

TENNESSEE HIGHER EDUCATION COMMISSION
Spring Quarterly Meeting, May 11, 2017
1:00pm-3:00pm CDT

WELCOME REMARKS

Chairman Evan Cope called the Spring Quarterly meeting to order at 1pm, 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. Morrison*	X	
Ms. Kadire	X	
Ms. Koban	X	
Treasurer Lillard	X	
Ms. Roach	X	
Comptroller Wilson	X	
Mayor Wharton	X	
Mr. Chisenhall*	X	
Mr. Frank Watson	X	
Mr. Stafford	X	

There were 11 voting members present, constituting a quorum.

* Dr. Morrison and Mr. Chisenhall are non-voting.

ADOPTION OF AGENDA

A motion was made by Mayor Wharton and seconded by Treasurer Lillard to adopt the agenda. A voice vote was taken and the motion was carried unanimously.

ADOPTION OF MINUTES

A motion was made by Treasurer Lillard and seconded by Comptroller Wilson to adopt the January 26 Winter Quarterly Minutes. A voice vote was taken and the motion was carried unanimously.

CHAIRMAN'S REPORT

Chairman Cope welcomed two new commission members, Mr. Frank Watson and Mr. Vernon Stafford, both from Memphis. He advised everyone that Bill Lee has resigned from the Commission. He updated the commission on the implementation of the FOCUS ACT and the board meetings of the LGIs. He also reminded the commission that THEC will be a central point for capital projects, legislative coordination, and academic programs. Chairman Cope also announced that this is Siri Kadire's last meeting.

EXECUTIVE DIRECTOR'S REPORT

Chairman Cope recognized Mike Krause. Mike Krause thanked Dr. Katie High for her 30 years of service in higher education. He also welcomed several college presidents and appreciated their attendance. Director's update: 1) TN Reconnect Act was passed by the General Assembly. 2) Higher education budget was passed. 3) We will become the first SHEEO agency to have an HBCU position.

Director Krause discussed the success of TN Promise students and that the first class graduated this spring. Tennessee remains number one state in FAFSA completion.

Mr. Krause discussed the Drive to 55 goals and tracking, thanking everyone for the combined effort to help realize the Drive to 55 goals. He then introduced Dr. Lauren Collier to give the FOCUS update. Dr. Collier reported that since the January meeting, all six LGI boards were confirmed by the General Assembly, trained by THEC staff with support from the Association of Governing Boards, and had convened their first meetings. The process of standing up the boards required extensive preparation by university presidents, faculty, and staff. THEC staff traveled to the six campuses to deliver training covering best practices of university governance, the Drive to 55, the funding formula, open meetings and open records law, and board decision points during the transition. In response to and anticipation of board questions and shifting institutional opportunities, THEC has been reviewing policies some of which will be presented by Fiscal and Academic Affairs for Commission approval. The LGI boards will begin convening their second round of meetings next week, running through mid-June. Director Krause spoke about the Education Summit and the significance of the gathering of educators. He thanked Dr. Sarah Morrison and her team for their collaborative efforts of training colleges and their department of education.

SYSTEM REPORTS

TBR

Chairman Cope introduced TBR Chancellor Flora Tydings. Chancellor Tydings reported the FOCUS transition is going very smoothly. TBR is moving forward with their plans for a more unified system of community and technical colleges, focusing on the strength of those individual colleges. Chancellor Tydings has asked her board to change the title of TCAT Director to TCAT President. Also, TBR has launched a realignment of several systems in their offices. Dr. Tristan Denley has left TBR. Dr. Randy Schulte will serve as Interim Vice Chancellor of Academic Affairs while a national search is conducted for this position. Executive Vice Chancellor James King will serve as Interim Vice Chancellor for Student Success, focusing on all student initiatives. TBR is also creating a new Office of Economic and Community Development, and Dr. Carol Puryear will serve as Vice Chancellor of that division. Also, this week the TBR board will vote on the new President for Chattanooga State Community College. Chancellor Tydings is recommending to the TBR Board to appoint Dr. Rebecca Ashford for this position. Dr. Kim McCormick will be joining TBR as Vice Chancellor of External Affairs. Chancellor Tydings reported several additional upcoming initiatives and projects that TBR will be involved in.

UT System

Chairman Cope recognized Dr. Joe DiPietro, who provided the UT System report.

Dr. DiPietro reported that the UT System is currently working to develop a marketing campaign that will improve external communication about the accomplishments of the UT System. Dr. DiPietro also thanked Dr. Katie High for her many years of service, noting that the search for her replacement is underway. Dr. DiPietro stated that the Budget Advisory Group 2.0 began meeting over the last couple months to identify opportunities for cost savings and increased efficiency across the UT System. Dr. DiPietro also shared that tuition increases for the UT System will be under 3% for the third year in a row. The UT System intends to conduct a salary gap analysis, which will require UT to develop new lists of current and aspirational peer institutions.

Dr. DiPietro reported that the UT Board recently approved a "state plus" tuition model at UT Chattanooga, which will allow students from North Georgia and North Alabama to attend for 125% of in-state tuition. Dr. DiPietro also stated that freshmen applications at UT Martin are up about 20% from the same time last year. At the UT Health Science Center in Memphis, pharmacy students from within a 250-mile radius will now pay in-state tuition, in an effort to expand the pharmacy program.

Ms. Koban asked Dr. DiPietro about UT Knoxville's list of aspirational peers. Dr. DiPietro responded that the UT System plans to review each institution's list of peers, noting that Carnegie classification is a good way to develop an appropriate list of peers. Dr. DiPietro also indicated that the Association of American Universities (AAU) may have an appropriate set of peers for UT Knoxville.

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 recommended that the commission approve the reauthorization of several postsecondary educational institutions as indicated in the members' materials.

Chairman Cope opened the floor for discussion. A motion of approval was made by Vernon Stafford and seconded by Dr. Dishner. A voice vote was taken and the motion was carried unanimously.

Dr. Bellard Chase next presented recommendations for the authorization to operate new educational institutions in the state. For the institutions listed below, applications were reviewed, site visits performed, and staff determined that all necessary documentation and bonds had been secured. The Committee on Postsecondary Educational Institutions met on April 20, 2017 and endorsed staff recommendations for temporary authorization of these institutions: Achieve Trade School (2), Covalence (1), Max Trucking Training Academy (1), Paul Mitchell (2), TN Leadership Institute (3), and the Allegiant Institute of Healthcare Solutions LLC (1).

Dr. Stephanie Bellard Chase then presented recommendations for the authorization of new educational programs at proprietary institutions regulated by the Commission.

Applications were reviewed and staff determined that all necessary documentation for the institutions submitting new program applications is in accordance with the Act and postsecondary rules. The Committee on Postsecondary Educational Institutions, a review and advisory committee of the Commission, met on April 20, 2017 and affirmed staff recommendations for approval of new programs for the following institutions: Academy of Allied Health Careers (2), Academy of Make-Up Arts, LLC (1), DeVry University, (15 online instruction), DeVry University (10 local/online blend), Georgia Career Institute (4), Georgia Career McMinnville (4), Georgia Career Murfreesboro (7), Life Academy Bible College (1), Memphis Urban league (1), New Horizons Computer Learning Center (revise 4), and Tennessee Career Institute (3).

Chairman Cope opened the floor for discussion. A motion for approval was made for new institutions and new programs (Agenda Items I. B & C) by Comptroller Wilson and seconded by Treasurer Lillard. A voice vote was taken and motion was carried unanimously.

Next, Dr. Stephanie Bellard Chase continued with Optional Expedited Authorizations. For the institutions listed below, applications were reviewed and staff determined that all necessary documentation had been submitted. The Committee on Postsecondary Educational Institutions met on April 20, 2017 and endorsed staff recommendations for the Optional Expedited Authorization of six institutions.

Chairman Cope opened the floor for discussion. A motion for approval was made from Comptroller Wilson and seconded by Vernon Stafford. A voice vote was taken and motion was carried unanimously.

NEW ACADEMIC PROGRAMS

Austin Peay State University

Engineering Physics, Bachelor of Science

Chairman Cope called on Dr. Pam Knox who introduced Dr. Jaime Taylor, Dean, College of Science & Mathematics. Dr. Knox recommended to the Commission the Engineering Physics program which will share much of the existing Physics program's major core, but will differ from the Physics BS program by a minimum of 20 credit hours. The addition of the Engineering Physics program in the Department of Physics and Astronomy will leverage existing resources and capability to expand the department's success in producing graduates. Physics at APSU has a reputation as a strong department and program in the state. Engineering Physics is the interdisciplinary study of physics, mathematics, and engineering with a particular emphasis on developing advanced techniques to solve complex real-world problems. The proposed Engineering Physics BS program at Austin Peay State University will prepare graduates to apply new technologies to problems in engineering design and manufacturing where established mechanical or electrical engineering approaches are inadequate. Program graduates will be eligible to take the professional engineer licensure exam.

Chairman Cope opened the floor for discussion. Treasurer Lillard made the motion to approve and Pam Koban seconded it. A voice vote was taken and was passed unanimously.

MTSU

Africana Studies, Bachelor of Arts and Bachelor of Science

Next, Dr. Knox introduced Dr. Mark Byrnes, Interim Provost. Dr. Knox recommended to the Commission the proposed baccalaureate program in Africana Studies at Middle Tennessee State University which seeks to build upon the African Studies minor that has been in existence for close to 30 years. Since 2013, the minor has expanded its curriculum with an interdisciplinary approach. The Africana Studies program will prepare students to become well-informed, independent, and creative thinkers equipped with the methods and theories necessary to study race, socio-economic and political institutions, and culture/traditions of people of African descent throughout the diaspora in a systematic way, synthesize findings, and critically analyze findings. The proposed Africana Studies BA/BS program will be housed in the Department of History within the College of Liberal Arts. As an interdisciplinary program, faculty from all 11 departments in the College of Liberal Arts plus faculty from the School of Journalism will provide the instructional workload.

Chairman Cope opened the floor for discussion. Mayor Wharton made the motion to approve and Ms. Siri Kadire seconded the motion. A voice vote was taken and was passed unanimously.

University of Tennessee-Knoxville

Supply Chain Management, Master of Science

Dr. Knox continued with the next proposal and introduced Dr. Katie High, Vice President for Academic Affairs and Student Success. This proposed program, housed in the Department of Marketing and Supply Chain Management within the Haslam College of Business, will partner with Kühne Logistics University (Hamburg, Germany) and Tongji University (Shanghai, China). Each of these unique partners is considered among the best in SCM within their respective regions. The structure of the proposed SCM program will be an integrative approach that encompasses sales, procurement, operations, logistics, customer service, and other functions of the overall management process. The proposed program will use a cohort model where students from all three universities will study together on each of three campuses for one semester before returning to their home institution for the final semester and to graduate from their respective institutions.

Chairman Cope opened the floor for discussion. Mayor Wharton made the motion to approve and Comptroller Wilson seconded the motion. A voice vote was taken and motion was carried unanimously.

University of Tennessee-Knoxville

Data Science and Engineering, PhD

Dr. Knox continued with the next proposal and invited Dr. India Lane to co-present. The proposed Data Science and Engineering PhD program at UT Knoxville will combine training in computer science relative to data bases and analytics algorithms coupled with the areas of strength at the Oak Ridge National Laboratory (ORNL). In addition to faculty from UTK and ORNL, top researchers from University of Tennessee Health Science Center and University of Tennessee Chattanooga will also support the interdisciplinary program. The proposed PhD program will focus on seven key research areas that depend critically on the ability to analyze massive data: health and biological sciences, advanced manufacturing, materials science, environmental and climate science, transportation science, national security, and urban systems science. These areas of strength and investment are all current priorities for the State of Tennessee. The program will train students from the world's leading undergraduate institutions to apply data science and big data technology to solve critical problems in science, engineering, and society.

Chairman Cope opened the floor for discussion. Treasurer Lillard made the motion to approve and Secretary Hargett seconded the motion. A voice vote was taken and motion was carried unanimously.

POLICY UPDATES

Fiscal

Chairman Cope recognized Dr. Russ Deaton who presented to the Commission recommendations on updates and revisions to each item in the "Financial" portion of the THEC Policy Manual. Many policies required revisions to align the policy with current statute and practice. The Commission approved updates and revisions to eight policies and rescinded one in its entirety.

Those policies with minor updates included Financial and Statistical Reporting, Operating Appropriations, Lease Space Funding and License Agreements, Outcomes-Based Funding Formula, and Self-Supporting Academic Entities. Substantive changes to policies included: Tuition and Fees, aligning the policy with THEC's new binding tuition range authority designated in the FOCUS Act; Capital Projects, redesigning the way in which UT, TBR, and each locally governed institution (LGI) request capital outlay, maintenance, and disclosed projects and the procedures by which those projects will be assessed and recommended; and Master Plans, updating the metrics to be considered when developing Master Plans

and outlining the timeline in which Master Plans must be revised. The policy on Chief Executive Officer Housing was rescinded to mirror THEC's statutory authority in the management of state, campus, and system property.

Chairman Cope opened the floor for discussion. Nancy Dishner made the motion to adopt and Vernon Stafford seconded the motion. A voice vote was taken and the motion was carried unanimously.

Open Records

Chairman Cope recognized Brett Gipson, Deputy General Counsel who presented a recommendation to adopt a written public records policy. Last year, the General Assembly passed Public Chapter 722, which updated the Tennessee Public Records Act. This update requires all governmental entities subject to the Act to adopt a written public records policy by July 1 of this year. The written policy must include:

- The process for requesting access to public records, including any forms that need to be submitted;
- The process the agency will follow when responding to requests, including the redaction of sensitive or confidential information exempt from disclosure;
- A statement of fees that will be charged for copies and how those fees can be paid; and
- The title and contact information of the Public Records Request Coordinator- the person designated by the agency to ensure requests are fulfilled in accordance with the law.

Public Chapter 722 also directed the Office of Open Records Counsel, a division of the Comptroller of the Treasury, to publish best practice guidelines and a model public records policy for agencies to use when developing their own policy and procedures. Action item 3B in the agenda is the proposed THEC Public Records Policy, including request and response forms. This policy was developed by staff based on the model policy and best practices published by the Office of Open Records Counsel.

Chairman Cope opened the floor for discussion. Mayor Wharton made the motion to adopt and Mintha Roach seconded the motion. A voice vote was taken and the motion was carried unanimously.

TUITION AND FEE RANGES

Chairman Cope recognized Dr. Deaton. Taking into account the Governor's budget recommendation for formula units of \$55.1 million (inclusive of increases for outcomes productivity and a partially funded three percent salary pool), THEC staff maintains the initial recommendation of a tuition binding range of zero to four percent at universities, community colleges, and TCATs and a combined total tuition and mandatory fees binding range of zero to four percent at universities, community colleges, and TCATs. Scenarios for minimum and maximum tuition and mandatory fee increases for 2017-18 are presented and summarized in Attachment I for each university and community college, as well as the TCAT system.

Chairman Cope opened the floor for discussion. Treasurer Lillard made a motion to approve the recommended tuition and fee ranges and Pam Koban seconded the motion. A voice vote was taken and the motion was carried unanimously.

Institutional Mission Profiles

Chairman Cope recognized Ms. Betty Dandridge Johnson, Associate Executive Director for Academic Affairs. Ms. Dandridge Johnson presented the Institutional Mission Profiles. She stated that initially, the Complete College Tennessee Act of 2010 required colleges and universities to develop Institutional Mission Profiles that would characterize their distinctive program offerings, address the types of students served and, where appropriate, address research and public service functions. The 2016 FOCUS Act also emphasized the importance of these profiles and directed the annual submission of profiles by each university and community college. Ms. Dandridge Johnson briefly discussed the logistics of the development of these mission profiles.

Chairman Cope opened the floor for discussion. Mayor Wharton made the motion to approve and Vernon Stafford seconded it. A voice vote was taken and the motion was carried unanimously.

Mr. Krause announced the next meeting date of November 15, 2017 and Chairman Cope adjourned the meeting at 3:00pm.

The meeting agenda and all accompanying materials can be viewed online here:

<https://www.tn.gov/thecc/article/spring-2017-thecc-commission-meeting>