

MINUTES
TENNESSEE HIGHER EDUCATION COMMISSION
November 14, 2013, 1:00 p.m. CST

The meeting was called to order by Chairman Cato Johnson at 1:00 p.m.

Commission Members present:

Mr. Charles Bone	Mr. Cato Johnson
Mr. Evan Cope	Mr. Jon Kinsey
Mr. Robert Fisher	Ms. Pam Koban
Ms. Sharon Hayes	Dr. Gary Nixon
Mr. Adam Jarvis	Mr. Keith Wilson

Adoption of Agenda

Mr. Johnson then welcomed all and thanked them for their attendance. He called for a motion to approve the agenda. Ms. Sharon Hayes made a motion to approve the agenda as presented. Mr. Jon Kinsey seconded the motion; the motion was duly adopted.

Approval of Minutes, July 25, 2013, Meeting

Mr. Johnson called for a motion to approve the minutes of the July 25, 2013, Commission meeting. Mr. Evan Cope made a motion to approve the minutes as presented. Ms. Hayes seconded the motion; the motion was duly adopted.

Action Items

Approval of Academic Degree Programs

Tennessee State University, Professional Science Masters with a concentration in Applied Geospatial Sciences

Mr. Mike Krause, Assistant Executive Director for Academic Affairs, presented the recommendation for the new academic program. Mr. Krause stated the proposed Professional Science Masters (PSM) program with a concentration in Applied Geospatial Sciences (AGS) will combine scientific and technical knowledge in AGS with business workplace skills highly valued by employers. He also stated that the proposed program is a unique professional degree grounded in natural science, technology, engineering, mathematics and computational sciences and is designed to prepare students for direct entry into a variety of career options in industry, business or government. Mr. Krause noted the proposed program will also contribute to the University's mission by producing graduates who will have advanced training in the cutting edge interfaces of science and management. Mr. Johnson called for a motion to approve the proposed program. Mr. Charles Bone made a motion to approve. Ms. Hayes seconded the motion; the motion was duly adopted.

Temporary Authorization of New Institutions, and Approval of New Programs Under the Postsecondary Authorization Act

Dr. Stephanie Bellard-Chase presented the recommendations of staff and the Postsecondary Education Authorization Advisory Committee to grant temporary authorization to proposed new institutions and new programs. A listing of the institutions and programs is included as Attachment A to the official copy of the minutes. A motion was made by Mr. Bone to adopt the recommendations, as presented. Mr. Kinsey seconded the motion; the motion was duly adopted.

2014-15 State Appropriation Recommendations

Dr. Russ Deaton, Associate Executive Director of Fiscal Policy & Administration was recognized. Dr. Deaton commented that with the full phase-out of the Hold Harmless provision in 2013-14, fiscal year 2014-15 marks the second year in which all state appropriations distributed through the outcomes-based formula are allocated based strictly on performance. He stated that funds are allocated on a pro-rata basis and all campuses are recommended to receive the same percentage of their formula calculation. Dr. Deaton also stated that the staff recommendations include other components such as an improvement in the states' need-based aid, the TSAA (Tennessee Student Assistance Award, and the Master Plan. Dr. Deaton then noted the grand total recurring and non-recurring recommendation for all higher education operating appropriations for 2014-15 is \$1.3 billion which includes \$29.6 million to fund outcome growth, \$11.6 million for other institutional operating costs across "non-formula units", \$31.7 million for TSAA funding, \$16.5 million to complete the equipment replenishment program and \$5 million for the continuation of the Online Innovation Initiative. Ms. Hayes made a motion to adopt the FY 2014-15 Appropriation recommendations and the Commission authorizes the Executive Director to make any necessary technical corrections as necessary and transmit to the department of Finance and Administration for their approval. Mr. Keith Wilson seconded the motion; the motion was duly adopted.

2014-15 Student Fee Recommendations

Dr. Deaton stated that the Complete College Tennessee Act requires THEC to make student fee and state appropriation recommendations concurrently. He noted that these recommendations are informed by an analysis of the income profile and financial aid packages of Tennessee students. Dr. Deaton then noted that THEC staff recommendations are maintenance fee increases of two to four percent at universities, community colleges and colleges of applied technology. He also noted that scenarios for tuition increases in 2014-15 of two, three or four percent at the universities, community colleges and colleges of applied technology are presented and these recommendation ranges are a companion piece to the recommended state appropriations increase of \$29.6 million. Dr. Deaton stated that it is also recommended that UT and TBR further implement differential tuition rates, which might consider program, cost, student level, institution or other factors. Mr. Bone made a motion to approve student fee recommendations as presented. Mr. Cope seconded the motion; the motion was duly adopted.

2014-15 Capital Projects Recommendations

Dr. Deaton was recognized to provide the capital outlay recommendations for 2014-15. He stated that the recommendations total \$213.1 million which includes two projects for the University of Tennessee totaling \$103.5 million, and five projects for the Tennessee Board of Regents totaling \$109.6 million. Dr. Deaton also stated that all capital outlay projects include an institutional matching component applicable to the first \$75 million of a project and THEC intends that UT and TBR have flexibility to craft the specific parameters of the matching component. Dr. Deaton then reviewed the 2014-15 recommendation for capital maintenance. He stated that the recommendation for the Tennessee Board of Regents and the University of Tennessee systems totals \$114.8 million, which includes 11 projects for the University of Tennessee totaling \$45.7 million and 60 projects for the Tennessee Board of Regents totaling \$69.1 million.

Dr. Deaton also reviewed the disclosure of revenue-funded projects which are projects funded through institutional funds, Tennessee State School Bond Authority, auxiliary funds, or sources other than state appropriations. He stated that for 2014-15, 34 revenue-funded projects totaling \$264.3 million for both the Tennessee Board of Regents and the University of Tennessee systems are being disclosed which includes 17 projects totaling \$233.6 million for the University of Tennessee, and 17 projects totaling \$30.7 million for the Tennessee Board of Regents. A motion was made by Ms. Hayes to adopt the 2014-15 Capital Projects Recommendations as presented. Mr. Adam Jarvis seconded the motion; the motion was duly adopted.

2014 Improving Teacher Quality Grant Awards

Mr. Herbert Brown, Academic Affairs Analyst, was recognized to present this item. Mr. Brown stated that in accordance with the state's adoption of the Common Core State Standards in Reading; THEC and the Department of Education jointly developed the Request for Proposals (RFP) which focused on providing high quality professional development in grades 6-12. Mr. Brown stated that institutions were given the opportunity through the RFP to prepare proposals demonstrating their ability to provide a summer workshop, along with sustained activities throughout the school year, to grade 6-12 teachers. Of the 17 proposals received, the advisory committee identified 12 proposals for funding with a combined total of \$824,281. A motion was made by Mr. Kinsey to adopt the recommendations, as presented. Mr. Bone seconded the motion; the motion was duly adopted.

Chairman's Report

Mr. Johnson commented on the productive work session earlier in the day and noted the excellent presentations and good discussion on the items presented and complimented staff for the excellent job.

Executive Director's Report

Dr. Deaton was recognized to provide the executive director's report on behalf of Dr. Rhoda. He began his report by commenting on the National Assessment of Educational Progress (NAEP) report scores for grades 4 and 8 and noted that Tennessee was the only state that had gains in math and reading for both

grades over the past two years and were the largest gains in those two areas. He then recognized new staff members: Steven Gentile, Assistant Director of Fiscal Policy Analysis, Curt Johnston, graduate assistant in the academic affairs division, and Joel Cummings, an intern in the policy, planning and research division. Dr. Deaton then recognized Ms. Katrina Miller. He stated that she had taken a position with the Council of Chief State School Officers and thanked her for the contributions she has made during her eight years on the THEC staff.

Dr. Deaton then announced the November 15 budget hearing with Governor Haslam, being held tomorrow, will be viewable by streaming video at 12:45 central time and encouraged members to watch. He then commented on the campus presidential meetings beginning next week to discuss the Drive to 55 initiative to get feedback from the presidents.

Dr. Deaton stated that UT and TBR were currently undergoing Sunset reviews for the next legislative cycle. He stated that THEC has had its exit interview and noted staff would provide the report with any findings to the Commission once it was received. Dr. Deaton then called on Mr. David Wright to introduce special guests.

Mr. Wright introduced Dr. Melanie Hwalek and Mr. John Muffo from SPEC Associates, an assessment group out of Detroit. Dr. Hwalek stated that SPEC Associates is evaluating work done through grants provided by the Lumina Foundation in Tennessee and six other states. She also stated that a report will be issued in 2014 with results for all areas evaluated by SPEC Associates, which include the funding formula, student financial aid, and adult programs.

Systems' Reports

Tennessee Board of Regents

Mr. John Morgan, Chancellor of the Tennessee Board of Regents, was recognized to present his report. He began his report by commenting on the appropriations recommendation for TBR institutions and the Governor's support and commented on the budget briefings being held for all campuses. Chancellor Morgan then commented on the presidential searches for the University of Memphis and Cleveland State Community College. He stated that the University of Memphis search will begin in the spring and hope to fill that position by summer 2014. Chancellor Morgan also stated there were three finalists named for Cleveland State, Dr. Niles Reddick, Dr. Gene Couch, and Dr. Bill Seymour. He noted the board should have a president named at their next board meeting in December.

University of Tennessee

Dr. Joe DiPietro, President, the University of Tennessee, was recognized to present his report. Dr. DiPietro began his report by commenting on the budget recommendations for the University of Tennessee System. He commented that enrollment is at a steady increase, specifically at the graduate level. Dr. DiPietro also commented on completion rates and noted the increase of completers but also noted areas in need of improvement. He then noted the

retirement of Dr. Johnny Ray, Vice President for Development and Alumni Affairs and noted that Lofton Stewart would serve as interim vice president until the position is filled.

Information Items

Title VI Implementation Plan Update and Compliance Report

Ms. Emily Petro, Associate Counsel, reviewed the Title VI Implementation Plan Update and Compliance Report. She noted that the purpose of the plan is to show how the state agency, as well as the entities to which its federal funds flow, is assuring compliance of Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of a person's race, color, or national origin. Ms. Petro also noted that the plan was filed with the Title VI Compliance office of the Tennessee Human Rights Commission on September 30, 2013.

2013 Articulation and Transfer Report

Dr. Alexander Gorbunov, Associate Director of Research, was recognized. Dr. Gorbunov briefed the Commission on the 2013 Articulation and Transfer report. He stated that the analyses conducted for the report show that student transfer activity in Tennessee is multidirectional and consistent over time. He noted that most transfers take place within Tennessee and many students who transfer from out-of-state institutions are returning Tennessee residents. Dr. Gorbunov also stated that transfer students have low degree efficiency in terms of earned credit hours and the majority of students listed as migrating from Tennessee Colleges of Applied Technology (TCATs) are returning or readmitted students.

Office of P-16 Initiatives Update

Mr. Troy Grant, Director, College Access Initiatives, was recognized to provide a status report on the GEAR UP program. Mr. Grant briefly reviewed the current initiatives GEAR UP TN provides. He stated that with Collaboratives in 15 Tennessee counties to promote college readiness and success, GEAR UP TN serve a cohort of students starting in the seventh grade continuing through their first year of postsecondary education.

He then commented on the College Access Challenge Grant (CACG), Latino Student Success Grant aimed at increasing the number of Latinos completing higher education in Memphis, and the Tennessee College Access and Success Network that connects college access and success programs with like-minded organizations for the purpose of increasing the number of Tennesseans participating and succeeding in postsecondary opportunities.

Core to College Status Report

Ms. Melissa Stugart, Director, Core to College, was recognized. Ms. Stugart advised the Commission that core to college is a multi-state grant initiative designed to promote strong collaboration between higher education and the K-12 sectors in the implementation of the Common Core State Standards and aligned assessments. She stated that focus has been place on successful execution of two projects: General Education Redesign and P-16 Curriculum Councils, noting both were developed with specific, measurable outcomes and

timelines that allow for a clear assessment regarding program progress and delivery.

Ms. Stugart then noted that with the support of the Tennessee Board of Regents and University of Tennessee, the Core to College Director formed faculty redesign teams to assess and align the K-12 Common Core State Standards to credit bearing, entry level courses in English and Math to create a more seamless transition from high school to college for Tennessee students. She then stated that eight regional Curriculum Councils were formed in partnership with the Tennessee Department of Education Centers of Regional Excellence (CORE) Offices to promote better communication and relationships between K-12 and higher education regarding Common Core implementation.

First to the Top Update

Ms. Katrina Miller, First to the Top director, was recognized to provide an update. Ms. Miller noted the 2013 *Report Card on the Effectiveness of Teacher Training Programs* was released on Friday, November 1. She noted this is the sixth year that the state has made data available to the public regarding the effectiveness of the state's teacher training program completers. Ms. Miller then reviewed placement and retention rates of teacher training program completers, Praxis II licensure exam passage rates, and the Tennessee Value-Added Assessment System (TVAAS) teacher effect data. Ms. Miller commented on the Advanced Analytics report, which will examine a variety of variables such as program of study, course sequence, and the effect of mentor teachers on a completer's future success.

Ms. Miller then reviewed the partnership with the Ayers Institute for Teacher Learning and Innovation at Lipscomb University and stated the partnership has created a multimedia, professional development program to support higher education institutions in imbedding Common Core State Standards (CCSS) into the pre-service teacher curriculum.

Schedule of 2014 Commission Meetings

Dr. Deaton advised the Commission that the meetings for 2014 would be: January 30 that includes the joint meeting with the State Board of Education, April 24, July 24, and November 20, 2014, in the THEC board room. There being no further business, the meeting was adjourned at 2:30 p.m.

Approved:

Cato Johnson
Chair