

**TENNESSEE HIGHER EDUCATION COMMISSION
Winter Quarterly Meeting, January 26, 2017**

WELCOME REMARKS

Chairman Evan Cope called the Winter Quarterly meeting to order at 10:00 am, welcomed everyone, and asked for attendance to be taken by roll call.

Name	Present	Absent
Chairman Cope	X	
Dr. Dishner	X	
Secretary Hargett	X	
Dr. Heyburn		X
Ms. Kadire*	X	
Mr. Lee**		X
Ms. Koban	X	
Treasurer Lillard	X	
Ms. Roach	X	
Mayor Wharton	X	
Comptroller Wilson**		X
Mr. Keith Wilson	X	
Mr. Chisenhall	X	

*participated electronically by telephone

**not present at roll call

Nine voting members were present, constituting a quorum.

ADOPTION OF AGENDA AND APPROVAL OF MINUTES

Mr. Keith Wilson made a motion to adopt the agenda and approve the minutes of the November 16, 2016 Fall Quarterly Meeting, and Treasurer Lillard seconded. A voice vote was taken and the motion was approved.

CHAIRMAN'S REPORT

Chairman Cope recognized Mr. Keith Wilson who is retiring from the Commission. Mr. Cope gave a general overview of the meeting: administrative policies, academic programs and master plans, and approval of capital projects in the future. He also welcomed Dr. Flora Tydings of TBR and stated he looks forward to working with her in her new role.

EXECUTIVE DIRECTOR'S REPORT

Mike Krause recognized Tom Morrison with the THEC Veterans division and thanked him for the work he does with veterans. Mike briefed the Commission on how THEC continues working to increase high school graduates going on to college to earn a degree, with thirty THEC employees working at high schools to assist students in the college application process. Tennessee was the number one state in FAFSA applications. Mr. Krause then recognized Dr. Lauren Collier who provided an update on FOCUS transitions. Locally Governed Institutions, (LGIs), have largely completed their preparations for their new boards. LGIs have been asked to communicate their intent to independently undertake Capital Project Management and Procurement by January 31. During the Transition Task Force meeting, a process and timeline for affirming mission statements for 2017 and reviewing those in subsequent years was laid out. THEC continues to work with campuses to identify and address issues as they emerge, revise the Capital Outlay Prioritization process, and develop a long-range data plan.

The board confirmation process begins next week with appointees sitting for hearings in the House and Senate Education Committees in two groups: ETSU, MTSU, and UM appearing January 31 and February 1 and APSU, TSU, and TTU appearing February 7-8. After confirmation by the General Assembly, the boards will be submitted to the accreditor, the Southern Association of Colleges and Schools Commission on Colleges ("SACSCOC") for approval as the universities' new governing boards.

THEC, with support from Dr. Carol Cartwright of the Association of Governing Boards, will provide on-campus training for each board in late March and early April. The Governor will call the first meeting of each board immediately following each training session.

Mr. Krause also thanked Chancellor David Gregory for his leadership at TBR through the years.

SYSTEM REPORTS

TBR

Chancellor Gregory introduced Dr. Flora Tydings as the new TBR chancellor, effective February 1, 2017. Chancellor Gregory feels the LGIs are ready for the changes under the FOCUS Act. Chancellor Gregory announced the new president at Jackson State Community College, Dr. Allanna Hamilton.

UT

President Joe DiPietro briefed the Commission on the UT system. President DiPietro gave updates on UT's latest hires, including: Chancellor Tim Cross Institute of Agriculture; UT Knoxville Chancellor Beverly Davenport; CFO David Miller; and David Bolden, Executive

Assistant to President DiPietro. UT’s Budget Advisory Group continues to meet. He shared several recent accomplishments at UT campuses.

AGENDA ITEMS

Postsecondary State Authorization of New Institutions and New Programs

Chairman Cope recognized Dr. Stephanie Bellard Chase of the Division of Postsecondary School Authorization (DPSA) who presented the recommendations of the Committee on Postsecondary Institutions for the authorization of new institutions. The committee recommended 8 new institutions and the 33 new programs be given temporary authorization and approval respectively.

Chairman Cope opened the floor for discussion. A motion was made by Ms. Koban and seconded by Mayor Wharton to approve the new institutions and new programs. A roll call vote was taken.

Chairman Cope (aye)	Mr. Lee (absent)	Mayor Wharton (aye)
Dr. Dishner (aye)	Ms. Koban (aye)	Comptroller Wilson (absent)
Secretary Hargett (aye)	Treasurer Lillard (aye)	Mr. Keith Wilson (aye)
Ms. Kadire (aye)	Ms. Roach (aye)	

The motion was passed with 9 ayes.

Dr. Bellard Chase recommended to the Commission to approve the list of 12 institutions (I. C) for Optional Expedited Authorization.

Chairman Cope opened the floor for discussion. A motion was made by Mr. Keith Wilson and seconded by Treasurer Lillard to approve all 12 institutions for Optional Expedited Authorization. A roll call vote was taken.

Chairman Cope (aye)	Mr. Lee (absent)	Mayor Wharton (aye)
Dr. Dishner (aye)	Ms. Koban (aye)	Comptroller Wilson (absent)
Secretary Hargett (aye)	Treasurer Lillard (aye)	Mr. Keith Wilson (aye)
Ms. Kadire (aye)	Ms. Roach (aye)	

The motion was passed with 9 ayes.

POLICY UPDATES

Academic Affairs

Chairman Cope recognized Dr. Betty Dandridge Johnson who presented recommendations for revisions to three academic policies and adoption of one new policy. The passage of the Focus on College and University Success (FOCUS) Act during the 2016 legislative session provided the impetus for a thorough evaluation of academic policies by THEC staff. THEC is empowered to provide statewide leadership for the development, coordination and monitoring of academic planning. The FOCUS Act also provides greater autonomy for

universities in pursuit of innovation and differentiation, while allowing the Tennessee Board of Regents to sharpen its attention on technical and community college success. Thus, THEC academic policies were reviewed to ensure the academic planning process was aligned with the FOCUS Act while addressing the state’s economic development, workforce development, and research needs.

THEC staff worked in consultation with the chief academic officers at each university as well as University of Tennessee and Tennessee Board of Regents in reviewing policies related to the academic planning process. Additionally, best practices were researched and incorporated into the policy revisions. Where appropriate, guidelines from SACSCOC were also included in the policy revisions. The Tennessee Board of Regents will continue to follow the current process in place for final approval of academic programs at the community colleges. In response to the 2010 Complete College Tennessee Act, THEC delegated authority to TBR for academic program approval at community colleges.

Chairman Cope opened up the floor for discussion. A motion was made by Secretary Hargett and seconded by Dr. Dishner to approve revisions on three policies and adopt one new policy. A roll call vote was taken.

Chairman Cope (aye)	Mr. Lee (absent)	Mayor Wharton (aye)
Dr. Dishner (aye)	Ms. Koban (aye)	Comptroller Wilson (absent)
Secretary Hargett (aye)	Treasurer Lillard (aye)	Mr. Keith Wilson (aye)
Ms. Kadire (aye)	Ms. Roach (aye)	

The motion was passed with 9 ayes.

Personally Identifiable Information

Chairman Cope recognized Mr. Brett Gipson, THEC’s Deputy General Counsel. Mr. Gipson informed the Commission that in recognition of one of THEC’s primary responsibilities, the protection of student data, Mr. Krause formed a task force in the fall of 2016 to evaluate the agency’s procedures related to the handling of personally identifiable information (“PII”). The task force developed recommendations for modifying some agency processes and procedures which were incorporated into an overall policy designed with three key purposes: 1) to ensure compliance with all State and Federal laws related to PII; 2) to ensure safe handling of PII by agency staff; and 3) to achieve and maintain a heightened awareness among agency staff related to the handling, storage, utilization, and dissemination of PII. Once approved, the policy will be distributed to each THEC employee. This policy clearly states the expectations of each employee as they perform their official duties on behalf of the Commission.

Chairman Cope opened up the floor for discussion. A motion was made by Secretary Hargett and seconded by Treasurer Lillard to approve the proposed policy for PII. A roll call vote was taken.

Chairman Cope (aye)	Mr. Lee (absent)	Mayor Wharton (aye)
Dr. Dishner (aye)	Ms. Koban (aye)	Comptroller Wilson (absent)
Secretary Hargett (aye)	Treasurer Lillard (aye)	Mr. Keith Wilson (aye)
Ms. Kadire (aye)	Ms. Roach (aye)	

The motion was passed with 9 ayes.

Outside Employment

Next, Mr. Gipson recommended to the Commission that the policy on outside employment for THEC Staff be updated. Policy HR1.0 on Outside Employment recognizes that full-time employment with the Commission demands an individual's full-time commitment, professional expertise, and attention to assigned responsibilities. The policy provides notice to staff that holding an appointment to a full-time position with the Commission constitutes acknowledgement of these requirements, and that the position shall be the employee's primary occupation. The policy is necessary to ensure that an employee's outside employment does not conflict with the duties of their employment at the Commission.

Chairman Cope opened the floor for discussion. A motion to update the policy was made by Secretary Hargett and seconded by Mr. Keith Wilson. A roll call vote was taken.

Chairman Cope (aye)	Mr. Lee (absent)	Mayor Wharton (aye)
Dr. Dishner (aye)	Ms. Koban (aye)	Comptroller Wilson (absent)
Secretary Hargett (aye)	Treasurer Lillard (aye)	Mr. Keith Wilson (aye)
Ms. Kadire (aye)	Ms. Roach (aye)	

The motion was passed with 9 ayes.

NEW ACADEMIC PROGRAMS

East Tennessee State University and Tennessee Technological University, Joint Doctor of Nursing Practice

Chairman Cope recognized Dr. Pam Knox. Dr. Knox recommends to the Commission the proposed joint doctoral program in Nursing Practice at East Tennessee State University and Tennessee Technological University, a Nursing Practice degree with an advanced focus. Both East Tennessee State University and Tennessee Technological University baccalaureate and master's degree nursing programs are accredited by the Commission of Collegiate Nursing Education (CCNE). East Tennessee State University has an existing Doctor of Nursing Practice program which is also CCNE accredited. The institutions have signed a Memorandum of Understanding (MOU) to support a joint Doctor of Nursing Practice, to be known as the Tennessee Joint Doctor of Nursing Practice (DNP) Program, in which both institutions will admit students and jointly confer a single DNP degree. Both

institutions will offer the core courses for the degree with concentrations offered by each campus in their areas of unique strength.

The proposed on-line and blended Tennessee Joint Doctor of Nursing Practice program will allow for the sharing and the efficient use of resources as it seeks to prepare Doctors of Nursing Practice in unique specialties to bridge the gap in healthcare created by the physician shortage in the Upper Cumberland and East Tennessee regions and the need for additional faculty. East Tennessee State University will continue to operate its approved institutional Doctor of Nursing Practice program in addition to participating in this joint degree.

Chairman Cope opened the floor for discussion. Dr. Dishner made a motion to approve the new program and Comptroller Wilson seconded it. A roll call vote was taken.

Chairman Cope (aye)	Mr. Lee (absent)	Mayor Wharton (aye)
Dr. Dishner (aye)	Ms. Koban (aye)	Comptroller Wilson (aye)
Secretary Hargett (aye)	Treasurer Lillard (aye)	Mr. Keith Wilson (aye)
Ms. Kadire (aye)	Ms. Roach (aye)	

The motion was passed with 10 ayes.

Middle Tennessee State University, Dance, Bachelor of Science

Next, Dr. Knox recommended to the Commission the approval of the Bachelor of Science in Dance at Middle Tennessee State University. The proposed baccalaureate program seeks to expand the highly successful Dance minor that has been in existence since 1999, and the Dance emphasis within the Bachelor of Science in Integrated Studies. Currently, the Dance minor program is already an active participating member of the American College Dance Association, the Society of Dance History Scholars, and Congress on Research in Dance, the most prestigious national and international organizations for the presentation of creative and academic research in the field of dance.

The proposed degree will foster the development of students interested in a variety of approaches to dance including, performance, choreography, dance education, history, and theory, and dance science with coursework meeting standards outlined by the National Association of Schools of Dance (NASD) within a liberal arts degree.

Chairman Cope opened the floor for discussion. Mr. Keith Wilson made a motion to approve the new program and Comptroller Wilson seconded it. A roll call vote was taken.

Chairman Cope (aye)	Mr. Lee (absent)	Mayor Wharton (aye)
Dr. Dishner (aye)	Ms. Koban (aye)	Comptroller Wilson (aye)
Secretary Hargett (aye)	Treasurer Lillard (aye)	Mr. Keith Wilson (aye)
Ms. Kadire (aye)	Ms. Roach (aye)	

The motion was passed with 10 ayes.

Middle Tennessee State University, Fermentation Science, BS

Next, Dr. Pam Knox recommended to the Commission that MTSU offer a Bachelor of Science in Fermentation Science. In 1995, Tennessee's industry included 15 wineries, two distilleries, two major cheese-making facilities and no other fermentation facilities of any type. Today, the industry includes 60 wineries, 30 distilleries, 52 breweries, 10 cheese making operations, the largest yogurt manufacturing plant in the world (in addition to numerous smaller yogurt producers), and million gallons ethanol production facilities in two counties. Based on this rapid growth of fermentation for food and energy production, Middle Tennessee State University proposes to offer a Bachelor of Science (BS) in Fermentation Science. The proposed program will be the first in Tennessee that will prepare students for work in commercial food production and brewing as well as the academic sector of teaching and conducting research.

The curriculum for the proposed program is multi-disciplinary and will draw primarily from the School of Agribusiness and Agriscience. The school has a long-standing relationship with Tennessee's Department of Agriculture as well as the state's food industry, particularly the food processing industry. Courses in Fermentation Science will be taught in partnership with local industry. Hands-on training sessions at industry sites as well as internships with industry will be scheduled to accommodate working professionals as well as traditional students.

Chairman Cope opened the floor for discussion. Dr. Dishner made a motion to approve the recommendation and Ms. Koban seconded it. A roll call vote was taken.

Chairman Cope (aye)	Mr. Lee (absent)	Mayor Wharton (aye)
Dr. Dishner (aye)	Ms. Koban (aye)	Comptroller Wilson (aye)
Secretary Hargett (aye)	Treasurer Lillard (aye)	Mr. Keith Wilson (aye)
Ms. Kadire (aye)	Ms. Roach (aye)	

The motion was passed with 10 ayes.

Academic Program Review

Chairman Cope recognized Ms. Victoria Harpool, Assistant Executive Director for Academic Affairs. Ms. Harpool provided information on the program approval and monitoring cycle which is used to continuously monitor program quality. The Commission was presented information on the 2016 academic program actions including all new, modified and terminated academic programs. The number of new and modified academic programs in 2016 was not significantly different from 2015. However, 2016 had a record number of program terminations most of which occurred at the Tennessee Board of Regents Community Colleges. Ms. Harpool provided an overview of the Post Approval Monitoring program which monitors new programs to ensure institutionally determined benchmarks

for enrollment and graduation are maintained. Dr. Tristan Denley, Vice Chancellor for Academic Affairs at the Tennessee Board of Regents, was introduced to provide information on those programs that did not meet Post Approval Monitoring benchmarks.

Revised Budget

Chairman Cope recognized Dr. Russ Deaton, Deputy Executive Director, who introduced Crystal Collins, to present information on the 2016-17 revised operating budgets. Ms. Collins stated that appropriations have returned to above pre-recession levels and discussed growth in recent years. Ms. Collins discussed the breakdown of total revenues across higher education and presented historical and current year revised revenue totals. Ms. Collins also discussed the reported expenditures across higher education, noting that institutions continue to expend the majority of funds on core academic functions. Though a decline in the proportion attributable to these core functions has occurred in recent years, Ms. Collins noted that institutions are increasing expenditures on activities that aid students.

Chairman Cope opened the floor for discussion. Ms. Koban made a motion that the Commission approve the FY 2016-17 October 31 Revised Operating Budgets, authorize the Executive Director to make appropriate technical adjustments if necessary, and transmit the revised operating budgets with the Commission’s action and comments to the Department of Finance and Administration for their review and approval. Mayor Wharton seconded the motion. A roll call vote was taken.

Chairman Cope (aye)	Mr. Lee (aye)	Mayor Wharton (aye)
Dr. Dishner (aye)	Ms. Koban (aye)	Comptroller Wilson (abstain)
Secretary Hargett (aye)	Treasurer Lillard (aye)	Mr. Keith Wilson (aye)
Ms. Kadire (aye)	Ms. Roach (aye)	

The motion was passed with 10 ayes and 1 abstention from Comptroller Wilson.

Master Plan Updates

Cleveland State Community College

Chairman Cope recognized Russ Deaton, who along with President Bill Seymour from Cleveland State Community College, presented an overview and recommended approval of the master plan. The Master Plan calls for the demolition of the Career Education facility and construction of a new facility to house academic programs in the health sciences, classrooms, and offices. The Master Plan also calls for major renovations to aging facilities, infrastructure improvements, and development of the campus grounds, including land use, landscaping, and signage.

Chairman Cope opened the floor for discussion. Secretary Hargett made a motion to approve the master plan and Treasurer Lillard seconded it. A roll call vote was taken.

Chairman Cope (aye)	Mr. Lee (aye)	Mayor Wharton (aye)
Dr. Dishner (aye)	Ms. Koban (aye)	Comptroller Wilson (aye)
Secretary Hargett (aye)	Treasurer Lillard (aye)	Mr. Keith Wilson (aye)
Ms. Kadire (aye)	Ms. Roach (aye)	

The motion was passed with 11 ayes.

Columbia State Community College

Dr. Deaton and President Janet Smith of Columbia State Community College, presented an overview and recommended approval of the master plan. The Space Guidelines show needs in class labs, open labs, and faculty offices. Additionally, the quality of labs, classrooms, the gymnasium, and library were found to be inadequate for their purpose and use. Following enrollment growth benchmarks, the main campus Master Plan includes the construction of an allied health building, demolition of the Walter Health Sciences Building, and major renovations to the library and gymnasium. The Master Plan also includes strategic land acquisition for future expansion, greater security, and increased pedestrian and traffic flow efficiency.

Chairman Cope opened the floor for discussion. Comptroller Wilson made a motion to approve the master plan and Secretary Hargett seconded it. A roll call vote was taken.

Chairman Cope (aye)	Mr. Lee (aye)	Mayor Wharton (aye)
Dr. Dishner (aye)	Ms. Koban (aye)	Comptroller Wilson (aye)
Secretary Hargett (aye)	Treasurer Lillard (aye)	Mr. Keith Wilson (aye)
Ms. Kadire (aye)	Ms. Roach (aye)	

The motion was passed with 11 ayes.

Motlow Community College

Dr. Deaton and President Anthony Kinkel of Motlow Community College presented an overview and recommended to the Commission the approval of the updated master plan. The update projects a short-term need for an 80,000 gross square foot academic building and 750 additional parking spaces. With student population projected to increase by more than 20% over the next decade, the update also projects a long-term need for an additional two buildings, comprising 90,000 gross square feet, and 1,000 additional parking spaces. To meet these needs, the update proposes acquiring approximately 75 acres of surrounding land. The construction of the three additional buildings could help the campus capture a more collegiate atmosphere by forming a campus quad and introducing a full library, bookstore, and other campus amenities not currently present at the campus.

Chairman Cope opened the floor for discussion. Secretary Hargett made a motion to approve the updated master plan and Ms. Koban seconded it. A roll call vote was taken.

Chairman Cope (aye)	Mr. Lee (aye)	Mayor Wharton (aye)
Dr. Dishner (aye)	Ms. Koban (aye)	Comptroller Wilson (aye)
Secretary Hargett (aye)	Treasurer Lillard (aye)	Mr. Keith Wilson (aye)
Ms. Kadire (aye)	Ms. Roach (aye)	

The motion was passed with 11 ayes.

Nashville State Community College

The master plan recommends the creation of two new Nashville State campuses within Davidson County to capture the need for additional higher education credentials, one in the eastern portion of the county, and another in the northeastern portion of the county. These campuses could be housed in leased or owned spaces. The master plan notes that care should be taken to make sure their final locations correspond with the areas of need, and are located sufficiently far from the Main Campus to avoid competition.

Chairman Cope opened the floor for discussion. Secretary Hargett made a motion to approve the master plan and Dr. Dishner seconded it. A roll call vote was taken.

Chairman Cope (aye)	Mr. Lee (aye)	Mayor Wharton (aye)
Dr. Dishner (aye)	Ms. Koban (aye)	Comptroller Wilson (aye)
Secretary Hargett (aye)	Treasurer Lillard (aye)	Mr. Keith Wilson (aye)
Ms. Kadire (aye)	Ms. Roach (aye)	

The motion was passed with 11 ayes.

Capital Outlay Prioritization

Dr. Deaton reviewed as an Information Item the capital outlay prioritization deliberations underway with the THEC Capital Policies Working Group, a collection of institutional and system academic, finance, and facilities management personnel. With the establishment of six new university boards, the prioritization process will involve eight capital outlay project lists and will be a more complex task than the current process. In preparation for the FY 2018-19 budget cycle, the Commission staff and the Working Group have begun working through ways to revamp the process of prioritizing capital projects. The Commission concurred with the general direction of the discussions so far. There was also discussion about several policy questions, such as the match program and how to define and ensure capital funding equity across institutions and systems. The Commission concurred with the goal of having a fully developed policy to consider at its spring meeting, which will be utilized for the 2018-19 budget cycle.

Mr. Krause announced the next meeting date of May 11, 2017 and Chairman Cope adjourned the meeting.