legislation requires the Commission to develop policies and formulae for the fair and equitable distribution of public funds among the state’s institutions of higher education and to make operating appropriation recommendations to the Governor and General Assembly.

3.0.20 **Authority.** The Commission is empowered to develop a comprehensive strategic financial plan for higher education and to develop funding recommendations.

3.0.30A **Procedures.** The Commission shall develop, review, approve, and transmit operating appropriation recommendations on an annual basis consistent with the practices and timelines developed in consultation with the Department of Finance and Administration.

3.0.30B When developing operating appropriation recommendations, Commission staff shall utilize, but not be limited to, the outcomes-based funding formula model.

3.0.30C The Commission shall not recommend operating appropriation levels for individual colleges of applied technology (TCATs) or assert authority over the transfer of funds between TCATs or community colleges deemed necessary by the Board of Regents.

3.0.30D When considering recommendations, the Commission may be guided by, but not limited to, the statewide priorities established in the Master Plan and an overall goal to provide a level of operating support such that each institution may fulfill its role and mission with distinction. Funding recommendations may provide recognition of differences in institutional role and mission and may promote access, quality, and increased performance in efficiency and effectiveness.

3.0.30E In recognition of limited resources, the Commission may annually establish funding priorities which address the relative importance of all major funding areas, both operational and physical. Such areas may include, but not be limited to, basic operating funds, capital maintenance, qualitative initiatives, equipment, capital outlay, and special programs.

3.0.30F The Commission shall review, approve, and transmit requests for appropriations to support programs of the Tennessee Student Assistance Corporation.

Approved: April 22, 1988

Revised: May 11, 2017

Applicable Statute

T.C.A. § 49-4-207, Tennessee student assistance corporation appropriations

T.C.A. § 49-7-202, state appropriations

T.C.A. § 49-7-1002, higher education funding requests

Section Title: Financial Policies

Policy Title: Capital Projects

Policy Number: F4.0

4.0.10 **Scope and Purpose.** As the coordinating body for higher education in Tennessee, the Commission engages with institutions and governing boards on capital investment and real estate transactions through its role to develop and approve recommendations for capital outlay and maintenance funding.

4.0.20 **Authority.** The Commission is empowered to identify, prioritize, and make recommendations and decisions upon capital investment and real estate transactions for institutions of higher education in its execution of the Master Plan, approval of institutional master plans, and oversight of the state’s comprehensive strategic financial plan for higher education.

4.0.30A **Procedures.** The Commission shall identify capital investment needs and determine priorities for those investments for consideration by the Governor and the General Assembly as part of the annual appropriations act.

4.0.30B The Commission shall consider capital and infrastructure issues, as well as higher education efficiency, performance, and return on investment, as part of its comprehensive strategic financial plan for higher education.

4.0.30C The Commission reserves the right to not rank or approve projects for capital outlay or maintenance funding that are not identified in an institution’s current and approved facility master plan.

4.0.30D The Commission authorizes the Executive Director to make adjustments to the capital outlay and capital maintenance recommendations as necessary on behalf of the Commission.

4.0.40A **Capital Outlay.** In accordance with funding request guidelines annually disseminated by Commission staff, the Commission shall receive a prioritized list of capital outlay projects from each governing board.

4.0.40B Commission staff shall make a recommendation to the Commission consisting of one prioritized list of projects. When reviewing projects, Commission staff may employ the assistance of external reviewers and may consider, but shall not be limited to:

- 1) State goals;
- 2) Campus master and strategic plans;

- 3) THEC Space Guidelines and facility assessments;
- 4) Program and business plans; and
- 5) External funding.

Commission staff may consider these factors differently by sector, project scope, or institutional type and mission.

- 4.0.40C The Commission shall review and approve a recommendation for the funding of capital outlay projects. The Commission's actions and a prioritized list of capital projects shall be transmitted to the Department of Finance and Administration for review and consideration in the annual appropriation request.
- 4.0.40D The Commission reserves the right to rank, not rank, alter a recommended ranking, or take any other action(s) it deems fit to advance state goals.
- 4.0.50A **Capital Maintenance.** In accordance with funding request guidelines annually disseminated by Commission staff, the Commission shall receive a prioritized list of capital maintenance projects from each governing board.
- 4.0.50B Commission staff shall make project recommendations to the Commission in accordance with a capital maintenance formula. The formula may include, but not be limited to, the age, gross Education & General (E&G) square footage, usage, and conditions of institutions' facilities.
- 4.0.50C The Commission shall review and approve a recommendation for the funding of capital maintenance projects. The Commission's actions shall be transmitted to the Department of Finance and Administration for review and consideration in the annual appropriation request.
- 4.0.60A **Disclosed Projects.** Institutions may choose to construct, demolish, maintain, renovate, or otherwise engage with capital projects funded in part by the Tennessee State School Bond Authority (TSSBA) or sources other than state appropriations.
- 4.0.60B The Commission authorizes the Executive Director to receive, compile, and report a list of disclosed capital projects from School Bonds and other Sources that are listed in the Capital Outlay and Facilities Program in the Appropriations Act. These projects shall be disclosed in accordance with T.C.A § 4-15-102(e).

Approved: April 22, 1988

Revised: January 27, 1989
July 26, 1996
July 25, 1997
April 18, 2002
April 17, 2003
November 17, 2005
November 20, 2008
May 11, 2017
August 17, 2023

Applicable Statute

T.C.A. § 4-15-102, state building commission
T.C.A. § 4-15-107, state building commission
T.C.A. § 49-7-132, state building commission
T.C.A. § 49-7-202, capital investment needs
T.C.A. § 49-7-1002, higher education funding requests
T.C.A. § 49-8-203, capital and real estate transactions

Section Title: Financial Policies

Policy Title: Master Plans

Policy Number: F4.1

4.1.10 **Scope and Purpose.** The purpose of a campus master plan is to articulate the multi-year facility needs of an institution or group of institutions to accomplish the vision, goals, objectives, and direction established within an approved academic or strategic plan and mission statement for the institution(s). The campus master plan provides guidance for future development of the physical campus necessary to provide quality instructional and service facilities.

4.1.20 **Authority.** The Commission is empowered to make recommendations and decisions upon capital investment and real estate transactions for institutions of higher education in its execution of the Master Plan, approval of campus master plans, and oversight of the state's comprehensive strategic financial plan for higher education.

4.1.30A **Procedures.** A campus master plan, once approved in compliance with the policies and procedures of a respective governing board, must be submitted to the Commission for review and approval prior to submission to the State Building Commission. A new campus master plan confirms and updates, as appropriate, all aspects of the prior master plan and includes additional information as may be warranted by the higher education institution's strategic plan. A new campus master plan must be completed for each institution at least once every ten (10) years.

4.1.30B Once approved in compliance with the policies and procedures of a governing board, all subsequent amendments to existing campus master plans must be submitted to the Commission for review and approval.

The Commission authorizes the Executive Director to review and approve amendments to campus master plans previously approved by the Commission.

A **Master Plan Amendment** is consistent with the objectives of the original master plan and involves revisions of limited scope, which may include, but shall not be limited to:

- 1) Property acquisitions;
- 2) Plans for traffic, parking, or vehicular or pedestrian circulation;
- 3) Refinement of a building program or site;
- 4) Space needs studies;

- 5) Studies of regional demographics or workforce development; or
- 6) Operation of auxiliary enterprises, including, but not limited to, athletics, recreation, housing, and food services.

4.1.30C Commission staff may solicit information from each institution to assess whether or not—in the judgment of the Executive Director—substantive changes have occurred to the campus environment, that warrant revisions to a campus master plan before the next regularly scheduled master plan review.

4.1.30D All capital project requests and transactions shall be reviewed by Commission staff for conformity with the campus master plan. The Commission reserves the right to not rank or approve capital projects for facilities that are not identified in an institution’s current and approved master plan.

4.1.40A **Master Plans.** When evaluating and approving new and amended campus master plans, the Commission and Executive Director may consider, but are not limited to, the following:

- 1) Academic mission;
- 2) Strategic plan
- 3) Enrollment;
- 4) Student services;
- 5) Capital projects;
- 6) Parking;
- 7) Space needs, as defined by the Commission’s Space Allocation Guidelines, and space utilization;
- 8) Building conditions
- 9) Land acquisition and disposal; and
- 10) Site, environmental, and infrastructure issues.

4.1.40B The development, execution, timeliness, and scope of campus master plans shall be performed in accordance with Master Plan Guidelines. The Guidelines shall be developed, maintained, and updated by Commission staff.

Approved: January 26, 1990

Revised: November 14, 2002

May 11, 2017

January 26, 2018

August 17, 2023

Applicable Statute

T.C.A. § 49-7-202, capital investment needs

T.C.A. § 49-7-1002, higher education funding requests
T.C.A. § 49-8-203, capital and real estate transactions

Current Applicable Policies THEC

Space Allocation Guidelines THEC

Master Plan Guidelines

Section Title: Financial Policies

Policy Title: Lease Space Funding and License Agreements

Policy Number: F4.2

4.2.10 **Scope and Purpose.** As the coordinating body for higher education in Tennessee, the Commission engages with institutions and governing boards on capital investment and real estate transactions, including the lease or licensing of space for academic and service programs.

4.2.20 **Authority.** The Commission is empowered to make recommendations and decisions upon capital investment and real estate transactions for institutions of higher education in its execution of the Master Plan, approval of institutional master plans, and oversight of the state's comprehensive strategic financial plan for higher education.

4.2.30A **Procedures.** The Commission may review, analyze, and recommend action on all leases, rent, and licenses for all public, state institutions of higher education in accordance with current State Building Commission (SBC) policy and applicable statutes. The Commission authorizes the Executive Director to take such actions as deemed appropriate.

Approved: April 22, 1988

Revised: May 11, 2017

August 17, 2023

Applicable Statute

T.C.A. § 4-15-102, state building commission powers

T.C.A. § 12-2-112, surplus state lands

T.C.A. § 12-2-114, leases by state agencies and institutions of higher education

T.C.A. § 12-2-115, leases involving states approval

T.C.A. § 49-7-132, state building commission approval of expenditures

T.C.A. § 49-7-202, capital investment needs

T.C.A. § 49-7-1002, higher education funding requests

T.C.A. § 49-8-203, capital and real estate transactions

Current Applicable Policies

State Building Commission Policy, Item 7, Procurement of Leases Where the State is the Lessee

State Building Commission Policy, Item 8, General Acquisition and Disposal of Real Property

Section Title: Financial Policies

Policy Title: (Reserved)

Policy Number: F4.3

Section Title: Financial Policies

Policy Title: (Reserved)

Policy Number: F4.4

Section Title: Financial Policies

Policy Title: Outcomes-Based Funding Formula

Policy Number: F4.5

4.5.10 **Scope and Purpose.** The Commission is tasked and empowered to oversee and ensure the fair and equitable distribution of public funds among state institutions of higher education by the development, maintenance, and use of an outcomes-based funding formula.

4.5.20 **Authority.** The Commission's enabling legislation grants the Commission authority to develop and execute an outcomes-based funding formula to distribute public funds to all state institutions of higher education.

4.5.30A **Procedures.** The Commission shall develop and utilize an outcomes-based funding formula model to ensure the fair and equitable distribution and use of public funds among state institutions of higher education.

4.5.30B The Commission shall submit the revised higher education funding formula for the following fiscal year to the Office of Legislative Budget Analysis and the Comptroller of the Treasury no later than December 1 of each year.

4.5.30C The Commission shall operate the funding formula and its funding recommendations in accordance with applicable state and federal statutes.

4.5.30D The Commission staff shall maintain and update annually informational and educational resources pertaining to the outcomes-based funding formula model, its components, and its use on the Commission's website.

4.5.40 **The Model.** The funding formula model shall further the goals of the statewide Master Plan by emphasizing outcomes across a range of variables that shall be weighted to reinforce each institution's mission and provide incentives for productivity improvements consistent with the Master Plan, including:

- 1) End-of-term enrollment for each term, student retention, timely progress toward degree completion, and degree production; and
- 2) Student transfer activity, research, and student success, as well as compliance with the transfer and articulation policies required in this section.

The funding formula model shall consider the impact of tuition, maintenance fees, and other charges assessed by each institution in determining the fair and equitable distribution of public funds.

The Commission shall develop funding recommendations that reflect the outcomes-based funding formula model as well as the priorities of the Master Plan.

4.5.50 **Formula Review Committee.** The Commission shall establish a review committee to aid in development or revision of the funding formula, as prescribed and constituted by T.C.A. § 49-7-202(g)(1).

The committee shall review the funding formula components, as well as identify needed revisions, additions, or deletions to the formula. The committee shall also ensure that the funding formula is linked to the goals and objectives of the Master Plan.

The committee shall meet at least annually.

Before any amendment or revision to the outcomes-based funding formula model shall become effective, the amendment or revision shall be presented to the Education and Finance, Ways and Means Committees of the Senate and the Education Administration and Planning and Finance, Ways and Means Committees of the House of Representatives for review and recommendation.

Revised: August 12, 1994
May 11, 2017

Applicable Statute

T.C.A. § 3-14-202, legislative budget analysis

T.C.A. § 8-50-114, tuition and fee waiver as related to budget and funding formula

T.C.A. § 49-7-116, tuition-free courses as related to budgets and funding formula

T.C.A. § 49-7-202, outcomes-based funding formula

T.C.A. § 49-7-1002, state funding requests for public higher education

Section Title: Financial Policies

Policy Title: Self-Supporting Academic Entities

Policy Number: F5.0

- 5.0.10 **Scope and Purpose.** This policy outlines the authority, scope, and requirements for establishing and maintaining a self-supporting academic entity at a public institution of higher education.
- 5.0.20 **Authority.** As the coordinating body for higher education in Tennessee, the Commission is empowered by statute to develop a comprehensive strategic financial plan; review, approve, and monitor academic programs; promulgate and adopt rules; and develop policies binding upon all state institutions of higher education within the Commission's appropriate statutory authority.
- 5.0.30A **Procedures.** Entities proposed to be self-supporting require academic and financial review and approval from the entity's respective governing board(s) and the Tennessee Higher Education Commission.
- 5.0.30B Governing board and Commission policies concerning review and approval of academic programs, operating budgets, and other matters apply to entities approved as self-supporting.
- 5.0.30C An institution must annually review the status of the self-supporting academic entity in meeting its approved purpose for the first five (5) years of operation and forward the review to the governing board and to the Commission as part of the annual budget process.
- 5.0.30D Institutions proposing the development of self-supporting academic entities should employ appropriate safeguards to ensure that the entity does not impact state support of any existing higher education institution or entity.
- 5.0.30E When proposing the establishment of a self-supporting academic entity, institutions must identify comparable private and public programs and assess the market potential for the proposed entity relative to its competitors.
- 5.0.30F A self-supporting academic entity may have a unique allotment code issued by the State Department of Finance and Administration.
- 5.0.30G An institution's internal auditor will review the self-supporting academic entity as part of the institution's regular audit plan. It is recommended that

the annual State audit report include audits of self-supporting academic entities.

- 5.0.30H Institutions shall develop a formal memorandum of understanding with the governing board(s) and the Commission, stating the relationship of a proposed self-supporting academic entity to the parent institution(s). The memorandum of understanding shall document provisions for compensation to the parent institution for all services it provides to a self-supporting academic entity and specify contingency plans in the event the entity cannot sustain a revenue stream adequate to pay its expenses.
- 5.0.40 **Academic.** Institutions will report enrollments and degrees awarded through a self-supporting academic program. Any outcomes generated through the participation in the self-supporting academic program(s) will not be considered for funding purposes.
- 5.0.50A **Financial.** Entities proposed to be self-supporting must identify the source and amount of funds by source which are planned to meet the entity's expenses.
- 5.0.50B The Commission requires a self-supporting academic entity to generate sufficient tuition and fee and other non-state revenues to fund all direct and indirect costs of the entity, including personnel and overhead costs. Institutions may not use state funds to meet direct or indirect operating costs associated with a self-supporting academic entity.
- 5.0.50C Institutions may not use state funds for capital outlay, capital maintenance, or other physical plant renovations or improvements for a self-supporting academic entity. Capital improvements for a self-supporting academic entity are subject to established policies and procedures of the State Building Commission and the Tennessee State School Bond Authority (TSSBA), as well as any other administrative or regulatory bodies as applicable.
- 5.0.50D Institutions shall follow established processes to set tuition and fee levels and ensure adequacy of non-state revenue to sustain a self-supporting academic entity.
- 5.0.50E The Commission will not include tuition and fee level guidance to the governing board(s) of a self-supporting academic entity. The Commission may recommend that the governing board set tuition and fees at a level sufficient to meet the expenses of this entity when combined with other non-state revenue sources.

- 5.0.50F As part of the annual budget process, institutions will report to the governing board and the Commission all updates to strategies to realize revenue projected in the proposal to establish the self-supporting academic entity.
- 5.0.50G All tuition and fee revenues associated with the self-supporting academic entity shall be retained by the institution(s) and accounted for separate and apart from the unrestricted general fund of the parent institution(s).
- 5.0.50H Institutions will establish a reserve fund for excess revenue specific to a self-supporting academic entity. Excess revenues derived from a self-supporting academic entity may be applied only to that entity.

Approved: July 14, 2005
Revised: May 11, 2017

Applicable Statute

- T.C.A. § 49-7-202, strategic financial plan, state appropriations, capital investments
T.C.A. § 49-7-1002, higher education funding requests
T.C.A. § 49-8-203, capital and real estate transactions

HUMAN RESOURCES POLICIES

HR1.0 Outside Employment

Section Title: Human Resources

Policy Title: Outside Employment

Policy Number: HR1.0

1.0.01 **PURPOSE:** This policy addresses the outside employment activities of Tennessee Higher Education Commission (THEC) employees to ensure that outside employment does not conflict with their employment duties at THEC.

1.0.02 **APPLICATION:** This policy applies to all employees serving in a direct or indirect full-time, part-time, direct contract, subcontract, volunteer, or intern employment of THEC.

1.0.03 **DEFINITIONS:** Outside employment is defined as the engagement in any line of business or the performance of any type of work or service for any person or entity other than that required by the employee's official position with THEC. This is limited to outside employment performed for the purpose of obtaining wages, salary, fee, gift, or other compensation. Such outside employment also includes active participation in a business, including being an owner, part-owner, partner, corporate officer, or serving in a policy-making position for such business.

1.0.04 **POLICY:** As a condition of employment, all full time THEC employees shall abide by this policy. Any violation of this policy will result in corrective action, up to and including termination, at the discretion of the Executive Director.

1.0.4 A Full-time employment with THEC demands an individual's full-time commitment, professional expertise, and attention to assigned responsibilities. Holding an appointment to a full-time position with THEC constitutes acknowledgement of these requirements, and that the position shall be the employee's primary occupation. It is further understood that fulfillment of official duties for THEC may require working beyond the regular work day or work week, and in such situations the work of the Commission shall take priority over any outside employment opportunity.

1.0.4 B Employees shall not engage in any outside employment that may affect the employee's ability to fulfill his or her official duties with THEC. Additionally, full time employment with THEC shall, at a minimum, require adherence to the State of Tennessee's standard work schedule and attendance consistent with the employee's job duties, with allowances for sick and annual leave. An employee's regular work schedule will generally consist of an uninterrupted 7.5 hour work

day plus a lunch break.

- 1.0.4 C As a guide to determine the appropriateness of outside employment, consideration shall be given as to whether the outside employment will:
- (1) Result in a conflict of interest, or an apparent conflict of interest, with the employee's official duties and responsibilities or with regular THEC operations;
 - (2) Interfere with the employee's efficient performance of official duties, work schedule, and responsibilities at THEC;
 - (3) Bring discredit to THEC or cause unfavorable or justifiable criticism of THEC;
 - (4) Be performed entirely outside of THEC offices, and with priority placed on normal working assignments and responsibilities;
 - (5) Require only a reasonable time commitment from the employee; and,
 - (6) Be undertaken with an inappropriate claim that the individual is officially representing THEC in connection with the employment.
- 1.0.4 D Outside employment should not conflict with an employee's regular work schedule, and employees are required to work a standard, uninterrupted 7.5 hour work day. THEC acknowledges there may be rare, isolated instances when outside employment conflicts with regular work schedules. Any outside employment commitment that conflicts with regular working hours must be formally approved in advance, in writing, by the Executive Director. Such approval shall include a written plan as to how the employee will work 37.5 hours in any week in which the outside employment conflicts with the regular work schedule, with additional assurance that the employee's work product and responsibilities will not be compromised. A copy of the approved plan shall be placed in the official personnel file of the employee. After the required approvals have been issued, if the employee is unable to fulfill the required 37.5 work hours in any week due to outside employment activities, annual leave must be utilized for the shortfall, documentation of which must be provided to the Executive Director.
- 1.0.5A **PROCEDURE:** THEC employees with outside employment obligations that are limited to hours beyond the standard work day, on weekends and/or state holidays, will not be required to notify or seek approval for such employment as long as the outside employment does not conflict with this policy.

- 1.0.5B THEC employees with outside employment obligations that involve higher education, consulting, or as a business owner, part-owner, partner, corporate officer, or in a policy making position, and their involvement is limited to hours beyond the standard work day, on weekends and/or state holidays, shall disclose the outside employment obligation in writing to their immediate supervisor, and a copy shall be filed with the Executive Director and placed in the employee's official personnel file.
- 1.0.5C Commission employees wishing to engage in outside employment with other agencies, departments, or institutions of state government, shall first obtain the approval of the Executive Director and will be subject to prior approval of the President, Director, or appropriate representative of the other agency, department, or institution. Such services to another state agency or institution of higher education shall be paid by the contracting agency to THEC in accordance with a dual services agreement.
- 1.0.6. It shall be the duty of the employee to provide notice and/or seek approval in writing on a timely basis as required by this policy.

Approved: July 27, 2006
Revised: January 26, 2017; May 11, 2023

LEGAL & REGULATORY POLICIES

- LR1.0 Workplace Harassment**
- LR2.0 Statewide Access and Diversity of Higher Education**
- LR3.0 (Reserved)**
- LR4.0 (Reserved)**
- LR5.0 Code of Ethics for Commission Members**
- LR5.1 Conflict of Interest Disclosure Policy for Commission Members**
- LR5.2 Conflict of Interest Disclosure Policy for Commission Staff**
- LR5.3 Code of Conduct Commission Staff**
- LR6.0 (Reserved)**
- LR7.0 Protection of Personally Identifiable Information**

Section Title: Legal and Regulatory Policies

Policy Title: Workplace Harassment¹

Policy Number: LR1.0

1.1.10A The Commission is firmly committed to the principle of fair and equal employment opportunities for its citizens and strives to protect the rights and opportunities of all people to seek, obtain, and hold employment without being subjected to illegal harassment in the workplace. It is the Commission's policy to provide an environment free of harassment of an individual because of that person's race, color, national origin, age (over 40), sex, pregnancy, religion, creed, disability or any other category protected by state and/or federal law.

1.1.10B Employees or applicants for employment who believe they have been harassed on any of these bases should lodge a complaint using the procedures set forth in this policy.

1.1.20A. **Workplace Harassment.** Any unwelcome verbal, written, or physical conduct that either degrades or shows hostility or aversion towards a person because of that person's race, color, national origin, age (over 40), sex, pregnancy, religion, creed, or disability that:

- (1) has the purpose or effect of creating an intimidating, hostile, or offensive work environment;
- (2) has the purpose or effect of unreasonably interfering with an employee's work performance; or
- (3) affects an employee's employment opportunities or compensation.

1.1.20B To aid employees in identifying prohibited behavior, the following specific examples of workplace harassment are provided. These examples are not exhaustive; they illustrate, however, the types of conduct that violate this policy:

- (1) Unwelcome touching of a personal nature, which can encompass leaning over, cornering, hugging, or pinching; sexual innuendos,

¹ While the Commission is committed to the principles embodied in this policy, the policy itself is not intended to state contractual terms and does not constitute a contract between the Commission and its employees, applicants for employment, or parties who do business with the Commission. This policy supersedes all policies that conflict with the terms of this policy.

teasing and other sexual talk such as jokes, personal inquiries, persistent unwanted courting and sexist put-downs;

- (2) Slurs and jokes about a class of persons, such as persons who are disabled or a racial group;
- (3) Distributing via e-mail epithets, slurs, jokes or remarks that are derogatory or demeaning to a class of persons or a particular person or that promote stereotypes of a class of person;
- (4) Display of explicit or offensive calendars, posters, pictures, drawings or cartoons that reflect disparagingly upon a class of persons or a particular person;
- (5) Derogatory remarks about a person's national origin, race, language, accent.

1.1.20C **Hostile environment.** Hostile environment harassment occurs when a victim is subjected to unwelcome and severe or pervasive comments based on race, color, national origin, age (over 40), sex, pregnancy, religion, creed, disability or any other category protected by law. A hostile work environment may also be created by innuendoes, touching, or other conduct that creates an intimidating or offensive workplace.

1.1.20D **Sexual Harassment.** Any unwelcome sexual advance, request for sexual favors, or verbal, written, or physical conduct of a sexual nature by a manager, supervisor, co-worker, or non-employee (third party). There are two types of illegal sexual harassment. *Quid pro quo* harassment occurs when a manager or a supervisor gives or withholds a work-related benefit in exchange for sexual favors from the victim. Certain actions may also create a hostile work environment. (See the definition for "hostile work environment" above.)

1.1.20E **Retaliation.** Retaliation is overt or covert acts of reprisal, interference, restraint, penalty, discrimination, intimidation, or harassment against an individual or individuals exercising rights under this policy.

1.1.20F **Third Parties.** Third parties are individuals who are not Commission employees but who have business interactions with Commission employees. Such individuals include, but are not limited to, customers, such as applicants for Commission employment or services, vendors, contractors, or volunteers.

1.1.30A **Prohibited Conduct.** The Commission strictly forbids and will not tolerate harassment of any employee, applicant for employment, or third party on the basis of an individual's race, color, national origin, age (over 40), sex, pregnancy, religion, creed, or disability. The fact that an alleged offender

meant no harm or was teasing will not excuse conduct that violates this policy.

- 1.1.30B The Commission strictly forbids and will not tolerate any form of retaliation directed against an employee, applicant for employment, or third party who either complains about harassment or who participates in any investigation concerning harassment.
- 1.1.40A **Reporting Harassment Incidents.** Any employee, applicant for employment, or third party must report incidents of workplace harassment as soon as possible after the event occurs.
- 1.1.40B Employees and applicants for employment may file a complaint with their department's personnel director, the department head, their supervisor(s), or any individual designated by the department to receive such reports. Under no circumstances is the individual alleging workplace harassment required to file a complaint with the alleged harasser. If an employee or applicant believes he/she cannot file a complaint within his/her agency, that person should contact the Legal and Regulatory Division at 615-741-3605.
- 1.1.40C Individuals who wish to file a complaint are encouraged to submit the complaint in writing and to include a description of the incident(s) as well as the date(s), time(s), place(s) and any witnesses.
- 1.1.40D If a complaint involves an executive director, assistant commissioner, deputy commissioner, or the commissioner, an employee or applicant for employment may file the complaint directly with the Department of Personnel, EO/AA Division.
- 1.1.50A **Reporting Retaliation Incidents.** Any employee, applicant for employment, or third party must report incidents of retaliation as soon as possible after the event occurs.
- 1.1.50B Any employee, applicant for employment, or third party who makes complaints of workplace harassment or provides information related to such complaints will be protected against retaliation. If retaliation occurs, the employee, applicant for employment, or third party should report the retaliation in the same manner as he/she would report a workplace harassment complaint.
- 1.1.60A **Investigation and Resolution of Complaints.** The department will conduct a thorough and neutral investigation of all reported complaints of workplace harassment or retaliation as soon as practicable. Generally, an investigation

will include an interview with the complainant to determine if the conduct in issue violates this policy. If the department determines that the conduct falls within the terms of this policy, the department will interview the alleged offender and any other witnesses who have direct knowledge of the circumstances of the allegations.

- 1.1.60B The department retains the sole discretion to determine whether a violation of this policy has occurred and to determine what level, if any, of disciplinary action is warranted.
- 1.1.60C If a complaint involves an executive director, assistant commissioner, deputy commissioner, or the commissioner, the Department of Personnel, EO/AA Division will investigate the complaint on behalf of the department and report the results to the appropriate agency or authority.
- 1.1.70 **CONFIDENTIALITY.** To the extent permitted by law, the confidentiality of each party involved in a workplace harassment investigation, complaint or charge will be observed, provided it does not interfere with the department's ability to investigate the allegations or to take corrective action.
- 1.1.80 **DIRECTIVE TO SUPERVISORY PERSONNEL.** Supervisory personnel who receive a complaint alleging workplace harassment or learn by any means of conduct that may violate this policy must immediately report any such event to the department's personnel director or EEO/AA officer.
- 1.1.90A **VIOLATIONS.** Any employee who engages in conduct that violates this policy or who encourages such conduct by others will be subject to corrective action. Such corrective action includes, but is not limited to, mandatory participation in counseling, training, disciplinary action, up to and including termination, and/or changes in job duties or location.
- 1.1.90B Supervisory personnel who allow workplace harassment or retaliation to continue or fail to take appropriate action upon learning of such conduct will be subject to corrective action. Such corrective action includes, but is not limited to, mandatory participation in counseling, training, disciplinary action, up to and including termination, and/or changes in job duties or location.

Approved: November 17, 2005

INTAKE/REFERRAL FORM

STATEMENT CONCERNING CONFIDENTIALITY

Pursuant to Tennessee Code Annotated § 10-7-502(a), "all state ...records...shall at all times, during business hours, be open for personal inspection by any citizen of Tennessee, and those in charge of such records shall not refuse such right of inspection to any citizen, unless otherwise provided by state law," Accordingly, the State cannot and does not guarantee the confidentiality of this document or any notes, files, reports, or other documents, whether created by the State or received from the complainant, accused, or witnesses.

NAME OF COMPLAINANT OR PERSON REPORTING EVENT:

TELEPHONE NUMBERS OF COMPLAINANT OR PERSON REPORTING EVENT:

WORK: _____

HOME: _____

IS YOUR HOME TELEPHONE NUMBER UNLISTED? YES _____ NO _____

MOBILE: _____

NAME OF AGENCY AND DIVISION INVOLVED: _____

NAME OF PERSON(S) WHO ALLEGEDLY DISCRIMINATED AGAINST YOU OR HARASSED YOU?

RELATIONSHIP OF ALLEGED ACCUSER TO YOU (I.E. DIRECT SUPERVISOR, CO-WORKER):

DATE OF EARLIEST OCCURRENCE OF EVENTS? _____

DATE OF LATEST OCCURRENCE OF EVENTS? _____

HOW WERE YOU DISCRIMINATED AGAINST (E.G. DISCIPLINARY ACTION, PROMOTION, DEMOTION, HOSTILE ENVIRONMENT)?

EXPLAIN AS CLEARLY AS POSSIBLE WHAT HAPPENED, INCLUDING WHO DID WHAT, WHERE IT HAPPENED, WHO WAS INVOLVED, ETC. PLEASE ATTACH ADDITIONAL PAGES, IF NECESSARY.

EXPLAIN WHY YOU BELIEVE THESE EVENTS OCCURRED:

DESCRIBE HOW OTHERS WERE TREATED DIFFERENTLY THAN YOU:

WERE THERE OTHER EMPLOYEES WHO WERE TREATED BETTER IN SIMILAR CIRCUMSTANCES? PLEASE CHECK ONE: YES____ NO____

IF YOU ANSWERED YES TO THE PREVIOUS QUESTION, PLEASE PROVIDE THE NAMES OF THE EMPLOYEES WHO WERE TREATED BETTER AND DESCRIBE HOW THEY WERE TREATED BETTER:

PLEASE LIST BELOW ANY PERSONS (WITNESSES, FELLOW EMPLOYEES, SUPERVISORS, OTHERS) WHO MAY HAVE ADDITIONAL INFORMATION TO SUPPORT OR CLARIFY THIS COMPLAINT. EXPLAIN WHAT INFORMATION EACH CAN PROVIDE.

WHAT EXPLANATION DO YOU THINK THE AGENCY OR ACCUSED WILL GIVE AS TO WHY YOU WERE TREATED IN THIS MANNER?

PLEASE IDENTIFY ANY OTHER INFORMATION INCLUDING DOCUMENTARY EVIDENCE SUCH AS DIARIES, JOURNALS, RECORDINGS, EMAILS, VOICEMAILS, CORRESPONDENCE, ETC.) THAT YOU THINK IS RELEVANT TO THIS MATTER.

WHAT DO YOU WANT TO HAPPEN AS A RESULT OF THIS COMPLAINT?

IF YOU HAVE TOLD ANYONE ELSE ABOUT THIS MATTER, PLEASE LIST THE NAME(S) AND RELATIONSHIP(S) CO-WORKER, FAMILY MEMBER, ETC.)

SIGNATURE OF COMPLAINANT:

DATE: _____

IF COMPLETED BY SUPERVISOR OR AGENT OF STATE AS A RESULT OF INTERVIEWING A COMPLAINANT, PLEASE PROVIDE THE FOLLOWING INFORMATION:

PRINTED NAME: _____

SIGNATURE: _____

TITLE: _____

AGENCY AND/OR DIVISION: _____

WORK TELEPHONE NUMBER: _____

DATE COMPLAINT RECEIVED: _____

DATE FORM COMPLETED: _____

REASON FOR DELAY, IF ANY, BETWEEN THE DATE THE COMPLAINT WAS RECEIVED AND THE DATE THE FORM WAS COMPLETED:

NAME AND TITLE OF PERSON TO WHOM THE FORM WAS FORWARDED FOR ACTION:

DATE ON WHICH THE FORM WAS FORWARDED:

INVESTIGATION MEMORANDUM FORMAT

1. Complainant's name, job title, agency, location
2. Initiation of investigation:
 - a. Persons involved in conducting investigation
 - b. Date complaint received by agency
 - c. Person in agency who initially received complaint
 - d. Date investigation began and, if applicable, reason for any delay
3. Description of complaint
 - a. General nature of events giving rise to complaint, including dates of alleged events
 - b. Person(s) accused of inappropriate behavior and organizational relationship to complainant
4. Statements and evidence gathered in the investigation
 - a. Complainant
 - i. Specific allegation(s). If more than one allegation, list each separately
 - ii. Additional witnesses named by complainant
 - iii. Resolution desired by complainant
 - b. Person accused of inappropriate behavior. If more than one, list each separately
 - i. Specific response(s) to allegation(s). If more than one, list each separately
 - ii. Additional witnesses named by accused
 - c. Witnesses interviewed
 - i. Name and job title. If more than one, list each separately
 - ii. Evidence about specific allegations (noting firsthand knowledge v. secondhand knowledge)
 - iii. Additional witnesses, if any
5. Summary of evidence
 - a. Corroboration of specific allegations
 - b. Non-corroboration of specific allegations
 - c. Other pertinent information
6. Conclusions concerning violation of policy. INCLUDE ONLY AT THE DIRECTION OF THE AGENCY.
7. Appendices
 - a. List of potential witnesses not interviewed and reason
 - b. List of attachments (documentary evidence)

Section Title: Legal and Regulatory Policies

Policy Title: Statewide Access and Diversity of Higher Education

Policy Number: LR2.0

2.0.10 The Tennessee Higher Education Commission reaffirms its commitment to equal opportunity for all Tennesseans to pursue postsecondary educational interests.

2.0.10A The Commission recognizes that open access for all who wish to pursue interests in higher education and diversity among students, faculty, and staff are fundamental principles that must be safeguarded. Funding and programmatic matters will be viewed in light of those guiding principles.

Approved: April 22, 1988

Revised: January 13, 1995

Revised: November 20, 2008

Section Title: Legal and Regulatory Policies

Policy Title: (Reserved)

Policy Number: LR3.0

Section Title: Legal and Regulatory Policies

Policy Title: (Reserved)

Policy Number: LR4.0

Section Title: Legal and Regulatory Policies

Policy Title: Code of Ethics for Commission Members

Policy Number: LR5.0

- 5.0.10 1. The Tennessee Higher Education Commission is charged by statute to achieve coordination and unity in public higher education in Tennessee. To ensure the effectiveness of the Commission, its members must adhere to the strictest of ethical standards. The purpose of this policy is to outline those general principles.
- 5.0.11 1. Commission members must carefully prepare for, regularly attend, and actively participate in board meetings and special assignments.
2. The business of the Commission shall be conducted only in public meetings and properly publicized in accordance with Title 8, Chapter 44, Part 1 on Tennessee Code Annotated, as it is amended from time to time.
3. Commission members must accept and abide by the legal and fiscal responsibilities of the Commission as specified by statute, state rules and regulations and the Commission's policies.
4. Commission members are expected to perform their duties faithfully and efficiently and never to give rise to suspicion of improper conflict of interest. Additionally, Commission members should not use the position as Commission member for personal benefit or gain and shall promptly and honestly file all conflict of interest statements as required by state law and/or Commission policy.
5. Commission members shall not accept any favor or gratuity from any firm, person, or corporation which is engaged in, or attempting to engage in, business transactions with the Commission or any institution that is coordinated or regulated by the Commission which might affect or be suspected of affecting a Commission member's judgment in the impartial performance of his/her duties.
6. Commission members shall not grant or make available to any person any consideration, treatment, information or favor beyond that which is general practice to grant or make available to the public at large.

7. Commission members shall base all decisions on all available facts in each situation and vote his/her honest conviction in every case, not to be swayed by partisan bias of any kind and abide by and support the final decision of the Commission.
8. Commission members shall have no legal authority outside the meetings of the Commission and shall conduct all relationships with governing boards, public and private institutions, media and other interested entities and persons on the basis of that fact. Commission members shall avoid acting as a spokesperson for the entire Commission unless specifically authorized to do so.

Approved: July 13, 2003

Section Title: Legal and Regulatory Policies

Policy Title: Conflict of Interest Disclosure Policy for Commission Members

Policy Number: LR5.1

5.1.10

- (1) It shall be inappropriate for a Commission member to have a direct interest in any contract the Commission has entered into for goods or services as a result of a bid process or any other business transaction with the Commission.
- (2) A Commission member shall disclose any of the following interests:
 - (a) Any indirect interest in any contract or other business transaction with the Commission;
 - (b) Any interest in any contract or other business transaction with any higher education institution which is coordinated by, contracted by, contracted with, or authorized by the Commission; and
 - (c) Any indirect interest created by a relative who has (to the extent the Commission member is aware) any contract or business transaction with the Commission or with any higher education institution which is coordinated by, contracted by, contracted with, or authorized by the Commission.
- (3) "Direct interest" means any contract to provide goods or services to the Commission as a result of a bid process or any other business transaction with a:
 - (a) the Commission member;
 - (b) a relative of the Commission member; or
 - (c) a business in which the Commission member or the Commission member's relative is:
 - i. the sole proprietor;
 - ii. a partner; or
 - iii. the person having the controlling ownership or control of the largest numbers of outstanding shares owned by any single individual or corporation.
- (4) "Indirect interest" means any contract in which the Commission member is interested but not directly so, but includes contracts where the Commission member is directly interested but is the sole supplier of goods or services.

- (5) "Relative" includes spouse, parents, siblings, or children.
- (6) In the event a member of the Commission has an indirect interest in a matter to be voted upon, a Commission member may abstain for cause by announcing such to the Chair of the Commission. Any Commission member who abstains from voting for cause on any issue coming to a vote before the Commission shall not be counted for the purpose of determining a majority vote. This provision shall not be construed to prohibit any Commission member from voting on the higher education funding recommendation, or amendments thereto, unless the vote is on a specific amendment to the funding recommendation in which such person has a direct interest.
- (7) The basic underlying principle in conflict of interest is that Commission members should disclose any activity, investment, or interest that might reflect unfavorably upon the Commission, using the disclosure form. Because of the sensitive nature of the Commission's relationship with all of the postsecondary institutions, as well as the General Assembly, it is important that members resolve questions of conflict of interest by disclosure. Any activity which might constitute, or be perceived to constitute, a prohibited conflict should be fully reported. Full disclosure of any situation in doubt should be made.
- (8) The conflict of interest form must be filed within thirty (30) days after the Commission's regular Spring meeting, but in no case shall it be filed later than June 1. In the case of a member appointed to the Commission after the Spring meeting, the newly appointed member shall file a conflict of interest statement no later than thirty (30) days after the first Commission meeting following his/her appointment.
- (9) A Commission member shall amend his/her disclosure because of termination or acquisition of interests of which disclosure is required.

Approved: January 31, 1992

Revised: April 15, 2004

**TENNESSEE HIGHER EDUCATION COMMISSION
DISCLOSURE STATEMENT FOR INDIRECT INTERESTS OF
COMMISSION MEMBERS**

I, the undersigned member of the Tennessee Higher Education Commission, in order to assure that any appearance of conflict of interest is avoided, and in order to assure that any indirect interests are publicly acknowledged, hereby make the following statements and assurances:

1. I am related to the following employees of the Tennessee Higher Education Commission or any official of any corporation, partnership, sole proprietorship, association, institution of higher education or other entities which do business with, are licensed by, or are otherwise involved with the Tennessee Higher Education Commission:

2. I am employed or professionally affiliated with the following corporation, partnerships, sole proprietorships, associations, institutions of higher education or any other entities which are licensed by the Tennessee Higher Education Commission:

3. I have an ownership interest in or serve on the Board of the following corporations, partnerships, sole proprietorships, associations, institutions of higher education or other entities which, to my knowledge, do business with postsecondary institutions coordinated or licensed by the Tennessee Higher Education Commission:

4. In my household and among my dependents, to my knowledge, the following individuals have an ownership interest as stated in Number 3 above:

5. I am currently the recipient of the following grants administered by the Tennessee Higher Education Commission:

6. I hereby certify that if, during my tenure this year on the Tennessee Higher Education Commission, I become directly or indirectly interested as an owner, employee or affiliated as described in Number 1-5 above, or if there is any change in the information provided in this statement, I shall immediately disclose such information to the Tennessee Higher Education Commission. The accuracy of this statement will be reviewed within thirty (30) days after the Commission's regular Spring meeting, but no later than June 1.

By my signature below, I affirm that all of the above statements are true to the best of my knowledge and belief.

(Signature)

(Date)

Section Title: Legal and Regulatory

Policy Title: Conflict of Interest Disclosure Policy for Commission Staff

Policy Number: LR5.2

5.2.1 **PURPOSE:** This policy addresses the conflict of interest disclosure policy for Tennessee Higher Education Commission (THEC) employees.

5.2.2 **APPLICATION:** This policy applies to all employees serving in a direct or indirect full-time, part-time, direct contract, subcontract, volunteer, or intern employment of THEC.

5.2.3 **DEFINITIONS:** "Direct interest" means any contract to provide goods or services to THEC as a result of a bid process or any other business transaction with a:

- (a) THEC staff person;
- (b) a relative of a THEC staff person;
- (c) a business in which a THEC staff person is:
 - (i) the sole proprietor;
 - (ii) a partner; or
 - (iii) the person having the controlling ownership or control of the largest numbers of outstanding shares owned by any single individual or corporation.

"Indirect interest" means any contract in which THEC staff person is interested but not directly so, but includes contracts where the THEC staff person is directly interested but is the sole supplier of goods or services.

"Relative" includes spouse, parents, siblings, or children.

"Disclosure form" means the form maintained and collected annually by Human Resources at THEC for THEC staff persons to disclose any direct or indirect interests per this policy.

5.2.4 **POLICY:** It shall be inappropriate for a THEC staff person to have a direct interest in any contract THEC has entered into for goods or services as a result of a bid process or any other business transaction with THEC. Additionally, it shall be inappropriate for THEC staff to be indirectly interested in any such contract or business transaction unless the THEC staff member publicly acknowledges his/her interest.

THEC staff shall disclose any of the following interests:

- (a) Any indirect interest in any contract or other business transaction with

THEC;

- (b) Any interest in any contract or other business transaction with any higher education institution which is coordinated by, contracted by, contracted with, or authorized by THEC; and
- (c) Any indirect interest created by a relative who has (to the extent THEC staff is aware) any contract or business transaction with THEC or with any higher education institution which is coordinated by, contracted by, contracted with, or authorized by THEC.

5.2.5 **PROCEDURE:** In the event a THEC staff person identifies any conflict covered by this policy, he/she shall immediately notify the Executive Director. The Executive Director may determine that such THEC staff person should not work on material related to such interests. Such interests shall be disclosed to THEC regardless of whether the THEC staff person is relieved of working on the matters in question.

The basic underlying principle in conflict of interest is that THEC staff should disclose any activity, investment, or interest that might reflect unfavorably upon THEC, using the disclosure form. Because of the sensitive nature of THEC's relationship with all of the postsecondary institutions, as well as the General Assembly, it is important that staff persons resolve questions of conflict of interest by disclosure. Any activity which might constitute, or be perceived to constitute, a prohibited conflict should be fully reported. Full disclosure of any situation in doubt should be made.

The conflict of interest form must be filed within thirty (30) days after the Commission's regular spring meeting, but in no case shall it be filed later than June 1. In the case of a staff person appointed to THEC staff after the spring meeting, the newly appointed staff person shall file a conflict of interest statement no later than thirty (30) days after the first Commission meeting following his/her appointment.

THEC staff shall amend their respective disclosure because of termination or acquisition of interests of which disclosure is required.

Approved: January 31, 1992

Revised: April 15, 2004; July 27, 2006; May 11, 2023

Section Title: Legal and Regulatory Policies

Policy Title: Code of Conduct Commission Staff

Policy Number: LR5.3

- 5.3.1 **PURPOSE:** This policy addresses the code of conduct applicable to all Tennessee Higher Education Commission (THEC) employees.
- 5.3.2 **APPLICATION:** This policy applies to all employees serving in a direct or indirect full-time, part-time, direct contract, subcontract, volunteer, or intern employment of THEC.
- 5.3.3 **POLICY:** All THEC employees must, at all times, comply with all applicable laws and regulations. THEC will not condone the activities of employees who achieve results through violation of the law or unethical business dealings. This includes any payments for illegal acts, indirect contributions, rebates, and bribery. THEC does not permit any activity that fails to stand the closest possible public scrutiny. All business conduct should be well above the minimum standards required by law. Accordingly, employees must ensure that their actions cannot be interpreted as being, in any way, in contravention of the laws and regulations governing THEC's operations. Employees uncertain about the application or interpretation of any legal requirements should refer the matter to their superior, who, if necessary, should seek the advice of the General Counsel for Legal and Regulatory Affairs.
- 5.3.4 **GENERAL EMPLOYEE CONDUCT:** THEC expects its employees to conduct themselves in a businesslike and professional manner in carrying out the business of THEC. Employees will be expected to adhere to all THEC policies, especially those addressing conduct and office procedures and expectations. These shall specifically include, but not be limited to, policies regarding conflict of interest, outside employment and workplace harassment.
- 5.3.5 **RELATIONSHIPS WITH CLIENTS AND SUPPLIERS:** Employees should avoid investing in or acquiring a financial interest for their own accounts in any business that has a contractual relationship with THEC, or that provides goods or services, or both to THEC, if such investment or interest could influence or create the impression of influencing their decisions in the performance of their duties on behalf of THEC.
- 5.3.6 **GIFTS, ENTERTAINMENT, AND FAVORS:** Employees must not accept entertainment, gifts, or personal favors that could, in any way, influence, or appear to influence, business decisions in favor of any person with whom or with which THEC has, or is

likely to have, business dealings. Similarly, employees must not accept any other preferential treatment under these circumstances because their position with THEC might be inclined to, or be perceived to, place them under obligation.

5.3.7 **KICKBACKS AND SECRETS:** Regarding THEC's business activities, employees may not receive payment or compensation of any kind, except as authorized under THEC's remuneration policies. In particular, THEC strictly prohibits the acceptance of kickbacks and secrets from suppliers or others. Any breach of this rule will result in immediate termination and prosecution to the fullest extent of the law.

5.3.8 **COMMISSION FUNDS AND OTHER ASSETS:** Employees who have access to THEC funds in any form must follow the prescribed procedures for recording, handling, and protecting money as detailed in THEC's instructional manuals or other explanatory materials, or both.

THEC imposes strict standards to prevent fraud and dishonesty. If employees become aware of any evidence of fraud and dishonesty, they should immediately advise their superior, the Associate Executive Director for Legal and Regulatory Affairs, and the Executive Director so that THEC can promptly investigate further.

When an employee's position requires spending THEC funds or incurring any reimbursable personal expenses, that individual must use good judgment on THEC's behalf to ensure that good value is received for all expenditures.

THEC funds, assets and equipment are for THEC purposes only and not for personal benefit.

5.3.9 **COMMISSION RECORDS AND COMMUNICATIONS:** Accurate and reliable records of many kinds are necessary to meet THEC's legal and financial obligations and to manage the affairs of THEC. THEC's books and records must reflect in an accurate and timely manner all business transactions. The employees responsible for accounting and recordkeeping must fully disclose and record all assets, liabilities, or both, and must exercise diligence in enforcing these requirements.

Employees must not make or engage in any false record or communication of any kind, whether internal or external, including but not limited to:

- False expense, attendance, production, financial, or similar reports and statements;
- False advertising, deceptive marketing practices, or other misleading representations; and
- Dealing with outside people and commissions.

Employees must take care to separate their personal roles from their THEC positions when communicating on matters not involving THEC business.

Employees must not use THEC identification, stationery, supplies, and equipment for personal or political matters.

When communicating publicly on matters that involve THEC business, employees must not presume to speak for THEC on any topic, unless they are certain that the views they express are those of THEC, and it is THEC's desire that such views be publicly disseminated.

When dealing with anyone outside THEC, including public officials, employees must take care not to compromise the integrity or damage the reputation of either THEC, or any outside individual, business, or government body.

5.3.10 **PROMPT COMMUNICATIONS:** In all matters relevant to customers, suppliers, government authorities, the public, and others in THEC, all employees must make every effort to achieve complete, accurate, and timely communications—responding promptly and courteously to all proper requests for information and to all complaints.

5.3.11 **PRIVACY AND CONFIDENTIALITY:** When handling financial and personal information about customers or others with whom THEC has dealings, staff should observe the following principles:

1. Collect, use, and retain only the personal information necessary for THEC's business. Whenever possible, obtain any relevant information directly from the person concerned. Use only reputable and reliable sources to supplement this information.
2. Retain information only for as long as necessary or as required by law. Protect the physical security of this information.
3. Limit internal access to personal information to those with a legitimate business reason for seeking that information. Use only personal information for the purposes for which it was originally obtained. Obtain the consent of the person concerned before externally disclosing any personal information, unless legal process or contractual obligation provides otherwise.

Approved: July 27, 2006

Revised: May 11, 2023

Section Title: Legal and Regulatory Policies
Policy Title: (Reserved)
Policy Number: LR6.0

Section Title: Legal and Regulatory Policies

Policy Title: Protection of Personally Identifiable Information

Policy Number: LR7.0

7.1.10A **Purpose:** This policy has three purposes:

- (1) To ensure Commission compliance with all State and Federal laws related to the protection of personally identifiable information;
- (2) To ensure all agency processes related to the handling of personally identifiable information employ measures appropriate for the security of personally identifiable information; and,
- (3) To achieve and maintain a heightened awareness among agency staff related to the handling, storage, utilization, and dissemination of personally identifiable information.

7.1.20A **Definitions.**

Confidential Information. Data or information deemed highly private or personal, the disclosure of which could potentially lead to identity theft or other malfeasance if mishandled or inadvertently distributed. This includes data or information deemed confidential by law, FERPA, regulation, or Commission policy. Confidential information includes, but is not limited to, the following:

- (1) Social security numbers;
- (2) Credit card numbers;
- (3) Driver's license or other government-issued identification numbers;
- (4) Bank account information;
- (5) Protected health information; and,
- (6) Student education records, including grades, transcripts, or financial records.

Disclosure. An individual discloses information when he or she permits access to or the release, transfer, or other communication of confidential, personally identifiable, or sensitive information by any means, including oral, written, or electronic, to any party, including the party who provided or created the record.

Personally Identifiable Information. Data is personally identifiable if it includes confidential or sensitive information and enables identification of a specific person or makes personal information about them known.

Sensitive Information. Some information related to the Commission’s business and academic activities, although not requiring the same level of legal protection or scrutiny as confidential information, is still classified by the Commission to be “sensitive information.” Examples of these types of information may include, but are not limited to:

- (1) Birth dates;
- (2) Home addresses;
- (3) Emergency contact information;
- (4) Employee/Student ID numbers;
- (5) Employee disciplinary records;
- (6) Legal documents; and,
- (7) Financial records.

7.1.30A **Scope.** This policy applies to all Commission members and staff. It is designed to protect confidential, personally identifiable, and sensitive information about students, teachers, Commission employees, and other individuals and entities considered stakeholders or Commission partners in higher education in the state and applies regardless of how the information is stored or transmitted (e.g., paper, electronic, other media).

7.140A **Procedures.** Use and release of confidential, personally identifiable, and sensitive information shall be consistent with all applicable laws and regulations, as well as Commission policy.

7.1.40B Information deemed confidential or sensitive shall be collected, stored, transmitted, and disposed of using the guidelines below. All Commission staff are responsible for ensuring that confidential and sensitive information is:

- (1) Collected only as necessary in conjunction with the lawful performance of Commission duties;
- (2) Restricted in its distribution and accessibility as is consistent with Commission policy;
- (3) Properly secured by the use of such safeguards as secured file storage and rooms, encryption, and other technology tools; and,
- (4) Disposed of through secure means such as shredding, overwriting hard drives, or other means of physical destruction as appropriate.

7.1.40C Staff shall adhere to Commission policy concerning the receipt, processing, and dissemination of personally identifiable information. Staff shall follow the Information Security Protocol outlined by the Commission Information Systems Director and Personally Identifiable Information Coordinator (“PII Coordinator”) when printing, faxing, storing, emailing, mailing, or handling any personally identifiable information.

7.1.40D Confidential and sensitive information shall be disclosed externally to individuals or entities outside of the Commission only when such disclosure is:

- (1) Necessary to fulfill the duties and responsibilities of the Commission;
- (2) Consistent with Federal, State, and local laws and regulations;
- (3) Compliant with this policy and the agency Information Security Protocol;
- (4) Provided using adequate protections, including written confidentiality and data sharing agreements, where appropriate; and,
- (5) When applicable, provided upon written permission or request from the affected individual, such as a student request for the release of transcripts.

Each division shall maintain a log or database of any external disclosure of PII. Staff shall confer with the Office of General Counsel for guidance as to whether an external disclosure of confidential, personally identifiable, or sensitive information complies with these requirements.

7.1.40E Confidential, personally identifiable, and sensitive information shall be disseminated internally between divisions and staff only when necessary to fulfill the duties and responsibilities of the Commission. If shared internally, staff shall be informed of the confidential or sensitive nature of the information and the need to safeguard it. Staff shall confer with the Office of General Counsel when a question arises as to whether the internal disclosure of confidential, personally identifiable, or sensitive information complies with this policy.

7.1.40F When directed by statute or required to fulfill the duties of the Commission, staff may be required to report data that was once personally identifiable to the general population through research briefs and reports. Staff should adhere to national data reporting standards and ensure that no data presented in aggregate may be systematically reduced to personally identifiable form. Staff shall adhere to the appropriate procedures for de-identification and reporting outlined in the agency Information Security

Protocol. Questions regarding the protection of data should be referred to the appropriate Commission division head and to the Office of General Counsel.

- 7.1.40G Commission staff shall not save confidential, personally identifiable, or sensitive information to their local desktop or laptop hard drive, except when necessary for temporary data processing or analysis and only after consultation with the PII Coordinator. If confidential, personally identifiable, or sensitive information must be saved to a user's desktop or laptop, the information should remain saved only for the period of time absolutely necessary for completion of processing and analyses and shall be immediately and permanently deleted thereafter.
- 7.1.40H Commission staff shall ensure that laptops, desktops, mobile devices or other machines provided by the State are password- locked and fully secured when not in use or under the immediate possession or control by the responsible individual. Staff shall not leave machines with access to personally identifiable information unattended. If a breach is suspected or a machine reported as missing or stolen, staff shall immediately inform the Executive Director, Information Systems Director, General Counsel, and the PII Coordinator, as well as their immediate supervisor.
- 7.1.40I The Commission shall establish and annually update a Data Breach Countermeasure Protocol and Crisis Plan to outline responsible parties, actions, and notification procedures in the event that personally identifiable, confidential, or sensitive information is disseminated or inadvertently distributed in an inappropriate or unintended manner. This protocol shall be reviewed annually by the PII Coordinator, in conjunction with the Executive Director, Office of General Counsel, Information Systems Director, and division leadership.
- 7.1.50A **Responsible Offices.** Commission leadership shall designate a Commission Information Systems Director to monitor handling of sensitive and confidential information, as well as develop tools, services, and guidance related to the security of the Commission's information technology assets. Questions related to these services, as well as questions related to the theft or potential theft of confidential, personally identifiable, or sensitive information, should be directed to this individual. The Information Systems Director shall ensure that all employees remain compliant with State and Commission procedures regarding information security, including the maintenance of employee acceptable use policies, information systems onboarding procedures, employee account termination, and yearly user

access audits. The Information Systems Director is responsible for developing and maintaining the Information Security Protocol for the Commission and initiating an annual review of the data breach countermeasure protocol and crisis plan.

7.1.50B The Executive Director shall designate a PII Coordinator who shall work with the Information Systems Director, the General Counsel, and each division head to maintain the Information Security Protocol for the Commission and conduct the following procedures annually:

- (1) Audit Commission staff rights and access privileges;
- (2) Update the Personal/Confidential Data Questionnaire;
- (3) Maintain on- and off-boarding procedures for employees regarding the protection of personally identifiable information; and,
- (4) Develop and implement ongoing employee trainings on the protection of personally identifiable information and acceptable handling of personally identifiable information.

7.1.50C The Office of General Counsel shall provide legal guidance for all questions related to the treatment of confidential, personally identifiable, or sensitive information and shall be consulted as needed for direction and advice.

References:

- T.C.A. § 10-7-504(a)(4)(A) confidentiality of student records
- T.C.A. § 10-7-504(a)(29)(A) disclosure of personally identifying information
- T.C.A. § 10-7-504(b) destruction of records containing confidential information
- T.C.A. § 10-7-504(f) confidentiality of certain state employee information
- T.C.A. § 10-7-504(m) records related to the security of any government building
- 20 USCA § 1232g Family Educational Rights and Privacy Act

Approved: January 26, 2017

**RULES OF PROCEDURE
OF THE
TENNESSEE HIGHER EDUCATION COMMISSION**

To carry out the purposes set forth in the Act which created it (being Chapter 179 of the Public Laws of Tennessee of 1967, hereinafter call the "Act"), the Tennessee Higher Education Commission hereby adopts the following Rules of Procedure:

I

NAME

The name of the Commission shall be the Tennessee Higher Education Commission (hereinafter called "the Commission").

II

SCOPE OF AUTHORITY

It shall be the duty of the Commission on a continuing basis to study the use of public funds for higher education in Tennessee and to analyze programs and needs in the field of higher education. The Commission shall establish and ensure that all institutions of higher education in this state cooperatively provide for an integrated system of postsecondary education. The Commission shall guard against inappropriate and unnecessary conflict and duplication by promoting transferability of credits and easy access of information among institutions. The Commission shall, in addition, undertake such specific duties as may be directed by resolution of the General Assembly or as may be requested by the Governor.

The Commission's studies and recommendations shall encompass the programs and the authorities of the public universities, the community colleges, and the state's colleges of applied technology. The Commission shall also consider Tennessee's private institutions of higher education in its continuous studies of the immediate and future needs of the state in the area of higher education. These studies shall consider the place of the private institutions in relation to the public institutions.

III

PURPOSES

The specific purposes and duties of the Commission shall be as outlined in the Act and its amendments.

IV

MEMBERS

The Commission shall consist of fourteen (14) members. The Governor shall appoint six (6) voting members, the Speaker of the Senate shall appoint one (1) voting member, the Speaker of the House of Representatives shall appoint one (1) voting member, and the speakers shall jointly appoint one (1) voting member.

In addition, the Governor shall appoint one (1) voting student member each year, from a list of three (3) nominees selected and submitted by the Commission no later than April 15. The student member shall serve for a term of one (1) year, commencing on July 1 and concluding on June 30.

The Comptroller of the Treasury, the Secretary of State, and the State Treasurer shall serve as ex officio, voting members of the Commission. The Executive Director of the State Board of Education shall serve as an ex officio, nonvoting member of the Commission.

Except for ex officio members and student members, membership shall be for a six-year term. Members shall be eligible for reappointment.

As the appointing authorities appoint voting members, other than the student members, they shall appoint them so that the three (3) grand divisions of the state are represented equally. When the nine (9) voting members, other than the student member, have been appointed so that the three (3) grand divisions are represented equally, the appointing authorities, in filling vacancies, shall subsequently appoint a person from the grand division in which the member who previously filled the position resided. The appointing authorities shall strive to appoint members to the Commission in a manner that is representative of the diversity of the citizens of the state.

Any vacancy on the Commission shall be filled by appointment of the authority who originally made the appointment. Vacancies, except for expiration of term, shall be filled for the unexpired term only. The place of any Commission member

shall be vacated at such time as the member may cease to reside in the grand division in which he or she resided at the time of the appointment. Except for ex officio members and student members, no Commission member shall be an elected or appointed official or employee of the State of Tennessee, nor a trustee or employee of a public institution of higher education in Tennessee while a Commission member. Members shall receive no compensation for their services.

V

OFFICERS

The Commission officers shall consist of a chair, two vice-chairs, and a secretary, each elected by the Commission members from among their own number. The office of secretary may be combined with that of vice-chair. Officers shall be elected at the summer Commission meeting, and the term of office of all officers shall be one year or until their successors are elected; and their duties shall be those ordinarily performed by such officers.

Each vice-chair shall reside in one of the grand divisions of the state in which the chair and other vice chair do not reside.

VI

EXECUTIVE COMMITTEE

The Executive Committee of the Commission shall consist of its officers. The Executive Committee shall have such powers as given through action of the Commission. In addition to the powers that have or may be granted to the Executive Committee through the action of the Commission, it is hereby specifically charged with the responsibility to review personnel matters; to review the policies, rules and regulations of the Commission; and to review and monitor the goals and objectives in the Commission's strategic plan (master plan).

VII

EXECUTIVE DIRECTOR AND STAFF

The Commission is empowered to employ an Executive Director, define the duties, and, within budgetary limitations, fix the compensation. The Executive Director shall serve at the pleasure of the Commission and must have such educational preparation and experience as will qualify the Executive Director, in the Commission's judgment, to understand and evaluate the problems and needs of the state's institutions of higher education and to direct the studies of the

Commission. The Executive Director shall be empowered to act for the Commission in the interims when the Commission is not in session. Within budgetary limitations and subject to the approval of the Commissioner of Human Resources, the Executive Director is empowered to employ such other professional and staff employees as may be appropriate for the efficient discharge of the Commission's duties.

VIII MEETINGS

The Commission shall hold regular meetings at least four times each year. It shall also meet at the call of the chairman, or the secretary, if said secretary receives the request in writing of at least three members of the Commission to call such meeting, on at least three days' written notice setting forth the time, place, and purpose of the meeting. An agenda for each regular meeting of the Commission will be prepared by the Executive Director with the approval of the chair setting forth, in outline, each matter of business to be conducted at the meeting. Such agenda shall be delivered to the members at least ten days before each meeting. Matters not on the agenda can be considered at the meeting only by vote of six members. Any meeting at which a quorum is not present may be adjourned from time to time until a quorum is present. Debates and proceedings before the Commission will be conducted in accordance with the current edition of Robert's Rules of Order when not in conflict with these Rules of Procedure or other statutory requirements. Members shall be entitled to reimbursement for expenses incurred in attending meetings of the Commission or its committees, in conformity with regulations governing travel expenses of state officials.

IX MINUTES

Minutes shall be kept of all meetings of the Commission by or under the direction of the Executive Director, who will deliver copies of the minutes of each meeting to all members promptly after such meeting is held, and shall be read (unless such reading is waived on motion) and approved at the next succeeding meeting as the first order of business.

X

QUORUM

A quorum of the Commission shall consist of seven members. All action shall be by vote of a majority of the members present and voting at a meeting at which a quorum is present. No proxies or mail or other absentee voting shall be permitted.

XI

ADVISORY COMMITTEES

In addition to the Executive Committee authorized in Section VI of these Rules, Advisory Committees of the Commission may be appointed by the chair from among its members with the concurrence of the Commission members. Such committees shall make recommendations, but shall have no power to act on behalf of the Commission.

XII

AMENDMENTS

These rules of procedure may be amended by motion made at any meeting of the Commission at which a quorum is present. An amended rule of procedure shall be effective at the next succeeding meeting at which a quorum is present not less than two days thereafter; provided, however, that when a proposal to amend these rules of procedure is submitted in writing to all members at least ten days before a regular meeting and such proposal is duly adopted by the Commission at that meeting, the amended rules of procedure shall be effective at that regular meeting.

Approved: September 11, 1969
Revised: August 28, 1978
September 4, 1981
January 8, 1987
February 15, 1995
May 19, 1995
July 25, 1997
November 17, 2005
July 27, 2017
July 26, 2018
January 25, 2019