



**Summer
Quarterly
Meeting**

**Senate Hearing Room 1
Cordell Hull Building
July 26, 2018**

**Tennessee Higher
Education
Commission**



AGENDA
TENNESSEE HIGHER EDUCATION COMMISSION
Summer Quarterly Meeting
Cordell Hull Building, Senate Hearing Room 1
July 26, 2018, 9:00 am – 12:00 pm CDT

Adoption of Agenda

Approval of Minutes—May 17, 2018 Meeting

Chairman's Report

Executive Director's Report

Systems' Reports (*Reports will be discussed in Tuition and Fees discussion*)

Agenda Items

- I. Postsecondary Education Authorization (*Action Item*)
 - A. Institutional Reauthorization
 - B. Authorization of New Institutions
 - C. Approval of New Programs
 - D. Optional Expedited Authorization
 - E. Recommendations for Appointments to the Committee on Postsecondary Educational Institutions
- II. Policy Updates (*Action Item*)
 - A. THEC Policy Manual Revision
- III. Academic Program (*Action Item*)
 - A. University of Tennessee, Chattanooga, Mechatronics Engineering Technology, Bachelor of Applied Science
 - B. University of Memphis, Commercial Aviation, Bachelor of Science
 - C. University of Memphis, Biostatistics, Master of Science
 - D. University of Memphis, Liberal Studies, Doctor of Liberal Studies
- IV. 2018-19 Proposed Operating Budgets (*Action Item*)
- V. Tuition and Fee Development Process (in lieu of Systems' Reports)
- VI. Election of Officers (*Action Item*)

TENNESSEE HIGHER EDUCATION COMMISSION

Spring Quarterly Meeting, May 17, 2018

10:00am-2:00pm

WELCOME REMARKS

Chairman Cope called the Spring Quarterly meeting to order at 10:09 am.

ROLL CALL

Evan Cope-present	Dr. Sara Morrison-present
Dr. Nancy Dishner-present	Dakasha Winton-present
Pam Koban-present	AC Wharton-present
Vernon Stafford-present	Jeremy Chisenhall-present
Frank Watson-present	Cara Sulyok-present
Jimmy Johnston-present	Comptroller Wilson-absent
Treasurer Lillard-present	Mintha Roach-absent
Secretary Hargett-present	

There were 11 voting members present, constituting a quorum.

ADOPTION OF AGENDA

Chairman Cope welcomed everyone and entertained a motion to adopt or amend the agenda. Ms. Koban made the motion to amend the agenda and move Item 8 (Legislative update) to the beginning of the agenda. Treasurer Lillard seconded the motion and a voice vote was taken and the motion was adopted unanimously to take up the Legislative Update immediately following the Executive Director's Report.

APPROVAL OF MINUTES

Chairman Cope entertained a motion to approve the January 2018 minutes. A motion was made by Treasurer Lillard and seconded by Mr. Stafford. A voice vote was taken and the motion was adopted unanimously.

CHAIRMAN'S REPORT

Chairman Cope commented on the importance of today's meeting. THEC serves 225,000 students and THEC has a duty to act in their best interest. The agenda items include the revitalization being made at Knoxville College, approval of two new academic programs, a follow up discussion on several academic programs (a particular concern to this commission in that we have academic programs that are productive and worth the taxpayers time, money and effort to support), and finally, the binding tuition range.

There are seven capital projects, totaling over \$88 million. Colleges have been approved for \$121 million for capital maintenance projects insuring we maintain our assets. Director Krause will discuss the grant that THEC has received for student success programs. All these topics are pieces to a larger puzzle of making TN students successful in higher education. Chairman Cope recognized Jeremy Chisenhall, the student commission member from APSU, for his faithful service on the commission.

EXECUTIVE DIRECTOR'S REPORT

Chairman Cope recognized Mike Krause who recognized Dr. Rich Rhoda, Executive Director Emeritus, for his attendance. He announced to the commission that THEC just completed a clean audit and Sunset audit with zero findings and he recognized Jason Cavender, Ann Collett, Peter Abernathy and Steven Gentile and thanked THEC staff for a job well done.

Mr. Krause spoke about THEC's internal initiatives. A slide was shown that pointed out an internal budget update with several initiatives: Advise TN funds converted to recurring, Veteran Reconnect, TN Promise Forward grants, TN Promise Bridge grants, and TN Promise college coaching. THEC's initiatives have a common thread: 1) None of this money stays here. All money is moved through the agency and out to directly serve students. 2) Only 54 of the 126 team members are funded by the state. We are covering a lot of our own cost as an agency and it gets back to how efficient we operate. Mr. Krause spoke about the external funding piece of the larger higher education enterprise: We wear 2 different hats. We have the 126 employees but we also think about the higher education and how as a state agency we move forward and the higher education larger budget. He mentioned Mr. Wharton, in the last meeting, speaking of the narrative we share in TN. He showed a slide of the recession and how it flipped. If something dramatic happened in 2009-11,

and it did, we have reversed the trend and Tennessee is 5 years into the reversal of this trend. Tennessee is a national leader in higher education investment. This is an important note to make, and with the funding support of the governor and the General Assembly, the new trend should become our narrative and he encourages his fellow higher education leaders to begin pivoting our starting point from what happened 10 years ago to what is happening now. Tennessee leads the South in higher education funding growth. We hope we pivot our narrative toward this reality. Secretary Hargett commented that he appreciated the two slides shown and that we have done a disservice by not saying what Tennessee has done. Mr. Krause continued by stating that the TN Promise continues to exceed expectations of what we had hoped. The retention rates are high and the momentum is significant. Mr. Krause discussed how THEC takes initiatives that are state level to a local level. In January, THEC talked about distressed counties and the instincts were right. The SPARC initiative and drilling down to the county level has been productive. A slide was shown that highlighted zip codes with the highest levels of impoverishment. There are 20 Tennessee zip codes and if we move the needle, the state poverty rate drops 5 percent and higher education plays a role in it. If we can set up a boots on the ground presence we could play a role in the poverty rate and education has an important role in it.

Mr. Krause introduced Ms. Jessica Gibson who updated the commission on the TN Reconnect grant. Ms. Gibson presented the timeline, message, and steps of enrollment. To date, over 16,000 applications have been submitted. She explained the application process, how it generates a Reconnect Success Plan, the Reconnect applicant profile, a breakdown on class time preference, annual income, and self-identified challenges/concerns. Chairman Cope asked about the group of students that don't qualify for Reconnect because they are not independent and who also don't qualify for Promise because of eligibility restrictions. Ms. Gibson replied that there is a group of students, she doesn't know how large it is, but TSAC Outreach staff is thinking about it, in terms of policy, but currently there is no answer. Mr. Stafford asked what other needs the adult learners might have and asked what the state is doing to assist them with resources to help with resources. Ms. Gibson stated that they are working with the Department of Human Services to share information with their clients and customers. Ms. Gibson answered that they are cross training 450 Human Services employees who can cross reference with resource mapping on what the state provides. Mr. Wharton mentioned the Georgia State program that monitors the students that need assistance due to life circumstances before it's too late. Ms. Gibson advised the commission that

THEC is trying on the community level to do high touch navigators who are embedded in their local communities to provide a level of support before they drop out of school. She introduced Dr. Emily House who reported to the commission about THEC's visit to Georgia State and how they will be implementing GSU's best practices. Mr. Krause noted that APSU's equity gap between African American students and white students has closed within 2 percent. He reiterated that GSU has figured out tactics and has really changed the game. Dr. Dishner asked Dr. House about Reconnect student projections and what the issues might be. Dr. Dishner states that these issues appear to be along the line of personal issues, and speculated that the student might not know yet that the academic issues are going to be a major concern for them and maybe that is why they fell to the bottom of the list. She asked Dr. House when you were observing the services that were being provided, what was the percentage of personal vs. academic. Dr. House answered that it really ran the gambit but the emphasis was on the nonacademic about emergency grants, emergency loans, and there is a robust program if students are a few credits away from graduating and there was money due, that bill is paid by the institution. A phone call is made and the student is encouraged to get back to class.

Chairman Cope recognized President White, President Noland, President Glover and President Oldham for being at the meeting.

LEGISLATIVE REPORT

Chairman Cope introduced Lou Hanemann for the legislative overview. Per a motion by the Commission to amend the agenda, the legislative update was moved up in order to provide some degree of context to discussion later in the meeting. Lou Hanemann was recognized to deliver the update. Mr. Hanemann opened with an overview of the recent legislative session, noting that the end of session also signaled the closing of the 110th General Assembly. Looking forward, Mr. Hanemann also noted that the coming election cycle would see the turnover of nearly twenty percent of the General Assembly members. He also recognized the policy and leadership contributions of Chairman Harry Brooks and Chairman John Forgety upon their retirement from the House of Representatives.

Recognizing that the legislation discussed during the update was not comprehensive but more a snapshot of significant bills impacting higher education, Mr. Hanemann discussed the following enacted legislation:

PC 666: returned the appointing authority for the THEC Executive Director to the Commission as of January 1, 2019.

PC's 705 and 706: THEC and TSAC Sunset legislation extending the operations through June 30, 2022 on the basis of a strong audit performance and the approval of the Joint Government Operations Committees.

PC's 602, 790, and 695 were legislation submitted to the General Assembly by THEC to resolve inconsistencies in the current statutes relative to the FOCUS Act, the Higher Education Authorization Act, and the TSAC statutes respectively.

PC 932: transferred the Tennessee Foreign Language Institute to the Institute for Public Service under the auspice of the UT Board of Trustees. The transfer also dissolved the TFLI governing board on which the THEC Executive Director served as a standing member.

PC 614: the Tuition Transparency Act was enacted to create a process for accountability and transparency relative tuition increases implemented by the various university and system governing boards. The act requires sufficient notice and justification for new tuition prior to adoption by a governing board, an annual accounting of how new revenues were expended, and the inclusion of a non-binding tuition growth projection in the acceptance notices for all incoming students.

PC 1036: instituted several layers of additional reporting by Teacher Training Programs operated by postsecondary institutions in Tennessee. The legislation also made some changes to the selection of student mentors and advisors when engaging in clinical or field studies. The legislation also clarified the authority of the State Board of Education to review teacher preparation programs for possible termination.

PC 991: clarified the existing statutes impacting work-based learning and employer liability. The legislation further created a one million dollar grant program to be facilitated by the Department of Economic and Community Development.

PC 739: legislation submitted by the Tennessee Board of Regents to address student debt obligations and the obstacles they represent to re-enrollment as non-traditional students. Bill creates a pathway for re-enrollment if the student agrees to a debt payment plan while enrolled.

PC 877: provides the TBR with sufficient authority to merge the administrative responsibilities for the Tennessee Colleges of Applied Technology when greater efficiencies can be achieved.

PC 657: The UT FOCUS Act vacated and reconstituted the UT Board of Trustees. The legislation reduced the size of the UT Board from 27 members to 12 members consisting of 10 appointed Trustees, the Commissioner of Agriculture as an ex officio member, and one non-voting student member. The THEC Executive Director, a sitting member of the previous Board composition, will no longer be a Trustee for the University. The new Board of Trustees will assume governance responsibilities on July 1, 2018.

SYSTEM REPORTS

Tennessee Board of Regents (TBR)

Chairman Cope recognized Dr. Russ Deaton from TBR. Dr. Deaton greeted the Commission on behalf of the Board and Dr. Flora Tydings whom he said is out of state. Dr. Deaton welcomed two new presidents to TBR: Dr. Shanna Jackson of Nashville State Community College and Dr. Michael Torrence of Motlow State Community College. He went on to mention that Dr. Shanna Jackson and Provost Dr. Dana Nichols of Chattanooga State Community College were chosen as Aspen Presidential Fellows for the College Excellence Program. He congratulated Chairman Brooks in his retirement and stated the Knoxville appreciation and fundraiser dinner also raised at least \$50,000 for TCAT Knoxville scholarships.

Dr. Deaton continued on into TN Promise's full five semester results. The 2015 TN Promise cohort stood at 21.5% graduates, more than double the 2015 non-Promise peers (8.3%), with an "overall success of about 50%." Dr. Deaton stated that this is lower than what everyone wants it to be but the numbers are moving in the right direction to make a difference in people's incomes, family situations, and the institutions. In context of the overall TBR graduation rates, there has been a "significant" 8.2% increase from 2013 to '17 (approaching 21.8%) and that number is expected to be even higher with this month's report. Finally, he stated the Commission is looking the problem of equity "in the eye" with the Lumina TIE Grant. The Hispanic student graduation rate has grown from 11.5% (2013) to 21.8% (2017) and black graduates have risen from 5.2% to 9.0% in the same time frame. Those numbers are not where they'd like them to be but that the first challenge is

understanding the equity problem. Ms. Koban inquired if there could be special circumstances that black students are faced with in comparison to the Hispanic ones. Dr. Deaton stated that he didn't honestly know but that there are pockets where they are beginning to understand this situation better. Micro grants, he mentioned, are too small to go a long way and that they are trying to "put will behind" addressing this lack of understanding. TCATs are north of 80% completion rates with high placement rates and those students are moving through those successfully. Chairman Cope asked how much of the gap, with respect to minority students, do we have to close in order to reach the Goal of 55. Dr. Deaton responded that *any* gap is unacceptable but that some schools like Austin Peay have no gap but that "we have a long way to go, for sure." Mr. Krause stated that the Lumina Grant allowed the Commission to have an intentional goal-setting process for underrepresented students and that Dr. House has sophisticated data that shows exactly which subgroup and the amount each needs to rise to reach the Drive to 55 – and that he intentionally wanted to make sure to avoid creating a minority gaps in the push for 55%.

Chairman Cope asked Dr. White to share about Austin Peay's work in closing the minority gap. She said the initial programs began under the TBR, utilizing the access, diversity and inclusion funding. Now, APSU has, through the Wilbur N. Daniel African American Culture Center, a male mentoring program that pairs freshman with mentors on campus. Those students were placed in the community to show others that "there is a path forward." Also, there were donors that contributed to supporting students from barriers from applying such as family sickness, etc., and that they have a food pantry with chickens, eggs, food, clothing, and toys and are trying to distribute it all over campus. She also spoke to the fact that they have rural and military students who are supported through equity from APSU to come to school on a level playing field. Chairman Cope asked how they made the students aware of the issues she spoke to and Dr. White stated that they still have gaps with Hispanic populations and, as recent data has indicated, even male students in one specific dorm. She stated that they are obviously looking at the data and are committed to even closing those gaps.

University of Tennessee (UT)

Dr. DiPietro began by stating that 41% of their students have trouble finding money for food and, although they offer pantries, they are working to support students' nutrition further. Seven thousand students are graduating from the UT campuses. He stated that there is new leadership in

the system and that the decision was not taken lightly. He spoke briefly about the selection of Wayne Davis to serve as the interim Chancellor at UT Knoxville after serving 45 years for UT and choosing to not retire. He spoke of Davis's work in helping increase the College of Engineering by a third and increased research expenditures. Dr. DiPietro showed gratitude for Wayne Davis who has agreed to serve for a year. He stated that they are looking at a few other positions such as a Knoxville vice president for Human Resources and are hiring a new associate vice president for student success and academic programs. They are anticipating a July meeting with their new board members. He took a moment to thank the outgoing Board of Trustees and stated that in his eight years that the board has become more engaged, including solving business models through 2025, kept tuition at low levels, and showed concerns about tenure review. UT has a new marketing campaign with billboards and murals to demonstrate their message about their success in serving TN citizens. Knoxville has 19 Fullbright scholars this year alone, as compared to 77 total in the previous 60 years. Chattanooga's campus is engaging in a new teaching fellows program that partners with Lee University and Hamilton County to boost K-12 education by supporting teachers. UT Martin was recognized for their MBA program for being 12th nationally and their online program at 11th by bestvalueschools.org. The Health Science Center dedicated the Center for Healthcare Improvement and Patient Simulation, to train physicians, nurses, and others through the use of simulators. Also, the Tennessee Foreign Language Institute joined UT's Institute of Public Service. He ended by stating he would "keep you suspended" with the possibility of "ultra-low" tuition increases at the upcoming June board meeting with current members. Secretary Hargett concluded with his approval of Dr. DiPietro's move to change leadership and recognized his leadership in making that hard decision.

POSTSECONDARY AUTHORIZATIONS

Chairman Cope recognized Dr. Stephanie Bellard Chase; she stated that the Committee on Postsecondary Educational Institutions (CPEI) recommended that reauthorization be granted through 2019 as follows; 41 institutions for regular authorization, 5 institutions for temporary authorization, and 6 institutions for conditional authorization. She explained the conditions for the 6 conditional authorizations. She also stated that CPEI recommended approval of 22 new programs for 10 institutions and 8 institutions for optional expedited authorization.

Mr. Krause updated the Commission on Ross University School of Medicine. THEC is 5 months into the temporary emergency operations in Knoxville. They have been in weekly communication with THEC and their departure will be next December or early spring of 2019.

Mr. Krause announced that today is an important milestone for Knoxville College. They had their challenges several years back, but today, with the Commissions' vote, will open back up with an associate degree in liberal arts to be offered and we fully expect it will be the first of many programs that will serve students in Knoxville.

Mr. Krause introduced Dr. Keith Lindsey, Interim President, of Knoxville College. Dr. Lindsey spoke about the historic legacy of being in this position. Classes were suspended in 2015 and he wants to lead this college down a new path. He thanked the board of trustees of the college and the sacrifice of many individuals and hard work have made this day possible. He thanked THEC for working with them hand and hand as they sought to develop new programs and how to advance the new programs and new partnerships and new initiatives. Today is a historical day for Knoxville College. Since 1875, their doors have been opened to educating students. The luxurious list of alumna has excelled and it is their goal, dream and desire to open their doors to students who might need a chance. Because they know education is a passport to the world, to new opportunities and new developments and they are still in that business of filling that vision and dream that started so long ago, under the shadow of slavery, to the new generation of leaders and thinkers, he is proud to be that person at this time to lead Knoxville College through that threshold.

Mr. Stafford congratulated him on the restart and his hard work. He questioned the hurdle of accreditation. Dr. Lindsey spoke about their strategic plan. They are researching agencies and what will be necessary to apply for those agencies and that helps shape them. They are looking at an internal self-study so that once they are able to do so that they can locate an accrediting agency.

Chairman Cope opened the floor for discussion. A motion to approve was made by Treasurer Lillard and seconded by Mr. Chisenhall. A voice vote was taken and the motion passed unanimously.

Mr. Stafford commented to Dr. Bellard Chase and her team on the great job of evaluating these organizations but something we hear occasionally is that these organizations may not always serve our state population very well. He asked Dr. Bellard Chase if at some point in the future, she would share and explain their work and how they protect the citizens of Tennessee. She answered that

one of the most important things they do is the work on student complaints and making sure these institutions are in full compliance with the laws and the rules and she would be happy to present this information at the next meeting.

Locally Governed Institutions (LGI)

Chairman Cope recognized President Alisa White who thanked the commission for allowing her to address the commission on behalf of the LGI presidents today. Dr. White stated her intention to present some of the goals and challenges faced by the LGIs.

Given the negative national conversations about higher education, Tennessee's progress is not indicative of those national trends. Dr. White specifically noted that the LGIs are not flagship institutions or elite private institutions; rather there is a mission focused on social and economic mobility, accessibility, affordability, and are strong on return on investment for students. She further noted that the LGIs average about \$21,000 annually for cost-of-attendance versus the national average which is closer to \$40,000 annually. To that end, many of the students are graduating with no debt.

Dr. White noted specifically that teaching and research are two particular focus points for the LGIs. Teaching is the real mission and the LGIs are addressing hard and soft skills, working with stakeholders in economic development to address the state's needs. However, she also noted that funding is a real concern. Acknowledging the earlier comments by Director Krause, Dr. White stated that the LGIs take those comments very seriously as to how to frame the conversation about the divestment of higher education funding. Dr. White agreed that Tennessee is not in the same position as other states, particularly due to the work of the Treasury to mitigate the needs for further cuts.

Dr. White further clarified that when the state is doing well, the state values education and has made an effort to offset earlier cuts while stipulating that the LGIs do not have enough money and will never have enough. That said, Dr. White reinforced the notion that the LGI institutions are willing partners and are looking for unique ways to cover the gaps. The LGIs will be coming to the Commission and ask it to be more flexible in helping the LGIs to work with the state and to take some of the barriers down and to develop more public/private partnerships. Help the LGIs to think outside of the way we have always done it. Noting that times are good now, Dr. White noted that it may not always be as good and those budgets are cyclical. So the LGIs will likely come to ask for

patience in working with them as they try some things to save money and get a higher return on investment.

Dr. White also commented a major obstacle for many universities is that most of an institution's costs are tied up in salaries and benefits. Salaries account for a little more than half of the operating budget and associated benefits account for almost 21 percent of the operating budget. She explained that when approximately 72 percent of APSU's E & G budget is tied to salaries and benefits, they don't have a lot of flexibility. Another budget stressor is deferred maintenance. For example, 83 percent of Tennessee Tech's gross square footage is more than 25 years old. The Tech campus has about 80 buildings, including academic, housing, and student life facilities. Tech has \$190 million of documented deferred maintenance. To put that in context, \$172 million of deferred maintenance is considered high risk, and will need to be performed in the next 10 years, and so it can't be kicked down the road indefinitely. Tennessee State University has about \$70 million in deferred maintenance on its campus.

Dr. White took time during her remarks to outline a growing crisis among college age students relative to mental health issues and the steady increases in suicide and suicidal ideation. She further stated that something has to be done to support mental health needs of our students. Dr. White noted that the expansion of this crisis has begun to impact the retention and graduation rates among the LGIs and there are few resources available to deal with the crisis at present.

Dr. White closed with comments about the ongoing process of learning how to govern together with their new trustees. The new trustees have been engaged in having in-depth conversations about higher education policy, academic programs, tuition and fees, master plans, and the missions of Tennessee's state universities. The LGI boards are fully engaged in budget conversations and give guidance on areas of major impact, including facilities management, multiple-year planning and cost controls. She closed with the statement that the LGIs look forward to working with the Commission to find solutions to these challenges and those we'll face in the future. Dr. White said she would be happy to answer any questions.

New Academic Programs

Chairman Cope recognized Ms. Betty Dandridge Johnson to introduce two new academic program proposals for commission approval: a Bachelor of Science in Rehabilitation Health Sciences program

(RHS) at East Tennessee State University (ETSU) and a PhD in Nursing at the University of Memphis (UM). She noted that both programs had previously undergone the scrutiny required under the new THEC policy on new academic programs, and that the programs had been evaluated by external reviewers and have been approved by both institutions' governing boards. Ms. Dandridge Johnson then introduced the two representatives from ETSU: Dr. Brian Noland, President of ETSU, and Dr. Lynn Williams, the Associate Dean of the College of Clinical and Rehabilitative Health Sciences. Ms. Dandridge Johnson noted that Dr. Karen Weddle-West, Provost of UM, would present on behalf of UM.

East Tennessee State University, Bachelor of Science in Rehabilitation Health Sciences

Ms. Dandridge Johnson then called on President Noland. President Noland noted that the RHS program is aligned with ETSU's mission to improve the quality of life of the people within ETSU's region. President Noland then called upon Dr. Lynn Williams, the author of the program. Dr. Williams presented the details of the program, noting it as an interdisciplinary field that focuses on human function and disability. Dr. Williams noted that the need for the program rests in supply and demand: longer life expectancy, survival rates, and population growth. The rehabilitation workforce is also experiencing a shortage. No other rehabilitative health science programs exist in Tennessee, and only eleven operate within the United States. Dr. Williams noted that the program would consist of 49 credit hours with an 18 credit-hour minor. Over a five-year period, costs were projected to be \$952,706, and revenue was projected to be \$3,101,122. Dr. Williams, in conclusion, noted that the curriculum aligns with ETSU's mission and the mission of ETSU's Academic Health Sciences Center.

Ms. Koban asked Dr. Williams if she felt sure of the enrollment projections, noting that they seemed optimistic. Dr. Williams responded that she was sure of the enrollment projections and that the estimates provided were conservative. Dr. Williams noted the program would also feed ETSU's health science-related graduate programs.

Ms. Koban asked which of the eleven rehabilitative health science programs in the United States was the oldest. Dr. Williams responded that she was unsure of which was the oldest, but that the University of Pittsburgh was one of them.

Ms. Koban asked if the other programs have robust enrollments. Dr. Williams responded in the affirmative.

Mr. Watson asked Dr. Williams to return to the slide concerning program cost and revenue and asked if the program would be earning a two-million dollar profit. Dr. Williams responded in the affirmative and noted that not all of the projected revenue returns to the college.

Secretary Hargett asked how the five-year costs were calculated and asked if the projected amounts reflected direct costs. Dr. Williams responded in the affirmative.

Secretary Hargett asked what the appropriate multiplier and the true cost of the program would be. Dr. Williams noted that she was unable to provide an answer and that the assistant dean for finance prepared the financial projections.

Secretary Hargett noted that the financial projections seem overpriced. Dr. Williams noted the financial model would allow for planned growth, including a future intent to develop a doctoral-level rehabilitative sciences program.

Chairman Cope opened the floor for discussion to consider and vote on the item. Mr. Watson proposed for the commission to consider an amendment to the approval of the program to make it more economically feasible and affordable.

Secretary Hargett asked for advice from General Counsel Scott Sloan, who noted that the commission could choose to defer action or to take a vote on the item.

Chairman Cope suggested letting ETSU know what the commission's questions are and what questions are needed for the item before the next meeting

Secretary Hargett asked if there would be any negative ramifications to deferring action to the next meeting. Mr. Sloan deferred the question to President Noland of ETSU. Chairman Cope recognized President Noland. In response, President Noland noted that the financial information noted in the slideshow reflected the direct costs with the employment of faculty, and that the costs did not include other operational costs. President Noland also noted that revenue of one program goes to support other programs across an institution, and that the RHS program will cover its costs and will generate revenue to support the operations of the entirety of the College of Clinical and Rehabilitative Health Sciences.

Secretary Hargett requested ETSU to revisit the financial projections presented to the commission and to provide a more accurate look into the program's costs. President Noland responded in the

affirmative. President Noland then noted that if the commission chooses to defer action to the next meeting, it would limit ETSU's ability to offer the program in fall 2018 and would set the program behind by a year.

Mr. Krause asked for President Noland to clarify that the intention would be to enroll students in fall 2018. President Noland responded in the affirmative.

Chairman Cope asked what the will of the commission was. Secretary Hargett suggested considering the item over lunch. Chairman Cope then recessed the commission for lunch.

Following lunch, Chairman Cope called the commission back to order from recess. He then opened the floor to discussion on ETSU's RHS program proposal. Chairman Cope recognized Mr. Wharton.

Mr. Wharton called on President Noland to speak and asked when ETSU would plan to enroll its first students in the RHS program. President Noland responded that if the commission chose to take positive action on the program, ETSU would be in a position to enroll its first students in the fall semester of 2018.

Mr. Wharton asked President Noland if it was possible for ETSU to provide answers to the questions posed prior to recess to Mr. Krause within 45 days. President Noland responded that the answers could be provided to Mr. Krause within that time frame.

Mr. Wharton moved that the commission approve the RHS program conditioned upon President Noland submitting to Mr. Krause for distribution to the commission answers or adjustments they may have to the financial projections within 45 days, and to vest within Mr. Krause the authority to remove the condition. Mr. Wharton noted that the area between Nashville and Cookeville is one of the largest retirement areas in the country, which demonstrates the need for such a program.

Chairman Cope asked for the motion to be restated.

Mr. Wharton moved that the commission approve the program conditioned upon President Noland submitting to Mr. Krause the answers and further discussions within 45 days of the spring commission meeting. Ms. Dishner seconded the motion. Chairman Cope asked if there was any further discussion and asked President Noland if he understood what the commission's questions are.

President Noland responded that the questions related to the matter through which the tuition revenues support the operations of the program and the operations of the college and university as a whole, and that the commission would like to see the manner through which the total tuition revenues are then allocated across the functional budget units of the institution.

Chairman Cope asked if the commission was satisfied with the questions and with what President Noland would provide. Secretary Hargett noted his support for the motion and his respect for President Noland and for ETSU. He continued to note the need for transparency and affordability related to the services provided to students.

Chairman Cope recognized Mr. Wharton, who concurred with Secretary Hargett.

Chairman Cope noted the commission's legal duty and requirement to review and study programs with particular view as to their cost. He then recognized Mr. Stafford.

Mr. Stafford proposed an amendment to Mr. Wharton's motion. Given the sense of urgency, he proposed that the information be provided to Mr. Krause within three weeks.

Chairman Cope repeated the motion and asked if any commissioners wished to second it. Mr. Wharton noted that it was a friendly amendment and restated that the information provided by ETSU would be circulated to the entire commission. Mr. Wharton seconded the amendment.

Chairman Cope asked for further discussion on the motion as amended. A voice vote was taken and the motion passed unanimously.

University of Memphis, PhD Nursing

Chairman Cope recognized Dr. Karen Weddle-West to present information regarding UM's proposal for a PhD in Nursing. She noted that the graduates of the program would be prepared to conduct the rigorous research needed in the discipline. The graduates would also be able to apply research to serve the interest of the community. Dr. Weddle-West noted that the national shortage of nurses is primarily based on the few numbers of doctoral-prepared nursing and the faculty needed to teach them. This program would help to fill that gap. The program distinctions would be on pedagogy, health equity research, and multidisciplinary aspects. Dr. Weddle-West then noted the program's alignment with the state master plan and UM's mission. The program would be offered in an online, hybrid format. The highlights of the 60-hour curriculum include: 18 hours of research core, 6 hours

of education core, and 6 hours of health education core, and 12 hours of electives. For financial sustainability, Dr. Weddle-West noted UM's responsibility-centered budget model and that enough funds are available to support the existing faculty needed for the program. The acquisition of research grants is expected to double with the program. Dr. Weddle-West noted UM's unique position to educate a diverse pool of nursing researchers and educators, as well as UM's recognition for and success in diversity.

Chairman Cope opened the floor for questions. Mr. Stafford asked Dr. Weddle-West to clarify the demand for the program and the program projections. Dr. Weddle-West responded that the feasibility study indicated that 78% of UM students included in a feasibility study responded that they would be interested in or would apply for admission to the program. The enrollment projection of five students in the fall semester, she continued, was underestimated, and that there would likely be 10-20 applicants. She noted that the projections are conservative and that higher numbers are likely to occur over a period of time. Dr. Weddle-West noted that if the projections are a concern, UM could guarantee a higher number.

Mr. Stafford asked what percentage of UM's online students are from out of state. Dr. Weddle-West responded that the national data show that the typical online student is in-state. She noted that UM has 7,000 fully online students. Those students tend to be within the Tennessee area, with roughly a quarter being across the world.

Ms. Koban asked if it was too much duplication of programs to have UM's program in Memphis with the UT Center for Health Sciences also having a PhD in Nursing and if Memphis could support that. Dr. Weddle-West responded that the needs are great and the demand is there. She also noted that students have been asking for this program for seven years.

Ms. Koban asked if this is different than a DNP program. Dr. Weddle-West responded in the affirmative and noted that the DNP is a clinical program not requiring a doctoral dissertation and not based on 18 hours of high-level, quantitative, statistical analyses.

Chairman Cope asked if there were any additional questions. Secretary Hargett made a motion to approve UM's PhD in Nursing program proposal and Mr. Wharton seconded the motion. A voice vote was taken and the motion passed unanimously.

ACADEMIC PROGRAM REVIEW

Chairman Cope introduced Victoria Harpool. Ms. Harpool stated she is returning with the requested Program Productivity Report of Tennessee's mature programs. She stated there are a total of 109 programs that come up as "low producing" on the benchmarks and that she will share information disaggregated by accreditation. She stated all programs that *can* be accredited must seek and gain accreditation. She was happy to report that the 48 programs eligible for accreditation have received accreditation. The rest of the 109 were seeking program evaluation. She broke those 61 programs down into two categories: the 36 programs reaching at least 50% of the benchmark and 25 programs that are not. She stated the latter group represented less than 8% of mature programs that have not received national accreditation or program evaluation.

She stated that she had been asked about the benchmarks out there and stated there are quantitative benchmarks (enrollment trends, persistence to graduation, graduation trends), Quality Assurance Funding (QAF; assessments [general education, major field, and licensure], student and alumni satisfaction surveys, accreditation, and program evaluation), and program-specific metrics (contribution to mission, research, strategic plan, and other academic units; job placement; and industry and community partnerships). She stated all of these metrics allow for THEC to get a well-rounded look at these institutions. Ms. Harpool continued to another data set comparing the states that perform in productivity benchmark analyses. She stated this led to find Tennessee is above average and "ahead of the curve" in what is expected from our institutions. She stated they are less worried about the non-accreditable undergraduate programs that feed the general education programs but more worried about the others such as international studies, urban studies, natural resources, etc. Of the graduate programs, many have been around since the 1960s while others are newer. On the associate and certificate level, she stated the ones that are directly tied to a profession are of concern. She went on to say they seek information about those programs and what that program is doing for their community.

Ms. Harpool stated the next steps include an Academic Program Viability Policy for mature programs. So, instead of looking at just those productivity benchmarks, they should take a holistic approach by looking at the data, quality-assurance, and program-specific metrics and bring those to the next Commission meeting to be able to truly talk about the viability of programs and not just each's productivity. Another next step includes strengthening a monitoring process program. She proposed programs should have to refer back to the benchmarks they have set for themselves (instead of THEC monitoring having to measure for a set number of years) to get out of monitoring

and be considered a mature program. From there, the programs would be evaluated on quality-assurance funding instead of an annual monitoring check.

When asked for questions or comments, Mr. Watson offered a follow-up statement that he thinks the programs should also be evaluated on the measure of programs leading to jobs. Ms. Harpool replied that she expected to hear from the institutions where the graduates are being placed and at what rates. Mr. Krause also replied to Mr. Watson that the goal is to bring this policy back to the Commission in late summer or fall and they will include job placement as well. Secretary Hargett added he wanted the Commission to reach a point where they don't let programs "linger" and instead point the institutions to the fact it's not working, they are wasting their resources, and in better direction; he states he wants the Commission to be very clear on the policy it takes to not have a program anymore. Chairman Cope clarified the authority to terminate programs does not rest with THEC but they do have authority to recommend to the respective boards the recommendation that a program be terminated. Chairman Cope inquired if THEC had any data on what extent are institutions are terminating failing programs and running a "postmortem" about why they failed. Ms. Harpool responded that she does know institutions are approved more than they are terminated, and she stated that the earlier proposal that programs would have to justify their contributions to the community, research, etc. would require programs to prove that they have fulfilled their commitment to the Commission. Secretary Hargett responded that they could reconsider fee requests when an institution keeps program that doesn't make economic sense. Ms. Koban asked if Ms. Harpool could walk the board through the process of program approval. Ms. Harpool stated certificate and associate programs are monitored for three years and baccalaureate and masters programs are for five years, while doctoral programs are monitored for seven. Her proposal is that THEC exit the annual monitoring and, instead, have the institutions prove their benchmarks in enrollment and graduation as well as their level of attainment of the benchmarks they had originally proposed for themselves before the board when they were originally seeking approval of the program. She went on to say these institutions must also be able to prove their students are passing gen. ed. and licensure assessments, as it would mean they are holding programs accountable. Ms. Koban shared her thoughts on "probationary status" and that a program should not be able to stay on probation too long.

INSTITUTIONAL MISSION PROFILES

Chairman Cope introduced Ms. Betty Dandridge Johnson who presented to the Commission for approval of the mission profiles for each university and community colleges. Profiles for Austin Peay State University and Tennessee Technological University are contingent upon approval by their respective Board of Trustees. The revisions to the mission profiles in 2018 centered primarily on changes related to student characteristics and academic programs. Four of the six locally governed institutions and two University of Tennessee institutions made minor updates to their respective mission profile. Modifications have been approved or are pending approval by institutional governing boards. A total of 8 of the 13 community colleges made substantive updates, all of which were approved by the Tennessee Board of Regents' March 2018 meeting.

It should be noted that institutional mission profiles do not supplant institutional mission statements used for institutional accreditation and other public disclosure. The comprehensive mission statements are in accord with the institutional mission profiles.

Chairman Cope opened the floor for discussion. Secretary Hargett made a motion and Mr. Stafford seconded the motion. A voice vote was taken and passed unanimously.

CAPITAL MANAGEMENT SEVERANCE

Chairman Cope introduced Ms. Patti Miller who presented to the commission three universities that submitted to THEC their requests to assume the performance of capital management severance. The 3 universities are University of Memphis, Tennessee Tech University and Middle Tennessee State University and, upon approval of the THEC commission, will assume the responsibility of the capital project management on or after June 14, 2018, subject to applicable State Building commission policies.

Chairman Cope opened the floor for discussion and Mr. Wharton made the motion to pursuant to Tennessee Code Annotated 49-8-101(a)(2)(C), the Commission approve the request of the Board of Trustees of University of Memphis to assume the responsibility of the capital project management on or after June 14, 2018, subject to applicable State Building commission policies. Mr. Stafford seconded the motion and a voice vote was taken and the motion passed unanimously.

Dr. Dishner made the motion to pursuant to Tennessee Code Annotated 49-8-101(a)(2)(C), the Commission approve the request of the Board of Trustees of Tennessee Technological University to assume the responsibility of the capital project management on or after June 14, 2018, subject to

applicable State Building commission policies. Ms. Koban seconded the motion and a voice vote was taken and the motion passed unanimously.

Ms. Koban made the motion to pursuant to Tennessee Code Annotated 49-8-101(a)(2)(C), the Commission approve the request of the Board of Trustees of Middle Tennessee State University to assume the responsibility of the capital project management on or after June 14, 2018, subject to applicable State Building commission policies. Ms. Winton seconded the motion and a voice vote was taken and the motion passed unanimously.

PROCUREMENT SEVERANCE

Chairman Cope introduced Steven Gentile. Mr. Gentile began by reviewing the Commission's proceedings regarding procurement severance in the November meeting. The Commission had approved the procurement severance of Austin Peay, East Tennessee State, and Tennessee Technological University in November. The other three LGIs are now seeking severance: Middle Tennessee State University, Tennessee State University, and University of Memphis. Institutions require severance from the Commission to manage contracts above \$250,000 (about 90% are below this threshold). To be approved for severance, institutions are required to share their policies, contracts, and documents with THEC to prove they are able to manage procurement. Institutions were also required to have a contact person for the fiscal review. Finally, they must maintain current contracts with TBR or have permission from TBR to leave contracts. Mr. Gentile states that the three aforementioned universities have met the requirements for severance and recommends that the Commission approves all three universities for severance.

Chairman Cope opened the floor for discussion on MTSU. Mr. Johnston made the motion that, pursuant to Tennessee Code Annotated § 49-8-101(a)(2)(C), the Commission approve the request of the Board of Trustees of Middle Tennessee State University to assume the responsibility for the procurement function on July 1, 2018, and that the Board of Regents no longer be responsible for the performance of this function for the university as of that date. Mr. Wharton seconded the motion. A voice vote was taken and passed unanimously.

Chairman Cope opened the floor for discussion on TSU. Mr. Johnston made the motion that, pursuant to Tennessee Code Annotated § 49-8-101(a)(2)(C), the Commission approve the request of the Board of Trustees of Tennessee State University to assume the responsibility for the

procurement function on July 1, 2018, and that the Board of Regents no longer be responsible for the performance of this function for the university as of that date. Ms. Koban seconded the motion. Mr. Cope recognized Dr. Glover, president of TSU, to recognize TSU alumni James Shaw as the hero of the Waffle House shooting. Dr. Glover expressed appreciation and pride in alumni James Shaw. Dr. Glover announces a scholarship in Mr. Shaw's name. She thanked the commission for the opportunity to recognize Mr. Shaw. A voice vote was taken and passed unanimously.

Chairman Cope opened the floor for discussion on University of Memphis. Mr. Wharton made the motion that, pursuant to Tennessee Code Annotated § 49-8-101(a)(2)(C), the Commission approve the request of the Board of Trustees of University of Memphis to assume the responsibility for the procurement function on July 1, 2018, and that the Board of Regents no longer be responsible for the performance of this function for the university as of that date.

Mr. Krause requested that Dr. Oldham, president of TTU, introduce TTU's new provost. Dr. Oldham introduced Dr. Lori Bruce, provost and vice president for academic affairs.

Mr. Krause commended Mr. Gentile for speaking to the Commission given that he has a week-old baby and will be taking his doctoral comprehensive exams tomorrow.

Mr. Gentile continued with the next item on the agenda: tuition and fee ranges. Since the FOCUS Act, the staff recommends binding ranges for tuition and fees after the appropriations cycle. In November, the staff recommended 55 million dollars in state appropriations for universities, community colleges, and TCATs. Having received the full amount, the staff recommends a 0-3% binding range for tuition and fees. In the past three years, Tennessee experienced its lowest consecutive growth in tuition and fees. To determine the range for tuition and fees, the staff looks at affordability as supported by the various state financial aid programs. THEC staff is also looking at other factors such as institutional financial aid, student debt, and state appropriations. Mr. Gentile also noted that when considering higher education costs, considerable thought is given to the value and weight of the Higher Education Price Index as an indicator of institutional cost expectations and the Consumer Price Index as an indicator of the economic situations faced by students and their families. If approved, this would continue the trend of lowest consecutive growth in tuition and fees.

Ms. Winton asked how the Commission and students will receive information about the tuition and fee changes to improve transparency. Mr. Gentile responded that CFOs of institutions would be a

better source for the formulas institutions use to calculate their tuition rates. Mr. Krause agreed that we need a transparent story for how institutions set tuition before the July meeting. Mr. Krause further noted that when THEC considers tuition growth, the first thought is the student and that regarding transparency, as noted in the recent legislation, we will soon be compelled to build transparency into our processes and the institution processes as stipulated in the new law. Mr. Gentile acknowledged that THEC's tuition setting formulas has been in place for 10 years and the staff intends to reassess the model moving forward. An internal task force will be called to reevaluate the existing model.

Mr. Watson noted that price directly impacts the decisions that people make about going to college and further asked why these tuition increases don't take diversity into account, which seems inconsistent with TN Reconnect, Promise, and Drive to 55. He asked if we are "pricing the product out of the market" by taking inflation into account. He cited an article entitled "Tuition Hikes Hurt Diversity." Mr. Watson stated that he needs convincing that the rate should be anything other than zero. Mr. Gentile responds that these decisions are personal for students and families and also need to take into account the needs of the state.

Ms. Koban noted that with these ranges, she thinks the schools will think that a 0% to 3% range implies that a 3% increase is acceptable. That said, when higher education asks the state for \$55 million and the state provides it, it should be pretty hard to argue for increasing tuition. The state gave higher education the appropriations requested by the Commission. Therefore, the Commission can't make the argument that institutions need to increase tuition because appropriations have decreased, as in the past. Ms. Koban would also like to see a zero percent increase at times when the state provides higher education with the funding they asked for. She further acknowledged President Rudd, who was not in attendance, and the University of Memphis for their intentions to push a 0% tuition increase.

Chairman Cope stated that when we increase tuition, it makes it harder to close equity gaps.

Ms. Koban asked if in July, university presidents will be able to walk the Commission through their process of setting tuition increases. Mr. Gentile affirmed that is what Mr. Krause intends for the July Commission meeting. Chairman Cope asked if Ms. Koban would like to make a motion to require that information. Ms. Koban moved that at the July meeting the presidents of UT, the LGIs, and the Chancellor of TBR are prepared to walk the Commission through the process by which they establish

their tuition percentage increase for 2018-2019. Mr. Stafford seconded the motion. A voice vote was taken and the motion passed unanimously.

Chairman Cope recognized Secretary Hargett who moved to approve a 0-2.5% range given Ms. Koban's earlier comments. Mr. Stafford seconded the motion. Dr. Dishner asked if any institutions have announced tuition rates for 18-19 and if families are already anticipating those rates. Mr. Gentile responds that ETSU has approved a tuition rate with the condition that the range passes and University of Memphis has announced a zero percent increase. Dr. Dishner further requested that this conversation takes place earlier in the annual cycle so institutions and families can plan for the fall semester. Mr. Watson stated he was unconvinced that it should be anything other than zero. Mr. Wharton asked if, by having this discussion, we are implying that there will be increases. He continued to say that even though the range provided allows for 0% increase, it raises the question as to whether the discussion is truly necessary or is the range merely "green-lighting" a tuition increase. Secretary Hargett withdrew the motion. Mr. Stafford withdrew the second. Chairman Cope noted that the floor was open to a motion.

Ms. Koban commented that she wants to work with the institutions to understand why we need to increase tuition if the state gives them all the funds they request. She suggested that by having these conversations, the institutions may come back with more palatable increases rather than the top end of the range. Mr. Krause noted that the staff has ongoing discussions with the institutions about their rates. He noted that UT does not intend to increase tuition to the maximum amount. Dr. Miller, CFO of UT, reminded the Commission that UT increased tuition by 1.8% last year when increases were capped at 4% because of strong and predictable state funding. He stated that affordability is the driver of that decision. Mr. Wharton asked what the current range between state funding and tuition is. Mr. Krause responded that at community colleges it is 50% range and as low as the mid-to-high 20% range for universities.

Mr. Johnston recognized that the staff has made this recommendation and the Commission should accept that recommendation. Mr. Krause offered that the staff returns in July with a better process. Mr. Watson asked if Mr. Krause is proposing that the Commission defers this decision and he responded that the institutions need a decision from this meeting to set their rates. Mr. Watson commented that if Tennessee came out with a zero percent increase, enrollment would increase and Tennessee would receive favorable recognition. He further noted that the Commission should

be advocating for greater higher education participation and that higher tuition does not help that cause.

Mr. Wharton seconds Mr. Johnston's motion, though it has not been formally brought to the floor. Mr. Johnston makes a motion to accept that staff recommendation of a range of 0% to 3% tuition increase on the condition that the Commission will receive a full explanation from the institutions. Mr. Watson asks for clarification. Mr. Wharton responded that the institutions will need to substantiate and justify any tuition increases moving forward. Mr. Wharton further noted that the substantiation should be highly detailed and extensive. Chairman Cope states that this motion needs to be separated into two motions, under the advice of general council and Mr. Wharton agreed. Mr. Johnson restated the motion to accept the staff recommendation of 0-3% range. Mr. Wharton seconded the motion. Chairman Cope opened the floor for discussion. A roll call was taken with 10 ayes and 1 nay from Mr. Watson and the motion passed.

Evan Cope-aye	Secretary Hargett-aye
Nancy Dishner-aye	Dakasha Winton-aye
Pam Koban-aye	AC Wharton-aye
Vernon Stafford-aye	Jeremy Chisenhall-aye
Frank Watson-nay	Jimmy Johnston-aye
Treasurer Lillard-aye	

Chairman Cope opened the floor to discuss any new motions. A motion was made by Mr. Wharton asking the THEC staff be directed to provide the additional information that has been expressed in this meeting prior to the July meeting. Secretary Hargett seconded the motion. A voice vote was taken and the motion passed.

Chairman Cope recognized Secretary Hargett. Secretary Hargett commented that he never knew what AC stood for in Mr. AC Wharton's name, but he thinks AC due to his two phones and iPad it is "always connected". Mr. Hargett also commented on a serious note that he has been on this board for 10 years, he was a former student body president of this state, former president of all student body presidents in this state and he has never been more proud to be a part of this commission. He thanked everyone for the vigorous debates that took place today.

Chairman Cope recognized Mr. Wharton who brought up the fact that May 17th, 1954, the day of this meeting, is also anniversary of Brown vs. Board of Education. He reflected on the importance and history of that decision.

Chairman Cope adjourned the meeting.

Agenda Item: I.A.

DATE: July 26, 2018

SUBJECT: Institutional Reauthorization

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION: The Commission, under the Tennessee Higher Education Authorization Act of 2016, has the “power and duty” to act upon applications for authorization to operate an educational institution in the state. For the institutions listed below, applications have been reviewed to determine whether all documentation was submitted in accordance with the Act and postsecondary rules. The Committee on Postsecondary Educational Institutions met on July 19, 2018 and endorsed staff recommendations for reauthorization as described below.

**Authorized Locations With Regular Authorization
(September 1, 2018 - August 31, 2019) (34)**

1. Accelerated College of the Bible International (Hendersonville, TN - Code: 1865)
2. Austin's Beauty College, Inc. (Clarksville, TN - Code: 1842)
3. Catawba College (Nashville, TN - Code: 1837)
4. Covenant Theological Seminary (Nashville, TN - Code: 1771)
5. Cumberland Institute of Holistic Therapies, Inc. (Brentwood, TN - Code: 1257)
6. Dallas Theological Seminary (Brentwood, TN - Code: 1561)
7. Dental Assistant School of Memphis, LLC (Memphis, TN - Code: 1839)
8. Dental Staff School of Tennessee (Franklin, TN - Code: 1263)
9. Drive-Train (Jackson, TN - Code: 1270)
10. Elite College of Cosmetology (Lexington, TN - Code: 1851)
11. Excel Dental Training Institute (Hermitage, TN - Code: 1690)
12. Faith is the Victory Life Christian Bible Institute (Nashville, TN - Code: 1275)
13. Franklin Hair Academy, School of Cosmetology (Franklin, TN - Code: 1841)
14. Health - Tech Institute of Memphis (Memphis, TN - Code: 1288)
15. Massage Institute of Memphis, LLC (Memphis, TN - Code: 1412)
16. Mister Wayne's School of Unisex Hair Design (Cookeville, TN - Code: 1849)
17. Nashville School of Massage Therapy (Franklin, TN - Code: 1736)
18. New Horizons Computer Learning Center of Nashville (Nashville, TN - Code: 1444)
19. NHLA Inspector Training School (Memphis, TN - Code: 1445)
20. North American Lineman Training Center, LLC (McEwen, TN - Code: 1446)

21. North Central Institute (Clarksville, TN - Code: 1447)
22. Paul Mitchell the School Knoxville (Knoxville, TN - Code: 1848)
23. Paul Mitchell the School Murfreesboro (Murfreesboro, TN - Code: 1852)
24. Richmond Graduate University (Chattanooga, TN - Code: 1467)
25. Ross Medical Education Center (Johnson City, TN - Code: 1702)
26. Swift Driving Academy (Memphis, TN - Code: 1495)
27. Tennessee Academy of Cosmetology (Bartlett, TN - Code: 1854)
28. Tennessee Academy of Cosmetology (Memphis, TN - Code: 1853)
29. Tennessee Career Institute Inc. (Columbia, TN - Code: 1559)
30. Tennessee School of Beauty of Knoxville, Inc. (Knoxville, TN - Code: 1836)
31. Tennessee School of Massage (Memphis, TN - Code: 1499)
32. The Healthcare Readiness Institute (Memphis, TN - Code: 1761)
33. Truck Driver Institute, Inc. (Tupelo, MS - Code: 1513)
34. Tulsa Welding School (Jacksonville, FL - Code: 1515)

**Authorized Locations With Temporary Authorization
(September 1, 2018 - August 31, 2019) (4)**

1. Bill Rice Bible Institute (Murfreesboro, TN - Code: 1912)
2. Comprehensive Health Academy of Tennessee, LLC (Memphis, TN - Code: 1913)
3. Middle Tennessee Cardiovascular Institute (Nashville, TN - Code: 1916)
4. Waterdogs SCUBA and Safety LLC (Clarksville, TN - Code: 1919)

**Authorized Locations With Conditional Authorization
(September 1, 2018 - August 31, 2019) (2)**

1. The Blackbird Academy (Nashville, TN - Code: 1703)
The institution failed to meet the required 1:1 financial ratios for total revenues to total expenditures and current assets to current liabilities. The institution will be required to provide quarterly financial statements until its next reauthorization application is considered and will remain on conditional throughout the authorization period.
2. The Healthcare Institute LLC (Memphis, TN - Code: 1765)
The institution did not submit financial statements in the proper form by the established deadline. The institution will be placed on conditional status as of the date of the Commission's meeting for failure to submit a complete application. The deadline for submitting financial statements in the proper form will be set at Thursday, August 9, 2018. The institution will remain on conditional authorization through the September 2018/August 2019 authorization period. Additionally, failure to submit financials as required could result in the assessment of a fine, imposition of further conditions, or revocation of authorization as determined by the Executive Director.

Agenda Item: I.B.

DATE: July 26, 2018

SUBJECT: Temporary Authorization of New Institutions under the Tennessee Higher Education Authorization Act of 2016

ACTION RECOMMENDED: Temporary Authorization

BACKGROUND INFORMATION: The Commission, under the Tennessee Higher Education Authorization Act of 2016, has the “power and duty” to act upon applications for authorization to operate an educational institution in the state. For the institutions listed below, applications have been reviewed, site visits have been performed, and staff has determined that all necessary documentation and bonds have been secured. The Committee on Postsecondary Educational Institutions met on July 19, 2018 and endorsed staff recommendations for Temporary Authorization of these institutions.

A. Boilermakers and Welding Institute **Memphis, TN**
3775 Getwell Cove, Memphis, Tennessee 38118

Corporate Structure: Not-for-Profit Corporation

Accreditation: None

Title IV Funding: No

Boilermakers and Welding Institute is seeking approval for three new programs. The programs will be offered in a residential format. Instruction will be provided by the faculty from their authorized location in Memphis, Tennessee.

- | | | |
|----|--|---|
| 1. | Program:
Credential Awarded:
Length of Program: | BWI Boilermaker
 Certificate
 1735 Contact Hours
 24 Months |
| 2. | Program:
Credential Awarded:
Length of Program: | BWI Welding Specialist
 Certificate
 630 Contact Hours
 6 Months Full-Time
 7 Months Part-Time |
| 3. | Program:
Credential Awarded:
Length of Program: | BWI Welding Professional
 Certificate
 632.5 Contact Hours
 6 Months Full-Time
 7 Months Part-Time |

B. Certified Medical Academy LLC**Cordova, TN**

1175 Vickery Lane, Suite 100, Cordova, Tennessee 38016

Corporate Structure: Limited Liability Company (LLC)**Accreditation:** None**Title IV Funding:** No

Certified Medical Academy LLC is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized location in Cordova, Tennessee.

1. **Program:** Nursing Aide Training
Credential Awarded: Certificate of Completion
Length of Program: 75 Contact Hours
1 Month

License/Certification Required for Employment: Certified Nurse Aide**Licensing Board/Agency: Department of Health/Division of Healthcare Facilities****C. Healthcare Academy of Memphis****Memphis, TN**

4466 Elvis Presley Blvd, Suite 118, Memphis, Tennessee 38116

Corporate Structure: Sole Proprietorship**Accreditation:** None**Title IV Funding:** No

Healthcare Academy of Memphis is seeking approval for a new Certified Billing and Coding Specialist program. The program will be offered in a blended format. Instruction will be provided by the faculty from their authorized location in Memphis, Tennessee, as well as on-line.

Healthcare Academy of Memphis is seeking approval for a new Nurse Aide program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized location in Memphis, Tennessee.

1. **Program:** Certified Billing and Coding Specialist
Credential Awarded: Certificate
Length of Program: 76 Contact Hours
1 Month

2. **Program:** Nurse Aide
 Credential Awarded: Certificate
 Length of Program: 76 Contact Hours
 3 Weeks Full-Time
 6 Weeks Part-Time

License/Certification Required for Employment: Certified Nurse Aide
Licensing Board/Agency: Department of Health/Division of Healthcare Facilities

D. Nashville Barber and Style Academy **Madison, TN**
 968 Madison Square, Madison, Tennessee 37115

Corporate Structure: S-Corporation
Accreditation: National Accrediting Commission of Career Arts &
 Sciences (NACCAS)
Title IV Funding: Yes

Nashville Barber and Style Academy is seeking approval for five new programs. The programs will be offered in a residential format. Instruction will be provided by the faculty from their authorized location in Madison, Tennessee.

1. **Program:** Cosmetology
 Credential Awarded: Certificate
 Length of Program: 1500 Contact Hours
 12.5 Months

License/Certification Required for Employment: Cosmetologist
Licensing Board/Agency: Board of Cosmetology and Barber Examiners

2. **Program:** Master Barber
 Credential Awarded: Certificate
 Length of Program: 1500 Contact Hours
 12.5 Months

License/Certification Required for Employment: Master Barber
Licensing Board/Agency: Board of Cosmetology and Barber Examiners

3. **Program:** Barber/Cosmo
 Credential Awarded: Certificate
 Length of Program: 750 Contact Hours
 6 Months

License/Certification Required for Employment: Barber Technician
Licensing Board/Agency: Board of Cosmetology and Barber Examiners

4. **Program:** **Cosmo/Barber**
 Credential Awarded: **Certificate**
 Length of Program: **750 Contact Hours**
 6 Months

License/Certification Required for Employment: Cosmetologist
Licensing Board/Agency: Board of Cosmetology and Barber Examiners

5. **Program:** **Instructor Program**
 Credential Awarded: **Certificate**
 Length of Program: **450 Contact Hours**
 4 Months

License/Certification Required for Employment: Instructor License
Licensing Board/Agency: Board of Cosmetology and Barber Examiners

- E. New Horizons Computer Learning Center of Memphis Memphis, TN**
 5100 Poplar Avenue, Suite 218, Memphis, Tennessee 38137

Corporate Structure: Limited Liability Company (LLC)
Accreditation: None
Title IV Funding: No

Change of Ownership:

New Horizons Computer Learning Center of Memphis was purchased by 5P NH Company on January 1, 2018. The institution has been authorized by THEC since January 27, 2000.

New Horizons Computer Learning Center of Memphis is seeking approval for five new programs. The programs will be offered in a blended format. Instruction will be provided by the faculty from their authorized location in Memphis, Tennessee, as well as on-line.

1. **Program:** **Business Administration Associate**
 Credential Awarded: **Certificate of Completion**
 Length of Program: **216 Contact Hours**
 3 Months
2. **Program:** **Business Administration Professional**
 Credential Awarded: **Certificate of Completion**
 Length of Program: **450 Contact Hours**
 6 Months

3. **Program:** **Medical Office Administration**
 Credential Awarded: **Certificate of Completion**
 Length of Program: **180 Contact Hours**
 2.5 Months

4. **Program:** **Network Systems Administrator**
 Credential Awarded: **Certificate of Completion**
 Length of Program: **540 Contact Hours**
 7.5 Months

5. **Program:** **Security IT Associate**
 Credential Awarded: **Certificate of Completion**
 Length of Program: **180 Contact Hours**
 2.5 Months

F. Shear Perfection Academy of Cosmetology Antioch, TN
 5252 Hickory Hollow Parkway, Suite 162, Antioch, Tennessee 37013

Corporate Structure: Limited Liability Company (LLC)
Accreditation: National Accrediting Commission of Career Arts &
 Sciences (NACCAS)
Title IV Funding: Yes

Shear Perfection Academy of Cosmetology is seeking approval for four new programs. The programs will be offered in a residential format. Instruction will be provided by the faculty from their authorized location in Antioch, Tennessee.

1. **Program:** **Cosmetology**
 Credential Awarded: **Certificate**
 Length of Program: **1500 Contact Hours**
 12 Months Full-Time
 18 Months Part-Time

License/Certification Required for Employment: Cosmetologist
Licensing Board/Agency: Board of Cosmetology and Barber Examiners

2. **Program:** **Esthetics**
 Credential Awarded: **Certificate**
 Length of Program: **750 Contact Hours**
 6.25 Months Full-Time
 9.4 Months Part-Time

License/Certification Required for Employment: Esthetician
Licensing Board/Agency: Board of Cosmetology and Barber Examiners

- License/Certification Required for Employment: Manicurist**
Licensing Board/Agency: Board of Cosmetology and Barber Examiners

- License/Certification Required for Employment: Instructor License**
Licensing Board/Agency: Board of Cosmetology and Barber Examiners

Corporate Structure:	S-Corporation
Accreditation:	National Accrediting Commission of Career Arts & Sciences (NACCAS)
Title IV Funding:	Yes

The Hair Academy was purchased by Patricia J Parsons, on November 9, 2017. The institution is an S-Corporation and has been authorized by THEC since 2016.

The Hair Academy is seeking approval to revise four programs. The programs will be offered in a residential format. Instruction will be provided by the faculty from their authorized location in Fayetteville, Tennessee.

- License/Certification Required for Employment: Esthetician**
Licensing Board/Agency: Board of Cosmetology and Barber Examiners

2. **Program:** **Cosmetology (Revised)**
 Credential Awarded: **Diploma**
 Length of Program: **1500 Contact Hours**
 12 Months Full-Time
 24 Months Part-Time

License/Certification Required for Employment: Cosmetologist
Licensing Board/Agency: Board of Cosmetology and Barber Examiners

3. **Program:** **Manicuring (Revised)**
 Credential Awarded: **Diploma**
 Length of Program: **750 Contact Hours**
 6 Months Full-Time
 12 Months Part-Time

License/Certification Required for Employment: Manicurist
Licensing Board/Agency: Board of Cosmetology and Barber Examiners

4. **Program:** **Teacher Training (Revised)**
 Credential Awarded: **Certificate**
 Length of Program: **450 Contact Hours**
 3.5 Months Full-Time
 7 Months Part-Time

License/Certification Required for Employment: Instructor License
Licensing Board/Agency: Board of Cosmetology and Barber Examiners

H. Vanderbilt University Medical Center Nashville, TN
 1301 Medical Center Drive, B-802, The Vanderbilt Clinic, Nashville, Tennessee 37232

Corporate Structure: Not-for-Profit Corporation
Accreditation: None
Title IV Funding: No

Vanderbilt University Medical Center is seeking approval for six new programs. The Diagnostic Medical Sonography and Perfusion programs will be offered in a blended format. Instruction will be provided by the faculty from their authorized location in Nashville, Tennessee, as well as on-line. The other four programs, Dietetic Internship, Medical Laboratory Science, Neurodiagnostic Technology and Nuclear Medicine Technology, will be offered in a residential format. Instruction will be provided by the faculty from their authorized location in Nashville, Tennessee.

1. **Program:** Diagnostic Medical Sonography
 Credential Awarded: Certificate
 Length of Program: 2295 Contact Hours
 18 Months

2. **Program:** Dietetic Internship
 Credential Awarded: Certificate
 Length of Program: 1286 Contact Hours
 10 Months

3. **Program:** Medical Laboratory Science
 Credential Awarded: Certificate
 Length of Program: 1951 Contact Hours
 14 Months

License/Certification Required for Employment: Medical Laboratory Scientist
Licensing Board/Agency: Tennessee Medical Laboratory Board

4. **Program:** Neurodiagnostic Technology
 Credential Awarded: Certificate
 Length of Program: 2028 Contact Hours
 18 Months

5. **Program:** Nuclear Medicine Technology
 Credential Awarded: Certificate
 Length of Program: 1350 Contact Hours
 13 Months

6. **Program:** Perfusion
 Credential Awarded: Certificate
 Length of Program: 96 Semester Credit Hours
 22 Months

License/Certification Required for Employment: Licensed Clinical Perfusionist
Licensing Board/Agency: Committee for Clinical Perfusionist

Agenda Item: I.C.

DATE: July 26, 2018

SUBJECT: Approval of New Programs under the Tennessee Higher Education Authorization Act of 2016

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION: The Commission, under the Tennessee Higher Education Authorization Act of 2016, has the “power and duty” to act upon applications for authorization of educational programs in the state. Applications have been reviewed and staff has determined that all necessary documentation for new program applications is in accordance with the Act and postsecondary rules. The Committee on Postsecondary Educational Institutions met on July 19, 2018 and endorsed staff recommendations for approval.

A. Bethlehem College and Seminary **Memphis, TN**
4060 Park Avenue, Memphis, Tennessee 38111

Corporate Structure: Not-for-Profit Corporation
Authorization Date: January 26, 2018
Accreditation: Association for Biblical Higher Education,
Commission on Accreditation (ABHE)
Title IV Funding: No
Highest Credential Offered: Bachelor Degree

Bethlehem College and Seminary is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized location in Memphis, Tennessee.

1. Program: **Exegesis and Theology**
Credential Awarded: **Master of Theology**
Length of Program: **42 Semester Credit Hours**
22 Months

B. Crown School of Trades and Technology **Powell, TN**
2307 West Beaver Creek Drive, Powell, Tennessee 37849

Corporate Structure: Not-for-Profit Corporation
Authorization Date: January 29, 2015
Accreditation: None
Title IV Funding: No
Highest Credential Offered: Associate Degree

Crown School of Trades and Technology is seeking approval for two new programs. The programs will be offered in a residential format. Instruction will be provided by the faculty from their authorized location in Powell, Tennessee.

- 1. Program:** Auto/Diesel Technology
Credential Awarded: Associate of Applied Science
Length of Program: 72 Semester Credit Hours
16 Months Full-Time
32 Months Part-Time
- 2. Program:** Cosmetology
Credential Awarded: Associate of Applied Science
Length of Program: 79 Semester Credit Hours
16 Months Full-Time
32 Months Part-Time

License/Certification Required for Employment: Cosmetologist
Licensing Board/Agency: Board of Cosmetology and Barber Examiners

C. DeVry University **Naperville, IL**
1200 East Diehl Road, Naperville, Illinois 60563

Corporate Structure: C-Corporation
Authorization Date: January 31, 2002
Accreditation: The Higher Learning Commission (HLC)
Title IV Funding: Yes
Highest Credential Offered: Master Degree

DeVry University is seeking approval for twelve new programs. The programs will be offered in a distance learning format. This institution is recruitment only and all instruction is provided on-line.

- 1. Program:** Information Technology and Networking/Cloud Based Networking and Virtualization
Credential Awarded: Bachelor of Science
Length of Program: 120 Semester Credit Hours
48 Months Full-Time
96 Months Part-Time

- 2. Program:** Information Technology and Networking/Cyber Security
Credential Awarded: Bachelor of Science
Length of Program: 120 Semester Credit Hours
48 Months Full-Time
96 Months Part-Time
- 3. Program:** Information Technology and Networking/Mobile and Networked Devices
Credential Awarded: Bachelor of Science
Length of Program: 120 Semester Credit Hours
48 Months Full-Time
96 Months Part-Time
- 4. Program:** Software Development/Big Data and Analytics
Credential Awarded: Bachelor of Science
Length of Program: 120 Semester Credit Hours
48 Months Full-Time
96 Months Part-Time
- 5. Program:** Software Development/Software Design and Programming
Credential Awarded: Bachelor of Science
Length of Program: 120 Semester Credit Hours
48 Months Full-Time
96 Months Part-Time
- 6. Program:** Software Development/Web and Mobile Application Development
Credential Awarded: Bachelor of Science
Length of Program: 120 Semester Credit Hours
48 Months Full-Time
96 Months Part-Time
- 7. Program:** Information Technology and Networking/Automation and Electronic Systems
Credential Awarded: Associate of Applied Science
Length of Program: 60 Semester Credit Hours
24 Months Full-Time
48 Months Part-Time

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| 8. | Program:
Credential Awarded:
Length of Program: | Information Technology and
Networking/Information Systems and Programming
Associate of Applied Science
60 Semester Credit Hours
24 Months Full-Time
48 Months Part-Time |
| 9. | Program:
Credential Awarded:
Length of Program: | Information Technology and Networking/Network
Systems Administration
Associate of Applied Science
60 Semester Credit Hours
24 Months Full-Time
48 Months Part-Time |
| 10. | Program:
Credential Awarded:
Length of Program: | Information Technology Essentials
Undergraduate Certificate
23 Semester Credit Hours
12 Months Full-Time
24 Months Part-Time |
| 11. | Program:
Credential Awarded:
Length of Program: | Networking Essentials
Undergraduate Certificate
23 Semester Credit Hours
12 Months Full-Time
24 Months Part-Time |
| 12. | Program:
Credential Awarded:
Length of Program: | Programming Essentials
Undergraduate Certificate
22 Semester Credit Hours
12 Months Full-Time
24 Months Part-Time |

D. DeVry University **Nashville, TN**
 3343 Perimeter Hill Drive, Suite 200, Nashville, Tennessee 37211

Corporate Structure:	C-Corporation
Authorization Date:	April 26, 2007
Accreditation:	The Higher Learning Commission (HLC)
Title IV Funding:	Yes
Highest Credential Offered:	Master Degree

DeVry University is seeking approval for eleven new programs. The programs will be offered in a blended format. Instruction will be provided by the faculty from their authorized location in Nashville, Tennessee, as well as on-line.

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|-----------|----------------------------|--|
| 1. | Program: | Information Technology and Networking/Cloud Based Networking and Virtualization |
| | Credential Awarded: | Bachelor of Science |
| | Length of Program: | 120 Semester Credit Hours |
| | | 48 Months Full-Time |
| | | 96 Months Part-Time |

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|-----------|----------------------------|---|
| 2. | Program: | Information Technology and Networking/Cyber Security |
| | Credential Awarded: | Bachelor of Science |
| | Length of Program: | 120 Semester Credit Hours |
| | | 48 Months Full-Time |
| | | 96 Months Part-Time |

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|-----------|----------------------------|---|
| 3. | Program: | Information Technology and Networking/Mobile and Networked Devices |
| | Credential Awarded: | Bachelor of Science |
| | Length of Program: | 120 Semester Credit Hours |
| | | 48 Months Full-Time |
| | | 96 Months Part-Time |

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|-----------|----------------------------|--|
| 4. | Program: | Software Development/Big Data and Analytics |
| | Credential Awarded: | Bachelor of Science |
| | Length of Program: | 120 Semester Credit Hours |
| | | 48 Months Full-Time |
| | | 96 Months Part-Time |

- | | | |
|-----------|----------------------------|---|
| 5. | Program: | Software Development/Software Design and Programming |
| | Credential Awarded: | Bachelor of Science |
| | Length of Program: | 120 Semester Credit Hours |
| | | 48 Months Full-Time |
| | | 96 Months Part-Time |

- | | | |
|-----|--|--|
| 6. | Program:
Credential Awarded:
Length of Program: | Software Development/Web and Mobile Application Development
Bachelor of Science
120 Semester Credit Hours
48 Months Full-Time
96 Months Part-Time |
| 7. | Program:
Credential Awarded:
Length of Program: | Business/General Business
Associate of Applied Science
63 Semester Credit Hours
24 Months Full-Time
48 Months Part-Time |
| 8. | Program:
Credential Awarded:
Length of Program: | Business/Retail Management
Associate of Applied Science
61 Semester Credit Hours
24 Months Full-Time
48 Months Part-Time |
| 9. | Program:
Credential Awarded:
Length of Program: | Information Technology and Networking/Automation and Electronic Systems
Associate of Applied Science
60 Semester Credit Hours
24 Months Full-Time
48 Months Part-Time |
| 10. | Program:
Credential Awarded:
Length of Program: | Information Technology and Networking/Information Systems and Programming
Associate of Applied Science
60 Semester Credit Hours
24 Months Full-Time
48 Months Part-Time |
| 11. | Program:
Credential Awarded:
Length of Program: | Information Technology and Networking/Network Systems Administration
Associate of Applied Science
60 Semester Credit Hours
24 Months Full-Time
48 Months Part-Time |

E. Excel Dental Training Institute **Hermitage, TN**
5114 Old Hickory Boulevard Suite 200, Hermitage, Tennessee 37076

Corporate Structure: Not-for-Profit Corporation
Authorization Date: July 25, 2013
Accreditation: None
Title IV Funding: No
Highest Credential Offered: Certificate

Excel Dental Training Institute is seeking approval to revise two programs. The programs will be offered in a residential format. Instruction will be provided by the faculty from their authorized location in Hermitage, Tennessee.

- 1. Program:** Dental Assisting (Revised)
Credential Awarded: Certificate of Completion
Length of Program: 360 Contact Hours
3 Months
- 2. Program:** Dental Office Management (Revised)
Credential Awarded: Certificate of Completion
Length of Program: 264 Contact Hours
3 Months

F. Richmond Graduate University **Chattanooga, TN**
1815 McCallie Avenue, Chattanooga, Tennessee 37404

Corporate Structure: Not-for-Profit Corporation
Authorization Date: July 31, 1998
Accreditation: Southern Association of Colleges and Schools,
Commission on Colleges (SACSCOC)
Title IV Funding: Yes
Highest Credential Offered: Master Degree

Richmont Graduate University is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized location in Chattanooga, Tennessee.

1. **Program:** **Marriage and Family Therapy**
 Credential Awarded: **Certificate**
 Length of Program: **12 Semester Credit Hours**
 12 Months Full-Time
 24 Months Part-Time

License/Certification Required for Employment: Licensed Marital and Family Therapist

Licensing Board/Agency: Board of Licensed Professional Counselors, Licensed Marital and Family Therapists and Licensed Pastoral Therapists

Agenda Item: I.D.

DATE: July 26, 2018

SUBJECT: Optional Expedited Authorization under the Tennessee Higher Education Authorization Act of 2016

ACTION RECOMMENDED: Optional Expedited Authorization

BACKGROUND INFORMATION: The Commission, under the Tennessee Higher Education Authorization Act of 2016, has the “power and duty” to act upon applications for authorization to operate an educational institution in the state. For the institutions listed below, applications have been reviewed and staff has determined that all necessary documentation has been submitted. The Committee on Postsecondary Educational Institutions met on July 19, 2018 and endorsed staff recommendations for Optional Expedited Authorization of these institutions.

- | | |
|---|------------------|
| 1. Bellevue University | Knoxville, TN |
| 2. Bellevue University - Online | Bellevue, NE |
| 3. Bellevue University - Roane State Community College | Oak Ridge, TN |
| 4. Bellevue University- Chattanooga State Community College | Chattanooga, TN |
| 5. Ross College | Hopkinsville, KY |
| 6. SAE Institute of Technology | Nashville, TN |
| 7. Troy University - eTroy | Troy, AL |
| 8. Webster University | Millington, TN |

Agenda Item: I.E.**DATE:** July 26, 2018**SUBJECT:** Recommendations for Appointments to the Committee on
Postsecondary Educational Institutions**ACTION RECOMMENDED:** Approval

BACKGROUND INFORMATION: Tenn. Code Ann. § 49-7-207 creates under the auspices of the Commission a Committee on Postsecondary Educational Institutions, which shall have responsibility for oversight and regulation of institutions pursuant to part 20 of title 49, chapter 7.

The committee shall be composed of the executive director of the Tennessee Higher Education Commission, who shall serve as chair, and twelve (12) persons appointed by the Commission. Persons appointed by the Commission shall be broadly representative of the geographical characteristics of the state. Six (6) members of the committee shall be employed by, hold an ownership interest in, or otherwise be affiliated with an institution or other entity subject to the committee's supervision and oversight. Four (4) members shall be representative of the public interest and shall have no association or relationship with the institutions. Two (2) members shall be representative of community based organizations that have an interest in postsecondary occupational education.

Commission staff is recommending the appointment of one (1) new committee member and the reappointment of three (3) current committee members to the Committee on Postsecondary Educational Institutions for a three-year term beginning on July 1, 2018 through June 30, 2021.

1. New Appointment: Mr. Ron Gillihan

Mr. Ron Gillihan is the Director and Owner of Master's Barber & Styling College. His membership represents one employed by, holding ownership in, or otherwise affiliated with an institution or other entity subject to the Committee's supervision and oversight.

1. Reappointment: Mr. Bill Faour

Mr. Bill Faour is the Director and Owner of Chattanooga College Medical, Dental and Technical Careers. His membership represents one employed by, holding ownership in, or otherwise affiliated with an institution or other entity subject to the Committee's supervision and oversight.

2. Reappointment: Mr. John Keys

Mr. John Keys is the former Commissioner of Veteran Affairs for the State of Tennessee. His membership represents the public interest having no association with such institutions.

3. Reappointment: Dr. Kittie Myatt,

Dr. Kittie Myatt is the Chair of The Psychology Department for Argosy University – Nashville. Her membership represents one employed by, holding ownership in, or otherwise affiliated with an institution or other entity subject to the Committee's supervision and oversight.

Other members of the Committee are:

Mr. Mike Krause, Executive Director, TN Higher Education Commission

Chairperson, serves by virtue of position as Executive Director of THEC

Ms. Vicki Burch, President/Owner, West Tennessee Business College

Serves as one employed by, holding an ownership in, or otherwise affiliated with an institution or other entity subject to the Committee's supervision and oversight. Represents West TN

Mr. Larry Griffin, President of the Mid-South Christian College

Serves as one employed by, holding an ownership in, or otherwise affiliated with an institution or other entity subject to the Committee's supervision and oversight. Represents West TN

Mr. Gaylon Hall, Director Emeritus, William R. Moore College of Technology

Serves as representative of community based organization that has an interest in postsecondary occupational education. Represents West TN

Mrs. Lethia Mann, Community Development and Revitalization Coordinator for First Tennessee Bank

Serves as representative of the public interest having no association with such institutions. Represents Middle TN

Mr. Steve South, President/Owner, South College

Serves as one employed by, holding an ownership in, or otherwise affiliated with an institution or other entity subject to the Committee's supervision and oversight. Represents East TN

Dr. Earlie Steele, Former Assistant Professor and Supervisor of Special Education for Student Teachers, Fisk University

Serves as representative of the public interest having no association with such institutions.
Represents Middle TN

Vacant

Representative of community based organizations that have an interest in postsecondary occupational education.

Vacant

Serves as representative of the public interest having no association or relationship with such institutions.

DATE: July 26, 2018
SUBJECT: THEC Policy Manual Revision
ACTION RECOMMENDED: Adoption

BACKGROUND INFORMATION

The Higher Education Commission maintains an official Policy Manual, including an Overview of the agency and Rules of Procedure to “carry out the purposes” for which it was created. Recent legislation and changes in practice have necessitated revisions to these two sections of the manual.

PROPOSED REVISIONS

Overview: Updates the description of the composition of the Commission, reducing the number of student members from two to one consistent with changes to T.C.A. § 49-7-204 enacted by 2018 Public Chapter 602.

Rules of Procedure, Section IV Members: Updates the description of the selection, appointment, and term of service of student members consistent with changes to T.C.A. § 49-7-204 enacted by 2018 Public Chapter 602.

Rules of Procedure, Section V Officers: Removes the limitation on the number of successive terms that a member may serve as Chair of the Commission.

RECOMMENDATION

Staff recommends that the Commission adopt these proposed revisions to the THEC Policy Manual.

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; ~~two~~one voting student member;~~s who serve staggered two-year terms with voting privileges in their second year (one student representing the University of Tennessee system and one student representing public institutions that are not in the University of Tennessee system);~~ 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.

**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 ~~fifteen~~fourteen (14~~5~~) 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. ~~In addition, the Governor shall appoint two (2) student members. One (1) student member shall be a voting member, and one (1) student member shall be a nonvoting member. The voting student membership shall be rotated between the student representing the University of Tennessee system and the student representing institutions that are not in the University of Tennessee system, it being the legislative intent that a student member serve one (1) year as a nonvoting member before becoming a voting member.~~

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. No Commission member shall be an elected or appointed official of the 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.

~~No member shall serve as chair in excess of three successive one-year terms, excluding the service of partial terms as chair due to vacancy or delay in the election of a successor.~~

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 Governor 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 Governor and must have such educational preparation and experience as will qualify the executive director, in the Governor's judgment, to understand and evaluate the problems and needs of the state's institutions of higher learning 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. Members shall be entitled to reimbursement for expenses incurred in attending meetings of the Commission of 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](#)

DATE: July 26, 2018

SUBJECT: New Academic Program
University of Tennessee at Chattanooga
Mechatronics Engineering Technology, Bachelor of Applied Science
(CIP 15.0403—Electromechanical Technology/Electromechanical
Engineering Technology)

ACTION RECOMMENDED: Approval

PROGRAM DESCRIPTION

The University of Tennessee at Chattanooga proposes a Mechatronics Engineering Technology Bachelor of Applied Science (BAS) program. This program is designed as a 2 + 2 program for transfer students who have completed a relevant Associate of Applied Science (AAS) degree and seek an advanced technological degree to meet the technical workforce needs of area business and industry in Chattanooga and the surrounding area. Most students are anticipated to transfer from Chattanooga State Community College and Cleveland State Community College.

INSTITUTIONAL GOVERNING BOARD APPROVAL

The proposed Mechatronics Engineering Technology BAS program was approved by the University of Tennessee Board of Trustees on June 22, 2018.

PROPOSED IMPLEMENTATION DATE

Fall 2018

RELEVANCE TO INSTITUTIONAL MISSION AND STRATEGIC PLAN

The program aligns with UTC's institutional mission as "an engaged, metropolitan university." The city of Chattanooga, as well as this entire region, is an area in the midst of transformation with a strong economic and community base and an in-depth urban core. UTC values the community partnerships and connections and as such is committed to supporting the community through programs that address the growing workforce needs such as the Mechatronics Engineering Technology BAS degree.

In keeping with the institutional mission and the State Master Plan, the proposed program combines community partnerships with emerging technological innovation that will positively impact Tennessee's economic development, workforce development, and research needs.

CURRICULUM

The proposed Mechatronics Engineering Technology BAS program is an interdisciplinary program that involves aspects of mechanical, computer systems, manufacturing, networking, and electrical/electronic engineering technology. The proposed program will consist of 127 credit hours, of which 33 hours are devoted to general education, 60 for the major field, and 34 hours of technical electives (with the additional requirement that the final 60 hours must be completed at the University of Tennessee Chattanooga). Eleven new courses are proposed to support the program. The proposed program will prepare graduates for advanced industry recognized certifications such as the SME Certified Manufacturing Technologist certification.

PROGRAM PRODUCTIVITY

The proposed Mechatronics Engineering Technology BAS program projects the initial class size to be 20 students with an increase of 10 students annually. These projections align with the optimal capacity for labs and will provide an environment that allows for hands-on professional training that is necessary for the engineering technology field.

Year	Full-Time Headcount	Part-Time Headcount	Total Headcount	Graduates
Fall 2018	10	10	20	--
Fall 2019	15	15	30	--
Fall 2020	20	20	40	10
Fall 2021	20	30	50	12
Fall 2023	25	35	60	15

PROGRAM DUPLICATION

No other public or private institutions in Tennessee offer a BAS in Mechatronics Engineering Technology. However, East Tennessee State University does offer a BAS degree in General Applied Science for students who hold an Associate of Applied Science degree in a technical field but not specific to mechatronics engineering.

EXTERNAL JUDGEMENT

On April 12, 2018, an external review was conducted by Dr. Kevin McFall, Associate Professor and Interim Department Chair of Mechatronics Technology at Kennesaw State University. The external reviewer stated that "convinced both of the demand for this program from students and the need for its graduates in the industry. Overall, UTC has thought carefully about this program and has a plan in place to ensure it can launch a quality, in-demand program for its students."

STUDENT DEMAND

In order to gauge student demand for the proposed Mechatronics Engineering Technology BAS program, UT Chattanooga reviewed enrollment and graduation trends at local

community colleges in engineering technology programs. Positive graduation trends along with a student survey indicated a strong interest in a degree pathway from an AAS program to a BAS degree program.

OPPORTUNITIES FOR PROGRAM GRADUATES

This proposed program addresses the regional need to provide a seamless transition from a Tennessee College of Applied Technology (TCAT) diploma program through an AAS in a technical field into a bachelor's degree. Graduates of this proposed program will fill significant workforce needs in advance manufacturing and other fields requiring systems oriented engineering technology. The degree responds to the needs of UTC's industry partners such as TVA, Electric Power Board, and Volkswagen.

INSTITUTIONAL CAPACITY TO DELIVER THE PROGRAM

UT Chattanooga has the institutional capacity with its faculty, facilities and resources to effectively deliver the proposed program. Currently, the Department of Engineering Management and Technology have four tenure and tenure track faculty members along with two lecturers. The Department is currently in the process of hiring a department head with a background in mechatronics to provide oversight to the BAS Mechatronics Engineering Technology program beginning AY 2018-19.

By fall 2020, the Advanced Manufacturing Application Center will be completed and fully equipped to provide laboratory space for three courses in the Mechatronics BAS program. Initially, labs will be available at Chattanooga State Community College. UTC is making a one-time request for \$50,000 to supplement UTC Foundation funds to purchase MecLab Mechatronics Training System, the Siemens approved Mechatronics equipment, for use in the UTC labs. One graduate assistant will be funded to assist students in the lab.

ASSESSMENT AND POST-APPROVAL MONITORING

The professional accreditation body for the Mechatronics Engineering Technology BAS program is the Engineering Technology Accreditation Commission of the Accredited Board for Engineering and Technology (ETAC-ABET). An annual performance review of the proposed program will be conducted by THEC staff for the first five years following program approval prior to the program being accredited by ETAC-ABET in 2020. The review will be based on benchmarks established in the approved proposal. At the end of this period, the campus, institutional governing board, and Commission staff will perform a summative evaluation.

The benchmarks assessed in the post-approval monitoring include enrollment and graduation, program cost, progress toward accreditation, and other metrics set by the institution and Commission staff. If benchmarks are not met during the monitoring period, the Commission may recommend that the institutional governing board terminate the program. If additional time is needed and requested by the institutional governing board, the Commission may choose to extend the monitoring period.

DATE: July 26, 2018

SUBJECT: New Academic Program
University of Memphis
Commercial Aviation, Bachelor of Science
(CIP 49.0101—Aeronautics/Aviation/Aerospace and Technology)

ACTION RECOMMENDED: Approval

PROGRAM DESCRIPTION

The University of Memphis proposes a Commercial Aviation Bachelor of Science (BS) program designed for students who wish to receive their undergraduate degree while also obtaining their commercial flight training. The program combines courses required by the Federal Aviation Administration (FAA) for flight training as well as general education and appropriate capstone coursework.

The proposed program will be offered by University College in conjunction with the Crew Training International on the Millington campus. Crew Training International (CTI) is an FAA Part 141 – approved flight school specializing in customized, hands-on flight training program. Through a Memorandum of Understanding, the University of Memphis will pay CTI to deliver the flight training instruction. CTI will use FAA certified aircraft for the flight training instruction.

The proposed Commercial Aviation BS program is anticipated to be of interest to former military personnel by highlighting the availability of prior learning assessment and experiential learning credit to reduce degree costs and student debts.

INSTITUTIONAL GOVERNING BOARD APPROVAL

The proposed Commercial Aviation BS program was approved by the University of Memphis Board Of Trustees on June 6, 2018.

PROPOSED IMPLEMENTATION DATE

Fall 2018

RELEVANCE TO INSTITUTIONAL MISSION AND STRATEGIC PLAN

The mission of the University of Memphis focuses on a commitment to interdisciplinary education and collaboration and advancing the community through innovative education programs. The proposed Commercial Aviation BS is uniquely positioned to enhance that opportunity while responding to the local pilot shortage and the needs of the community. This degree also aligns with the State Master Plan to increase the educational attainment levels of Tennesseans by addressing these

major needs: accelerated degree completion for students with a private pilot's license and increased need for aviation workforce.

CURRICULUM

The proposed Commercial Aviation BS program will consist of 120 credit hours, of which 41 hours devoted to general education, 64 for the major field, 9 hours for University College requirement and 6 hours electives. The senior capstone project will be the Flight Instructor Certification course.

Students will pay tuition and fees, including aviation flight fees directly to the University of Memphis. A total of 24 student credit hours are associated with aviation flight fees.

PROGRAM PRODUCTIVITY

The proposed Commercial Aviation BS program at the University of Memphis projects annual enrollment of 5 to 30 students with graduates beginning in year 3. Projections were based on consultation with the Crew Training International.

Year	Full-Time Headcount	Part-Time Headcount	Total Headcount	Graduates
Fall 2018	5	5	10	--
Fall 2019	10	5	15	--
Fall 2020	15	10	25	5
Fall 2021	20	10	30	5
Fall 2022	20	10	30	15

PROGRAM DUPLICATION

Currently, two public universities in Tennessee offer flight training programs. Middle Tennessee State University offers a Bachelor of Science in Aerospace with six concentrations including the professional pilot option. The aviation flight training option at Tennessee State University is offered through the Bachelor of Science in Aeronautical and Industrial Technology program.

Additional aviation programs will play a critical role in addressing the current shortage of pilots. The proposed Commercial Aviation BS program at the University of Memphis will prepare qualified personnel for this industry. The University of Memphis is also uniquely positioned to create a pipeline for future pilots through a partnership with the aviation program at East High Transportation-STEM Academy in Memphis, TN.

EXTERNAL JUDGEMENT

On January 29, 2018, an external review was conducted by Dr. James Higgins, Department Chair and Associate Professor of Aviation in the John D. Odegard School of Aerospace Sciences at the University of North Dakota. In response to the program duplication issue,

Dr. Higgins indicated that “nationwide almost every single collegiate aviation program has experienced rapid growth over the last three years. Most programs are up over 100% in enrollment from their application and admittance rates from 2014-15. There is no reason why this program would not experience the same national trend.”

Overall, Dr. Higgins recommended program approval and stated that “Leveraging and amalgamating [the ability to attract traditionally underrepresented people – a major need in the industry and a close relationship with the university and FedEx – a major presence in the aviation industry] could yield a very impressive outcome and a high-quality program for years to come.”

STUDENT DEMAND AND OPPORTUNITIES FOR PROGRAM GRADUATES

The pilot shortage is well-documented from various sources along with industry support. According to a July 2017 *CNN Money* article, “Over the next two decades, 87 new pilots will need to be trained and ready to fly a commercial airliner every day in order to meet our insatiable demand to travel by air.” Additionally, more than 42 percent of active airline pilots will retire over the next ten years equaling about 22,000 retired pilots. The THEC Academic Program Supply and Occupational Demand Projections for 2012 – 2025 identified a growth in aviation/aeronautics graduates.

As noted in the industry letters of support, the aviation field has evolved with increased technical demand and necessitating the need for better prepared pilots. The general education courses will prepare students for the real world by developing critical thinking skills and problem solving, along with encouraging innovation and creativity.

INSTITUTIONAL CAPACITY TO DELIVER THE PROGRAM

The general education and elective courses will be taught by University of Memphis faculty. Due to the advanced technical knowledge required to administer flight training, the proposed program will rely on the Crew Training International to teach the flight courses. The CTI facility is a recently renovated 20,000 square foot facility that includes individual training rooms and large classrooms. Students will have access to CTI’s aircraft fleet that includes three types of aircraft, all of which feature state-of-the-art avionics and safety features. The primary training aircraft is the Diamond D20-C1 which will be used for the private pilot’s license, instrument rating, and for building time experience necessary for the commercial pilot’s license.

Beginning in year two of program implementation, the University College will hire a faculty member that will also serve as the program coordinator. Students in the proposed Commercial Aviation BS program will have a dedicated academic advisor and access to all student support resources.

ASSESSMENT AND POST-APPROVAL MONITORING

The professional accreditation body for the Commercial Aviation BS program is the Aviation Accreditation Board International (AABI). An annual performance review of the proposed program will be conducted by THEC staff for the first five years following program approval prior to the program being accredited by AABI in 2022. The review will be based on benchmarks established in the approved proposal. At the end of this period, the campus, institutional governing board, and Commission staff will perform a summative evaluation.

The benchmarks assessed in the post-approval monitoring include enrollment and graduation, program cost, progress toward accreditation, and other metrics set by the institution and Commission staff. If benchmarks are not met during the monitoring period, the Commission may recommend that the institutional governing board terminate the program. If additional time is needed and requested by the institutional governing board, the Commission may choose to extend the monitoring period.

DATE: July 26, 2018

SUBJECT: New Academic Program
University of Memphis
Biostatistics, Master of Science
(CIP 26.1102 - Biostatistics)

ACTION RECOMMENDED: Approval

PROGRAM DESCRIPTION

The University of Memphis proposes a multidisciplinary Biostatistics Master of Science (MS) program designed to train students for positions in government and private health agencies, industry, and research institutes, and to prepare students who plan to enter a doctoral program in biostatistics or bioinformatics. The proposed program takes the existing biostatistics concentration within the Masters of Public Health program to a freestanding degree program, building upon its strengths in applied biostatistics. Graduates of the proposed degree will have the ability to collaborate with public health researchers by performing independent data analyses and applying up-to-date biostatistical methods to analyze public health data and interpret the findings for individuals, communities, and health care organizations. The program will be located in the School of Public Health.

INSTITUTIONAL GOVERNING BOARD APPROVAL

The proposed Biostatistics MS program was approved by the University of Memphis Board of Trustees on June 6, 2018.

PROPOSED IMPLEMENTATION DATE

Spring 2019

RELEVANCE TO INSTITUTIONAL MISSION AND STRATEGIC PLAN

The proposed Biostatistics MS program aligns with the University of Memphis' institutional mission to be a "learner-centered metropolitan research university providing high quality educational experiences while pursuing new knowledge through research, artistic expression, and interdisciplinary and engaged scholarship". The proposed Biostatistics MS program also aligns with the State Master Plan to meet the needs of economic, workforce, and research needs, and to increase degree production. The proposed program will provide for students a strong component of statistical theory and in-depth innovative practical training opportunities, which will result in competitive graduates who are more prepared for future career and research opportunities, which is an integral part of the University of Memphis mission.

CURRICULUM

The proposed program will consist of 36 semester credit hours with no new courses required. The curriculum consists of 6 hours in core courses devoted to epidemiology and public health; 21 hours of courses in applied biostatistics and theoretical framework of biostatistical methods; 6 hours of elective courses aligned with students' interest; and 3 hours of a thesis or master's project. All students are required to take a qualification exam at the end of year one.

PROGRAM PRODUCTIVITY

The proposed program projects an annual enrollment of 5 students the first year with 10 new students enrolling in subsequent years. Graduates are anticipated beginning in year three.

	2018-19	2019-20	2020-21	2021-22	2022-23
Enrollment (new students)	5	10	10	10	10
Total Enrollment	5	15	25	30	30
Graduates	--	--	5	9	9

PROGRAM DUPLICATION

No comparable Biostatistics Master of Science program embedded in a School of Public Health exists at a public university in Tennessee. Middle Tennessee State University offers a concentration in biostatistics within the Professional Science, Master of Science program. Vanderbilt University is the only private institution in Tennessee that offers both a master's and doctoral program in Biostatistics and these programs are offered within the School of Medicine.

EXTERNAL JUDGEMENT

As part of establishing a freestanding degree from a successful existing concentration, an external paper review was conducted in February 2018 by Dr. Jacob J. Oleson, Associate Professor of Biostatistics, Director of Graduate Studies in the Department of Biostatistics, and Director of the Center for Public Health Statistics in the College of Public Health at the University of Iowa. After reviewing the proposal and other relevant documents, Dr. Oleson stated *"I strongly recommend approval of the proposed program... People with an MS degree in biostatistics are sought after by employers who are seeking employees with a skillset that combines statistical knowledge, computing knowhow, and communication skills. The resources for an MS degree in biostatistics already exist at UoM, as the Division has based this MS degree off of an expansion of an already existing MPH degree...The University of Memphis is well placed to create an MS degree in Biostatistics with no modifications to the proposal."*

STUDENT DEMAND

The University of Memphis conducted student and alumni interest surveys to determine the student demand for the proposed Biostatistics MS program. Among the students who responded to the survey, 100 percent indicated that adding the proposed program was a positive move for the School of Public Health and approximately 83 percent of respondents noted that they or someone they knew would be interested in the program. The University also assessed student demand by reviewing the 45 Biostatistics MS programs that are accredited by the Council of Education for Public Health. This analysis revealed that enrollment patterns were either stable or increased over time based on the past three years (2015-2017).

OPPORTUNITIES FOR PROGRAM GRADUATES

Overall, research institutes and health care companies in the Memphis area expressed a demand for the program and employment opportunities for biostatisticians with a MS degree in biostatistics. The U.S Bureau of Labor Statistics further supports this demand with the employment of biostatisticians projected to grow 34 percent by 2024. Additionally, a 2015 study conducted by Fortune projected 21 percent growth in the next five years with a median salary over \$110,000 for biostatisticians.

INSTITUTIONAL CAPACITY TO DELIVER THE PROGRAM

There are currently sufficient faculty in the School of Public Health and Department of Mathematical Sciences (n=20) who hold academic degrees in several discipline including biostatistics, statistics, epidemiology and environmental health that are qualified to provide instruction for the proposed Biostatistics MS program. The facilities, library resources, and software are adequate for this multidisciplinary program.

ASSESSMENT AND POST-APPROVAL MONITORING

The professional accreditation body for the Biostatistics MS is through the Council on Education for Public Health (CEPH). An annual performance review of the proposed program will be conducted by THEC staff for the first five years following program approval prior to the program being accredited by CEPH in July 2020 when the School of Public Health Review is scheduled for their next accreditation site visit. The review will be based on benchmarks established in the approved proposal.

The benchmarks assessed in the post-approval monitoring include enrollment and graduation, program cost, progress toward accreditation, and other metrics set by the institution and Commission staff. If benchmarks are not met during the monitoring period, the Commission may recommend that the institutional governing board terminate the program. If additional time is needed and requested by the institutional governing board, the Commission may choose to extend the monitoring period.

DATE: July 26, 2018

SUBJECT: New Academic Program
University of Memphis
Liberal Studies, Doctor of Liberal Studies
(CIP 23.0101—Liberal Arts and Sciences)

ACTION RECOMMENDED: Approval

PROGRAM DESCRIPTION

The University of Memphis proposes a Doctor of Liberal Studies (DLS) offered through University College. Designed for students wishing to work across disciplines the program will culminate in a dissertation demonstrating interdisciplinary analysis, synthesis and interpretation. This program will be attractive to students who wish to follow their intellectual passions beyond the master's degree. The proposed DLS builds upon a successful Master of Liberal Studies degree program.

The proposed Doctor of Liberal Studies program affords student greater flexibility in shaping their graduate experience and offers them a terminal degree that will enhance their professional development. Additionally, the proposed DLS program is designed to accommodate all students with hybrid, online, and mini-term course offerings.

INSTITUTIONAL GOVERNING BOARD APPROVAL

The proposed Doctor of Liberal Studies program was approved by the University of Memphis Board of Trustees on June 6, 2018.

PROPOSED IMPLEMENTATION DATE

Fall 2018

RELEVANCE TO INSTITUTIONAL MISSION AND STRATEGIC PLAN

The proposed Doctor of Liberal Studies program aligns with the University of Memphis' institutional mission to be a "learner-centered metropolitan research university providing high quality educational experiences while pursuing new knowledge through research, artistic expression, and interdisciplinary and engaged scholarship". The proposed DLS program aligns with the mission with a strong focus on interdisciplinary educational opportunities and learner-centered environment providing students with flexibility on course offerings.

CURRICULUM

The proposed Doctor of Liberal Studies program will consist of 54 semester credit hours post-Masters. Along with the required core courses (15 credit hours), students will design their own program of study in consultation with the Graduate Coordinator. This program will include 33 credit hours across at least two disciplines with no more than 18 credit hours in any one discipline. Students should be prepared to engage in multiple disciplines in their pursuit of an innovative, interdisciplinary education. Students will also complete an oral comprehensive examination and defend their dissertation or a capstone project.

PROGRAM PRODUCTIVITY

The proposed DLS program at the University of Memphis projects annual enrollment of 12 students in the first year and 15 in each subsequent year with graduates beginning in year 4. Attrition is anticipated at one student per year from both part-time and full-time enrolled students.

Year	Full-Time Headcount	Part-Time Headcount	Total Headcount	Graduates
2018	8	4	12	-
2019	16	10	26	-
2020	22	18	40	-
2021	25	28	53	6
2023	27	34	61	9
2024	30	36	66	12
2025	32	37	69	15

PROGRAM DUPLICATION

No doctoral program in Liberal Studies exists at a public or private institution in Tennessee. This proposed DLS program will be the third program in the nation including Georgetown University and Southern Methodist University.

EXTERNAL JUDGEMENT

On November 13-14, 2017, an external review was conducted by Dr. Caroline B. Brettell, Professor of Anthropology and Director of the Dedman College Interdisciplinary Institute of Southern Methodist University and Dr. John Dolan, Associate Dean, Liberal Studies program of Georgetown University. The external reviewers stated "We recommend approval of this program. There is clearly a demand for it in the region; it aligns well with the mission of the University of Memphis and the higher education goals established by the State of Tennessee; the bulk of the resources are in place to launch it; and there is a strong institutional commitment."

STUDENT DEMAND AND OPPORTUNITIES FOR PROGRAM GRADUATES

The feasibility study conducted for the proposed DLS program indicated that relevant job postings for doctoral graduates in liberal arts programs increased 57 percent from 2013 to 2016. According to the Bureau of Labor Statistics, occupations that require a master's degree is expected to grow the fastest from 2012 to 2022 with 18 percent growth, while occupations that require doctoral degrees will grow 16 percent

An economic impact report conducted by the Tennessee Conference of Graduate noted that Tennessee is a "net importer of graduate talent" with the Memphis metropolitan area at the bottom of the three state region (Mississippi, Arkansas and Tennessee) for producing graduate degrees. Lifetime earnings for doctoral-level workers across disciplines are significantly above bachelor's degree holders resulting in a significant benefit to the state in increased lifetime tax revenues. Specifically, it is estimated that adding doctoral-level workers in the state of Tennessee would mean an economic impact of more than \$2 million dollars per graduate.

INSTITUTIONAL CAPACITY TO DELIVER THE PROGRAM

The interdisciplinary DLS program will draw from faculty across the University of Memphis. Since the College of Arts and Sciences does not offer doctoral degrees in several of their programs, the proposed DLS program provides an opportunity for students to pursue graduate studies beyond the Master's degree. The Dean of the College of Arts and Sciences is very supportive of the proposed DLS program.

All of the core courses for the proposed DLS will be offered online. The University College along with other colleges has a rich history in developing online programs complemented by the University of Memphis Global program.

To support the proposed DLS program, the University College will establish an Advisory Council that will include faculty members from other colleges and academic units on campus. The Council will provide advice on admissions and program direction.

ASSESSMENT AND POST-APPROVAL MONITORING

There is no professional accreditation agency for the Doctor of Liberal Studies program. An annual performance review of the proposed program will be conducted by THEC staff for the first seven years following program approval. The review will be based on benchmarks established in the approved proposal. The benchmarks assessed in the post-approval monitoring include enrollment and graduation, program cost, progress toward accreditation, and other metrics set by the institution and Commission staff. If benchmarks are not met during the monitoring period, the Commission may recommend that the institutional governing board terminate the program. If additional time is needed and requested by the institutional governing board, the Commission may choose to extend the monitoring period.

Agenda Item: IV.

DATE: July 26, 2018

SUBJECT: FY2018-19 Proposed Operating Budgets

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION: The General Appropriations Act requires that operating budgets of all higher education units be submitted to the Tennessee Higher Education Commission once approved by the respective governing boards. Upon the Commission's review and comment, budgets are to be submitted to the Department of Finance and Administration. The FY2018-19 Proposed Operating Budgets have been reviewed and approved by each governing board, the University of Tennessee Board of Trustees, and the Tennessee Board of Regents. All higher education budget entities have submitted the required financial data to the Commission and are in compliance with all the budget guidelines and legislative directives.

SUMMARY: The FY2018-19 proposed operating budgets for higher education are balanced. Campuses propose to direct the majority of their resources to academic functions, and expenditures for auxiliary enterprises are not projected to exceed revenues plus unallocated auxiliary fund balances.

Revenue generated from tuition and fees is expected to account for 51.7 percent of overall revenue, while state appropriations will only account for 38.8 percent. Ten years ago, tuition and fees accounted for 42.3 percent of overall revenue, and state appropriations accounted for 45.2 percent. Revenue from tuition and fees became the majority of revenue across all higher education in Tennessee seven years ago. This year, however, tuition and fee revenue is expected to grow only by 1.21 percent for universities, community colleges, and TCATs, while state appropriation revenue is expected to increase by 5.29 percent.

Revenues generated from auxiliary enterprises are expected to increase by 2.3 percent, while athletic fees revenues are projected to stay relatively flat. Approximately 9.6 percent of total FY2018-19 revenues will come from sales, services, and other sources, in alignment with previous years.

Even as the proportion of revenue attributable to state appropriations has declined over the last decade, institutions continue to devote the majority of their expenditures to instructional activities. The teaching functions on campus—instruction, research, public service, and academic support—are planned to account for 61.5 percent of overall expenditures in FY2018-19, compared to 63.2 percent five years ago and 63.8 percent ten years ago. In addition to those core academic functions, institutions expect to increase expenditures dedicated to scholarships and fellowships by 5 percent, from \$250.6 million in FY2017-18 to \$263.2 million, accounting for approximately 7.3 percent of total FY2018-19 expenditures.

RECOMMENDATION: The FY2018-19 July 1 Proposed Operating Budgets have been thoroughly analyzed by Commission staff and are recommended for transmission to the Commissioner of Finance and Administration. The Executive Director will transmit the analysis of the budgets, along with the appropriate commentary, to the Commissioner of Finance and Administration.

Table 1
HIGHER EDUCATION
STATE APPROPRIATIONS
2018-19

Academic Formula Units	THEC FY 2018-19 Formula Calculation	Total FY 2017-18 State Appropriation	2018-19 Preliminary State Appropriations ¹	2018-19 Preliminary NR State Appr ²	2018-19 Preliminary Total
Locally Governed Institutions					
Austin Peay	\$68,775,400	\$44,621,700	\$47,403,200	\$0	\$47,403,200
East Tennessee	93,186,000	61,099,800	65,025,400	500,000	65,525,400
Middle Tennessee	147,765,100	97,003,700	102,154,100	750,000	102,904,100
Tennessee State	56,099,700	36,757,500	39,010,700	-	39,010,700
Tennessee Tech	72,418,100	47,231,100	54,266,700	500,000	54,766,700
University of Memphis	168,880,200	110,827,200	116,739,900	-	116,739,900
Subtotal	\$607,124,500	\$397,541,000	\$424,600,000	\$1,750,000	\$426,350,000
Community Colleges³					
Chattanooga	\$45,946,800	\$31,118,200			
Cleveland	16,024,700	10,988,200			
Columbia	22,770,300	15,026,400			
Dyersburg	13,967,900	9,388,600			
Jackson	20,389,500	13,561,500			
Motlow	21,567,600	13,292,500			
Nashville	32,035,600	20,259,300			
Northeast	28,420,700	18,137,200			
Pellissippi	47,210,300	30,477,800			
Roane	32,335,900	21,087,900			
Southwest	40,644,900	27,147,100			
Volunteer	33,720,200	20,809,700			
Walters	35,155,300	23,469,700			
Subtotal	\$390,189,700	\$254,764,100	\$268,752,400	\$0	\$268,752,400
UT Universities					
UT Chattanooga	\$79,558,000	\$51,005,300	\$55,002,000	\$0	\$55,002,000
UT Knoxville	329,357,500	217,270,000	230,952,000	200,000	231,152,000
UT Martin	48,561,500	32,495,400	34,000,000	-	34,000,000
Subtotal	\$457,477,000	\$300,770,700	\$319,954,000	\$200,000	\$320,154,000
Total Colleges and Universities	\$1,454,791,200	\$953,075,800	\$1,013,306,400	\$1,950,000	\$1,015,256,400
TN Colleges of Applied Technology	\$103,658,300	\$66,857,600	\$71,007,800	\$0	\$71,007,800
Total Academic Formula Units	\$1,558,449,500	\$1,019,933,400	\$1,084,314,200	\$1,950,000	\$1,086,264,200

1 - Recurring; includes \$26.4M in salary increases and \$4.8M in insurance increases, as well as \$1.2M for Carnegie reclassification and \$3M for the College of Engineering at TTU, as well as \$860K to UTK to establish a genomics center.

2 - Non-recurring; includes \$500K to ETSU for the Center of Excellence, \$750K to MTSU for financial aid for medical students, \$500K to TTU for year two of funding for Cyber Security, and \$200K to UTK for minority teaching scholarships.

3 - Beginning in 2013-14, appropriations to community colleges are allocated in the aggregate only. Breakdown of appropriations presented in table above provided by the Tennessee Board of Regents.

Table 1 (continued)
HIGHER EDUCATION
STATE APPROPRIATIONS
2018-19

Specialized Units	THEC FY 2018-19 Formula Calculation	Total FY 2017-18 State Appropriation¹	2018-19 Preliminary State Appropriations²	2018-19 Preliminary NR State Appr	2018-19 Preliminary Total
Medical Education					
ETSU College of Medicine	\$73,358,000	\$33,094,900	\$34,363,900	\$0	\$34,363,900
ETSU Family Practice	6,911,900	7,160,800	7,513,600	-	7,513,600
UT College of Veterinary Medicine	25,924,000	19,710,800	20,650,000	-	20,650,000
UT Health Science Center ³	357,348,000	149,498,300	155,039,100	2,000,000	157,039,100
Subtotal	\$463,541,900	\$209,464,800	\$217,566,600	\$2,000,000	\$219,566,600
Research and Public Service					
UT Agricultural Experiment Station	\$86,661,000	\$29,048,400	\$29,868,700	\$0	\$29,868,700
UT Agricultural Extension Service	46,932,000	35,590,500	36,682,800	-	36,682,800
TSU McMinnville Center	1,200,000	608,200	619,000	-	619,000
TSU Institute of Agricultural and Environmental Research	4,955,800	3,541,700	3,607,200	-	3,607,200
TSU Cooperative Extension	2,971,900	3,510,100	3,605,100	-	3,605,100
TSU McIntire-Stennis Forestry Research	239,000	193,300	196,100	-	196,100
UT Space Institute	27,431,000	8,900,500	9,121,500	-	9,121,500
UT Institute for Public Service	12,877,000	5,827,300	5,954,000	-	5,954,000
UT County Technical Assistance Service	2,614,000	2,962,700	3,073,600	-	3,073,600
UT Municipal Technical Advisory Service	3,635,000	3,408,700	3,544,800	-	3,544,800
Subtotal	\$189,516,700	\$93,591,400	\$96,272,800	\$0	\$96,272,800
Other Specialized Units					
UT University-Wide Administration	\$5,783,000	\$5,537,800	\$5,715,700	\$0	\$5,715,700
TN Board of Regents Administration	7,607,000	6,483,500	7,922,300	2,750,000	10,672,300
TN Student Assistance Corporation	93,388,700	93,536,000	103,537,000	-	103,537,000
Tennessee Student Assistance Awards	90,962,500	90,962,500	100,962,500	-	100,962,500
Tennessee Students Assistance Corporation	1,235,200	1,795,300	1,796,300	-	1,796,300
Loan/Scholarships Program	1,191,000	778,200	778,200	-	778,200
TN Foreign Language Institute	793,000	637,800	678,800	-	678,800
Contract Education	3,775,600	1,832,500	1,832,500	-	1,832,500
TN Higher Education Commission	3,619,300	4,495,700	5,080,500	-	5,080,500
Subtotal	\$114,966,600	\$112,523,300	\$124,766,800	\$2,750,000	\$127,516,800
Total Specialized Units	\$768,025,200	\$415,579,500	\$438,606,200	\$4,750,000	\$443,356,200
Total Formula and Specialized Units	\$2,326,474,700	\$1,435,512,900	\$1,522,920,400	\$6,700,000	\$1,529,620,400
Program Initiatives					
Campus Centers of Excellence	\$38,451,000	\$17,685,600	\$18,049,900	\$0	\$18,049,900
Campus Centers of Emphasis	2,759,300	1,288,100	1,312,400	-	1,312,400
McWherter Academic Scholars Program	1,211,800	1,211,800	1,211,800	-	1,211,800
UT Access and Diversity Initiative	6,181,900	5,806,700	5,806,700	-	5,806,700
TBR Access and Diversity Initiative	10,919,100	10,256,900	10,256,900	-	10,256,900
Research Initiatives - UT	6,837,700	5,852,900	5,852,900	-	5,852,900
THEC Grants	10,000,000	6,028,400	10,739,000	2,076,000	12,815,000
Subtotal	\$76,360,800	\$48,130,400	\$53,229,600	\$2,076,000	\$55,305,600
Total Operating	\$2,402,835,500	\$1,483,643,300	\$1,576,150,000	\$8,776,000	\$1,584,926,000

1 - Recurring.

2 - Recurring; Specialized Unit include increases of \$10.6M for salary and \$1.3M for insurance.

3 - Beginning in 2016-17 allocations to the UT College of Medicine, UT Family Practice, and UT Memphis Other Specialized Units are allocated in the aggregate only.

Table 2

Capital Projects

Legislative Action - FY 2018-19

Capital Outlay Projects			Total Project Cost	
1	MTSU	Academic Classroom Building	\$	38,000,000
2	Cleveland	Campus Revitalization	\$	25,000,000
2	UTIA	Vet Medical Center Teaching and Learning Center	\$	9,000,000
3	TCAT	Statewide TCAT Improvements Phase III	\$	15,270,000
*	UTIA	Energy and Environmental Science Preplanning	\$	4,000,000
‡	Walter St	Greeneville Campus Completion	\$	2,240,000
†	Statewide	TBR and LGI Campus Security Task Force Rec	\$	2,000,000
Capital Outlay - Total			\$	95,510,000

Table 2 (continued)
Capital Projects
Legislative Action - FY 2018-19

UT Capital Maintenance Projects			Total Project Cost	
1	UTIA	College of Vet. Medicine Building and Cherokee Lab Impvts.	\$	6,700,000
2	UTK	Roof Replacements	\$	5,800,000
3	UTHSC	Security Upgrades Phase III	\$	10,000,000
4	UTC	Hunter Hall Improvements	\$	13,000,000
5	UTM	Hall -Moody Building Systems and Chiller Upgrade	\$	10,560,000
6	UTIA	4-H Center Building Improvements	\$	1,420,000
Capital Maintenance Subtotal - UT (6 Projects)			\$	47,480,000

Table 2 (continued)

Capital Projects

Legislative Action - FY 2018-19

LGI Capital Maintenance Projects			Total Project Cost	
1	APSU	Kimbrough HVAC Replacement	\$	2,250,000
2	APSU	Fire Alarm Replacements	\$	1,420,000
3	ETSU	Campus HVAC Upgrades	\$	2,740,000
4	ETSU	Clinical Education Building HVAC Repairs	\$	1,800,000
5	ETSU	Campus Water Lines Repair and Replacement Phase I	\$	1,500,000
6	ETSU	Multiple Building Roof Replacements	\$	1,000,000
7	ETSU	Memorial Center Code Corrections	\$	2,500,000
8	MTSU	Data and Communication Centers Building Sys. Updates	\$	1,212,000
9	MTSU	University Center and Miller Education Center Re-Roof	\$	1,500,000
10	MTSU	Steam Lines and Manhole Repair and Repl. Phase II	\$	2,350,000
11	MTSU	Water and Sewer System Updates Phase I	\$	1,010,000
12	MTSU	Maintenance Complex Re-Roof	\$	1,048,000
13	MTSU	Smoke Evacuation Repairs and Retro-Commissioning	\$	500,000
14	MTSU	Elevator Modernization Phase II	\$	550,000
15	TSU	Safety Upgrades and Improvements Phase I	\$	200,000
16	TSU	Gentry Center Building Envelope Repairs	\$	1,000,000
17	TSU	Floyd Payne Center HVAC Upgrades	\$	500,000
18	TSU	McCord Hall Fire Alarm System Replacement	\$	150,000
19	TSU	Strange Music Building HVAC Upgrades	\$	300,000

Table 2 (continued)

Capital Projects

Legislative Action - FY 2018-19

LGI Capital Maintenance Projects (continued)			Total Project Cost	
20	TSU	Electrical Upgrades Phase I	\$	550,000
21	TSU	Davis Humanities Building Envelope Repairs	\$	100,000
22	TSU	Gentry Center HVAC Upgrades	\$	300,000
23	TSU	Landscape Improvements Phase I	\$	200,000
24	TSU	Floyd Payne Center Colonnade Repair Phase I	\$	200,000
25	TSU	Kean Hall Water Intrusion Mitigation	\$	100,000
26	TSU	Floyd Payne Center Bldg. Envelope and Interiors Upgrades	\$	500,000
27	TSU	Multiple Building Utility Metering	\$	150,000
28	TSU	Wellness Center HVAC Upgrades	\$	300,000
29	TSU	Multiple Building Water Isolation Valves	\$	500,000
30	TSU	Harned Hall HVAC Upgrades	\$	500,000
31	TSU	Perimeter Road Design and Construction	\$	500,000
32	TSU	McMinnville Nursery Research Center MPE Upgrades	\$	150,000
33	TTU	Multiple Building Upgrades	\$	6,290,000
34	UM	Student Recreation Center Re-Roof and Repairs	\$	3,500,000
35	UM	Student Recreation Center HVAC and Pool Repairs	\$	3,500,000
36	UM	Campus-Wide Building Envelope Repairs	\$	3,500,000
37	UM	Campus-Wide Boilers and Hot Water Pipes Repair	\$	4,510,000
Capital Maintenance Subtotal - LGI (37 Projects)			\$	48,880,000

Table 2 (continued)

Capital Projects

Legislative Action - FY 2018-19

TBR Capital Maintenance Projects			Total Project Cost	
1	Statewide	Management Support Services	\$	1,500,000
2	Statewide	TCAT Building System Updates Phase II	\$	570,000
3	Chattanooga	Advanced Technology Building Re-Roof	\$	680,000
4	Volunteer	Cookeville and Gallatin Roof Repairs	\$	1,220,000
5	Nashville	East Davidson Campus Roof Repairs	\$	750,000
6	Statewide	TCAT Roof Repairs and Replacements	\$	790,000
7	Dyersburg	Science Building Interior Updates	\$	1,500,000
8	Pellissippi	HVAC Updates	\$	850,000
9	Statewide	TCAT MPE and Infrastructure Updates Phase II	\$	2,040,000
10	Southwest	Macon Campus Plumbing Repairs and Updates	\$	1,300,000
11	Jackson	Library HVAC Updates	\$	770,000
12	Walters	Infrastructure Repair Phase I	\$	1,450,000
13	Columbia	Plumbing and Drainage Repairs	\$	750,000
14	Northeast	Chiller Replacement	\$	520,000

Table 2 (continued)

Capital Projects

Legislative Action - FY 2018-19

TBR Capital Maintenance Projects (continued)			Total Project Cost	
15	Motlow	Power Plant Boiler Update	\$	1,020,000
16	Roane	Building Envelope Repair	\$	820,000
17	Cleveland	Campus Parking and Road Updates	\$	1,500,000
18	Chattanooga	Lift Station Replacement	\$	390,000
19	Volunteer	Ramer Air Handler Replacement	\$	270,000
20	Pellissippi	Electrical Updates and Repairs	\$	500,000
21	Southwest	Union Campus Plumbing Repairs and Updates	\$	1,600,000
22	Volunteer	Thigpen Chiller Replacement	\$	150,000
23	Roane	Dunbar Classroom Elevator Replacement	\$	320,000
24	Columbia	Exterior Repairs and Updates	\$	270,000
25	TCAT Shelbyville	Shelbyville Restroom Renovations	\$	120,000
26	Chattanooga	CETAS Building Renovations	\$	3,140,000
27	Pellissippi	ADA Corrections	\$	500,000
28	Roane	Exposition Center Improvements	\$	300,000
Capital Maintenance Subtotal - TBR (28 Projects)			\$	25,590,000
Capital Maintenance - Total (71 Projects)			\$	121,950,000
Original THEC Recommendations				
Capital Outlay		6 projects	\$	120,380,000
Capital Maintenance		72 projects	\$	124,330,000

Table 3
SUMMARY OF UNRESTRICTED EDUCATIONAL & GENERAL REVENUE BY SOURCE
FOR THE LGIs, TBR, & UT
JULY 1 BUDGET 2018-19

	APSU	ETSU	ETSU College of Medicine	ETSU Family Practice	ETSU College of Pharmacy	ETSU Sub-Total	MTSU	TSU
Tuition & Fees								
Dollar	\$84,101,700	\$149,837,500	\$9,960,700	\$0	\$11,474,200	\$171,272,400	\$194,948,700	\$85,852,000
Percent	60.34%	64.12%	16.27%	0.00%	99.87%	52.94%	61.15%	65.98%
State Appropriation								
Dollar	\$47,403,200	\$65,025,400	\$34,363,900	\$7,513,600	\$0	\$106,902,900	\$102,414,600	\$37,984,400
Percent	34.01%	27.83%	56.14%	43.82%	0.00%	33.04%	32.13%	29.19%
Sales & Service								
Dollar	\$0	\$1,117,300	\$15,276,800	\$9,030,000	\$0	\$25,424,100	\$686,200	\$139,300
Percent	0.00%	0.48%	24.96%	52.67%	0.00%	7.86%	0.22%	0.11%
Other Sources								
Dollar	\$7,873,300	\$17,689,900	\$1,607,300	\$602,400	\$15,000	\$19,914,600	\$20,750,000	\$6,136,700
Percent	5.65%	7.57%	2.63%	3.51%	0.13%	6.16%	6.51%	4.72%
Total Educational & General								
Dollar	\$139,378,200	\$233,670,100	\$61,208,700	\$17,146,000	\$11,489,200	\$323,514,000	\$318,799,500	\$130,112,400
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 3 (continued)
SUMMARY OF UNRESTRICTED EDUCATIONAL & GENERAL REVENUE BY SOURCE
FOR THE LGIs, TBR, & UT
JULY 1 BUDGET 2018-19

	TSU McMinnville Center	TSU McIntire- Stennis Forestry Research	TSU Institute of Ag. & Env. Research	TSU Cooperative Education	TSU Sub-Total	TTU	UM	TOTAL LGIs
Tuition & Fees								
Dollar	\$0	\$0	\$0	\$0	\$85,852,000	\$97,176,200	\$201,369,700	\$834,720,700
Percent	0.00%	0.00%	0.00%	0.00%	62.15%	61.22%	53.65%	57.41%
State Appropriation								
Dollar	\$619,000	\$196,100	\$3,607,200	\$3,605,100	\$46,011,800	\$50,365,800	\$116,674,900	\$469,773,200
Percent	100.00%	100.00%	100.00%	100.00%	33.31%	31.73%	31.09%	32.31%
Sales & Service								
Dollar	\$0	\$0	\$0	\$0	\$139,300	\$865,500	\$2,530,600	\$29,645,700
Percent	0.00%	0.00%	0.00%	0.00%	0.10%	0.55%	0.67%	2.04%
Other Sources								
Dollar	\$0	\$0	\$0	\$0	\$6,136,700	\$10,326,700	\$54,751,900	\$119,753,200
Percent	0.00%	0.00%	0.00%	0.00%	4.44%	6.51%	14.59%	8.24%
Total Educational & General								
Dollar	\$619,000	\$196,100	\$3,607,200	\$3,605,100	\$138,139,800	\$158,734,200	\$375,327,100	\$1,453,892,800
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 3 (continued)
SUMMARY OF UNRESTRICTED EDUCATIONAL & GENERAL REVENUE BY SOURCE
FOR THE LGIs, TBR, & UT
JULY 1 BUDGET 2018-19

	Chattanooga	Cleveland	Columbia	Dyersburg	Jackson	Motlow	Nashville	Northeast
Tuition & Fees								
Dollar	\$31,565,000	\$10,387,700	\$20,304,500	\$9,666,400	\$15,039,500	\$21,993,000	\$25,132,200	\$19,193,100
Percent	49.26%	47.30%	56.28%	49.45%	50.78%	59.18%	52.39%	48.70%
State Appropriation								
Dollar	\$31,654,800	\$11,032,500	\$15,596,700	\$9,607,400	\$14,040,800	\$14,862,600	\$22,068,700	\$19,538,300
Percent	49.40%	50.23%	43.23%	49.15%	47.41%	39.99%	46.00%	49.57%
Sales & Service								
Dollar	\$305,000	\$0	\$18,400	\$6,500	\$120,600	\$59,700	\$4,000	\$32,100
Percent	0.48%	0.00%	0.05%	0.03%	0.41%	0.16%	0.01%	0.08%
Other Sources								
Dollar	\$547,600	\$542,100	\$156,700	\$268,700	\$416,400	\$246,100	\$769,600	\$650,200
Percent	0.85%	2.47%	0.43%	1.37%	1.41%	0.66%	1.60%	1.65%
Total Educational & General								
Dollar	\$64,072,400	\$21,962,300	\$36,076,300	\$19,549,000	\$29,617,300	\$37,161,400	\$47,974,500	\$39,413,700
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 3 (continued)
SUMMARY OF UNRESTRICTED EDUCATIONAL & GENERAL REVENUE BY SOURCE
FOR THE LGIs, TBR, & UT
JULY 1 BUDGET 2018-19

	Pellissippi	Roane	Southwest	Volunteer	Walters	Comm. Colleges Sub-Total	TN Colleges of Applied Technology	TBR Admin.
Tuition & Fees								
Dollar	\$39,513,000	\$20,482,900	\$31,138,000	\$31,846,900	\$23,553,900	\$299,816,100	\$37,742,100	\$0
Percent	52.93%	47.21%	51.21%	57.14%	48.59%	51.79%	34.68%	0.00%
State Appropriation								
Dollar	\$32,556,300	\$22,064,500	\$28,026,700	\$23,300,400	\$24,180,000	\$268,529,700	\$66,931,800	\$12,718,900
Percent	43.61%	50.86%	46.09%	41.80%	49.88%	46.39%	61.50%	41.83%
Sales & Service								
Dollar	\$25,000	\$43,400	\$124,900	\$39,100	\$90,700	\$869,400	\$714,400	\$0
Percent	0.03%	0.10%	0.21%	0.07%	0.19%	0.15%	0.66%	0.00%
Other Sources								
Dollar	\$2,555,700	\$794,800	\$1,515,600	\$550,100	\$651,700	\$9,665,300	\$3,440,200	\$17,684,900
Percent	3.42%	1.83%	2.49%	0.99%	1.34%	1.67%	3.16%	58.17%
Total Educational & General								
Dollar	\$74,650,000	\$43,385,600	\$60,805,200	\$55,736,500	\$48,476,300	\$578,880,500	\$108,828,500	\$30,403,800
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 3 (continued)
SUMMARY OF UNRESTRICTED EDUCATIONAL & GENERAL REVENUE BY SOURCE
FOR THE LGIs, TBR, & UT
JULY 1 BUDGET 2018-19

	TOTAL TBR SYSTEM	UTC	UTK	UTM	UT Univ. Sub-Total	UT Space Institute	UT Health Science Center	UT Agri. Exp. Station
Tuition & Fees								
Dollar	\$337,558,200	\$112,672,500	\$432,527,200	\$61,859,800	\$607,059,500	\$1,335,100	\$89,554,400	\$0
Percent	47.01%	64.20%	60.82%	60.43%	61.38%	12.10%	31.04%	0.00%
State Appropriation								
Dollar	\$348,180,400	\$55,663,700	\$233,325,700	\$35,102,200	\$324,091,600	\$9,213,500	\$155,492,200	\$30,322,200
Percent	48.49%	31.72%	32.81%	34.29%	32.77%	83.53%	53.90%	71.45%
Sales & Service								
Dollar	\$1,583,800	\$5,125,300	\$4,672,000	\$3,543,300	\$13,340,600	\$0	\$24,000,600	\$2,662,000
Percent	0.22%	2.92%	0.66%	3.46%	1.35%	0.00%	8.32%	6.27%
Other Sources								
Dollar	\$30,790,400	\$2,034,300	\$40,691,100	\$1,852,600	\$44,578,000	\$481,000	\$19,461,900	\$9,456,800
Percent	4.29%	1.16%	5.72%	1.81%	4.51%	4.36%	6.75%	22.28%
Total Educational & General								
Dollar	\$718,112,800	\$175,495,800	\$711,216,000	\$102,357,900	\$989,069,700	\$11,029,600	\$288,509,100	\$42,441,000
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 3 (continued)
SUMMARY OF UNRESTRICTED EDUCATIONAL & GENERAL REVENUE BY SOURCE
FOR THE LGIs, TBR, & UT
JULY 1 BUDGET 2018-19

	UT Ext. Service	UT College of Vet. Medicine	Institute for Pub. Service	MTAS	CTAS	UT Univ.-Wide Admin.	TOTAL UT System	July 1 GRAND TOTAL
Tuition & Fees								
Dollar	\$0	\$13,266,200	\$0	\$0	\$0	\$0	\$711,215,200	\$1,883,494,100
Percent	0.00%	24.97%	0.00%	0.00%	0.00%	0.00%	48.34%	51.70%
State Appropriation								
Dollar	\$36,973,700	\$21,315,600	\$5,968,200	\$3,546,700	\$3,075,500	\$5,793,500	\$595,792,700	\$1,413,746,300
Percent	68.56%	40.13%	72.68%	47.53%	48.36%	52.51%	40.50%	38.81%
Sales & Service								
Dollar	\$6,413,100	\$16,913,200	\$0	\$0	\$0	\$0	\$63,329,500	\$94,559,000
Percent	11.89%	31.84%	0.00%	0.00%	0.00%	0.00%	4.30%	2.60%
Other Sources								
Dollar	\$10,540,900	\$1,627,000	\$2,243,700	\$3,915,600	\$3,284,300	\$5,239,600	\$100,828,800	\$251,372,400
Percent	19.55%	3.06%	27.32%	52.47%	51.64%	47.49%	6.85%	6.90%
Total Educational & General								
Dollar	\$53,927,700	\$53,122,000	\$8,211,900	\$7,462,300	\$6,359,800	\$11,033,100	\$1,471,166,200	\$3,643,171,800
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 4
SUMMARY OF UNRESTRICTED EDUCATIONAL & GENERAL EXPENDITURES
BY FUNCTIONAL AREA BY INSTITUTION FOR THE LGIs, TBR, & UT
July 1 BUDGET 2018-19

	APSU	ETSU	ETSU College of Medicine	ETSU Family Practice	ETSU College of Pharmacy	ETSU Sub-Total	MTSU	TSU
Instruction								
Dollar	\$62,941,300	\$105,195,100	\$44,889,600	\$11,482,800	\$6,898,900	\$168,466,400	\$151,821,400	\$60,078,700
Percent	46.26%	46.88%	67.09%	65.92%	63.34%	52.71%	49.42%	46.03%
Research								
Dollar	\$564,900	\$1,149,700	\$3,919,300	\$334,800	\$296,700	\$5,700,500	\$4,843,100	\$2,579,400
Percent	0.42%	0.51%	5.86%	1.92%	2.72%	1.78%	1.58%	1.98%
Public Service								
Dollar	\$554,100	\$2,476,400	\$0	\$0	\$0	\$2,476,400	\$3,852,000	\$1,441,000
Percent	0.41%	1.10%	0.00%	0.00%	0.00%	0.77%	1.25%	1.10%
Academic Support								
Dollar	\$9,847,800	\$23,560,500	\$6,652,600	\$3,601,600	\$1,665,700	\$35,480,400	\$32,602,500	\$11,180,100
Percent	7.24%	10.50%	9.94%	20.68%	15.29%	11.10%	10.61%	8.57%
Sub-Total								
Dollar	\$73,908,100	\$132,381,700	\$55,461,500	\$15,419,200	\$8,861,300	\$212,123,700	\$193,119,000	\$75,279,200
Percent	54.33%	58.99%	82.90%	88.52%	81.36%	66.37%	62.86%	57.67%
Student Services								
Dollar	\$23,133,900	\$25,819,400	\$1,679,600	\$0	\$661,400	\$28,160,400	\$37,461,300	\$17,467,900
Percent	17.00%	11.51%	2.51%	0.00%	6.07%	8.81%	12.19%	13.38%
Institutional Support								
Dollar	\$13,096,000	\$16,418,000	\$2,848,100	\$1,621,800	\$632,800	\$21,520,700	\$24,063,200	\$12,651,500
Percent	9.63%	7.32%	4.26%	9.31%	5.81%	6.73%	7.83%	9.69%
Operation & Maintenance								
Dollar	\$14,483,300	\$17,301,300	\$6,656,500	\$377,000	\$521,100	\$24,855,900	\$27,972,400	\$16,448,300
Percent	10.65%	7.71%	9.95%	2.16%	4.78%	7.78%	9.11%	12.60%
Scholarships & Fellowships								
Dollar	\$11,425,500	\$32,483,200	\$260,000	\$0	\$215,000	\$32,958,200	\$24,600,600	\$8,682,200
Percent	8.40%	14.48%	0.39%	0.00%	1.97%	10.31%	8.01%	6.65%
Total Educational & General Expenditures								
Dollar	\$136,046,800	\$224,403,600	\$66,905,700	\$17,418,000	\$10,891,600	\$319,618,900	\$307,216,500	\$130,529,100
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 4 (continued)
SUMMARY OF UNRESTRICTED EDUCATIONAL & GENERAL EXPENDITURES
BY FUNCTIONAL AREA BY INSTITUTION FOR THE LGIs, TBR, & UT
July 1 BUDGET 2018-19

	TSU McMinnville Center	TSU McIntire- Stennis Forestry Research	TSU Institute of Ag. and Env. Research	TSU Cooperative Education	TSU Sub-Total	TTU	UM	TOTAL LGIs
Instruction								
Dollar	\$0	\$0	\$0	\$0	\$60,078,700	\$71,065,100	\$165,334,700	\$679,707,600
Percent	0.00%	0.00%	0.00%	0.00%	43.36%	46.16%	45.36%	47.87%
Research								
Dollar	\$611,300	\$195,300	\$3,603,900	\$0	\$6,989,900	\$2,577,100	\$13,819,400	\$34,494,900
Percent	100.00%	100.00%	100.00%	0.00%	5.05%	1.67%	3.79%	2.43%
Public Service								
Dollar	\$0	\$0	\$0	\$3,602,900	\$5,043,900	\$2,166,900	\$5,114,400	\$19,207,700
Percent	0.00%	0.00%	0.00%	100.00%	3.64%	1.41%	1.40%	1.35%
Academic Support								
Dollar	\$0	\$0	\$0	\$0	\$11,180,100	\$12,296,400	\$32,002,300	\$133,409,500
Percent	0.00%	0.00%	0.00%	0.00%	8.07%	7.99%	8.78%	9.40%
Sub-Total								
Dollar	\$611,300	\$195,300	\$3,603,900	\$3,602,900	\$83,292,600	\$88,105,500	\$216,270,800	\$866,819,700
Percent	100.00%	100.00%	100.00%	100.00%	60.12%	57.23%	59.34%	61.05%
Student Services								
Dollar	\$0	\$0	\$0	\$0	\$17,467,900	\$18,271,300	\$53,953,000	\$178,447,800
Percent	0.00%	0.00%	0.00%	0.00%	12.61%	11.87%	14.80%	12.57%
Institutional Support								
Dollar	\$0	\$0	\$0	\$0	\$12,651,500	\$15,485,800	\$29,834,500	\$116,651,700
Percent	0.00%	0.00%	0.00%	0.00%	9.13%	10.06%	8.19%	8.22%
Operation & Maintenance								
Dollar	\$0	\$0	\$0	\$0	\$16,448,300	\$13,995,800	\$36,819,400	\$134,575,100
Percent	0.00%	0.00%	0.00%	0.00%	11.87%	9.09%	10.10%	9.48%
Scholarships & Fellowships								
Dollar	\$0	\$0	\$0	\$0	\$8,682,200	\$18,088,600	\$27,592,400	\$123,347,500
Percent	0.00%	0.00%	0.00%	0.00%	6.27%	11.75%	7.57%	8.69%
Total Educational & General Expenditures								
Dollar	\$611,300	\$195,300	\$3,603,900	\$3,602,900	\$138,542,500	\$153,947,000	\$364,470,100	\$1,419,841,800
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 4 (continued)
SUMMARY OF UNRESTRICTED EDUCATIONAL & GENERAL EXPENDITURES
BY FUNCTIONAL AREA BY INSTITUTION FOR THE LGIs, TBR, & UT
July 1 BUDGET 2018-19

	Chattanooga	Cleveland	Columbia	Dyersburg	Jackson	Motlow	Nashville	Northeast
Instruction								
Dollar	\$34,387,700	\$10,899,900	\$17,192,600	\$9,902,800	\$13,367,100	\$18,187,000	\$24,643,800	\$18,214,500
Percent	54.05%	49.38%	51.36%	50.77%	45.62%	49.33%	48.68%	48.53%
Research								
Dollar	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Percent	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Public Service								
Dollar	\$57,300	\$202,800	\$137,900	\$51,700	\$63,200	\$304,100	\$0	\$229,700
Percent	0.09%	0.92%	0.41%	0.27%	0.22%	0.82%	0.00%	0.61%
Academic Support								
Dollar	\$6,274,000	\$1,317,600	\$1,874,100	\$685,500	\$3,979,200	\$3,272,300	\$5,676,300	\$3,880,700
Percent	9.86%	5.97%	5.60%	3.51%	13.58%	8.88%	11.21%	10.34%
Sub-Total								
Dollar	\$40,719,000	\$12,420,300	\$19,204,600	\$10,640,000	\$17,409,500	\$21,763,400	\$30,320,100	\$22,324,900
Percent	64.00%	56.27%	57.37%	54.55%	59.42%	59.03%	59.89%	59.48%
Student Services								
Dollar	\$7,092,900	\$2,834,400	\$4,421,000	\$2,422,100	\$2,945,000	\$4,720,500	\$5,237,500	\$4,503,800
Percent	11.15%	12.84%	13.21%	12.42%	10.05%	12.80%	10.35%	12.00%
Institutional Support								
Dollar	\$7,486,400	\$3,892,800	\$5,066,200	\$3,410,700	\$4,829,300	\$5,133,400	\$7,047,200	\$5,399,000
Percent	11.77%	17.64%	15.13%	17.49%	16.48%	13.92%	13.92%	14.38%
Operation & Maintenance								
Dollar	\$6,291,800	\$2,310,900	\$3,916,300	\$2,213,600	\$3,008,500	\$3,974,000	\$6,794,900	\$5,109,700
Percent	9.89%	10.47%	11.70%	11.35%	10.27%	10.78%	13.42%	13.61%
Scholarships & Fellowships								
Dollar	\$2,030,700	\$615,700	\$869,700	\$819,500	\$1,108,500	\$1,279,300	\$1,227,400	\$196,600
Percent	3.19%	2.79%	2.60%	4.20%	3.78%	3.47%	2.42%	0.52%
Total Educational & General Expenditures								
Dollar	\$63,620,800	\$22,074,100	\$33,477,800	\$19,505,900	\$29,300,800	\$36,870,600	\$50,627,100	\$37,534,000
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 4 (continued)
SUMMARY OF UNRESTRICTED EDUCATIONAL & GENERAL EXPENDITURES
BY FUNCTIONAL AREA BY INSTITUTION FOR THE LGIs, TBR, & UT
July 1 BUDGET 2018-19

	Pellissippi	Roane	Southwest	Volunteer	Walters	Comm. Colleges Sub-Total	TN Colleges of Applied Technology	TBR Admin.
Instruction								
Dollar	\$38,061,500	\$23,376,400	\$25,955,800	\$31,786,600	\$25,820,200	\$291,795,900	\$64,571,400	\$0
Percent	52.77%	53.79%	42.40%	56.69%	53.66%	50.84%	60.15%	0.00%
Research								
Dollar	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Percent	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Public Service								
Dollar	\$639,300	\$473,900	\$35,500	\$410,700	\$556,000	\$3,162,100	\$58,000	\$0
Percent	0.89%	1.09%	0.06%	0.73%	1.16%	0.55%	0.05%	0.00%
Academic Support								
Dollar	\$7,511,800	\$1,836,600	\$5,909,900	\$3,914,000	\$2,566,500	\$48,698,500	\$111,500	\$0
Percent	10.42%	4.23%	9.65%	6.98%	5.33%	8.48%	0.10%	0.00%
Sub-Total								
Dollar	\$46,212,600	\$25,686,900	\$31,901,200	\$36,111,300	\$28,942,700	\$343,656,500	\$64,740,900	\$0
Percent	64.08%	59.10%	52.11%	64.41%	60.15%	59.87%	60.31%	0.00%
Student Services								
Dollar	\$7,656,500	\$6,175,200	\$7,721,600	\$5,251,800	\$5,982,300	\$66,964,600	\$12,221,700	\$0
Percent	10.62%	14.21%	12.61%	9.37%	12.43%	11.67%	11.38%	0.00%
Institutional Support								
Dollar	\$8,556,400	\$5,499,300	\$11,745,600	\$7,472,100	\$5,004,800	\$80,543,200	\$17,197,300	\$32,022,900
Percent	11.86%	12.65%	19.19%	13.33%	10.40%	14.03%	16.02%	97.75%
Operation & Maintenance								
Dollar	\$7,386,900	\$5,293,600	\$7,553,500	\$5,828,500	\$6,948,700	\$66,630,900	\$12,277,100	\$726,100
Percent	10.24%	12.18%	12.34%	10.40%	14.44%	11.61%	11.44%	2.22%
Scholarships & Fellowships								
Dollar	\$2,309,000	\$805,700	\$2,296,200	\$1,403,100	\$1,237,300	\$16,198,700	\$916,500	\$10,000
Percent	3.20%	1.85%	3.75%	2.50%	2.57%	2.82%	0.85%	0.03%
Total Educational & General Expenditures								
Dollar	\$72,121,400	\$43,460,700	\$61,218,100	\$56,066,800	\$48,115,800	\$573,993,900	\$107,353,500	\$32,759,000
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 4 (continued)
SUMMARY OF UNRESTRICTED EDUCATIONAL & GENERAL EXPENDITURES
BY FUNCTIONAL AREA BY INSTITUTION FOR THE LGIs, TBR, & UT
July 1 BUDGET 2018-19

	TOTAL TBR SYSTEM	UTC	UTK	UTM	UT Univ. Sub-Total	UT Space Institute	UT Health Science Center	UT Agri. Exp. Station
Instruction								
Dollar	\$356,367,300	\$75,166,600	\$265,767,300	\$43,795,500	\$384,729,400	\$4,888,100	\$140,832,800	\$0
Percent	49.90%	43.73%	37.78%	43.05%	39.37%	44.46%	49.99%	0.00%
Research								
Dollar	\$0	\$2,545,000	\$58,051,000	\$321,900	\$60,917,900	\$1,327,100	\$5,397,800	\$37,531,300
Percent	0.00%	1.48%	8.25%	0.32%	6.23%	12.07%	1.92%	89.22%
Public Service								
Dollar	\$3,220,100	\$2,727,900	\$12,252,200	\$768,100	\$15,748,200	\$0	\$103,000	\$0
Percent	0.45%	1.59%	1.74%	0.76%	1.61%	0.00%	0.04%	0.00%
Academic Support								
Dollar	\$48,810,000	\$14,317,400	\$83,327,900	\$11,263,500	\$108,908,800	\$303,100	\$51,924,500	\$2,052,100
Percent	6.84%	8.33%	11.84%	11.07%	11.15%	2.76%	18.43%	4.88%
Sub-Total								
Dollar	\$408,397,400	\$94,756,900	\$419,398,400	\$56,149,000	\$570,304,300	\$6,518,300	\$198,258,100	\$39,583,400
Percent	57.19%	55.13%	59.62%	55.20%	58.37%	59.29%	70.38%	94.10%
Student Services								
Dollar	\$79,186,300	\$26,308,200	\$46,355,700	\$12,649,800	\$85,313,700	\$73,400	\$6,520,700	\$0
Percent	11.09%	15.31%	6.59%	12.44%	8.73%	0.67%	2.31%	0.00%
Institutional Support								
Dollar	\$129,763,400	\$16,361,000	\$72,176,700	\$8,925,300	\$97,463,000	\$1,915,400	\$35,499,700	\$2,068,300
Percent	18.17%	9.52%	10.26%	8.77%	9.97%	17.42%	12.60%	4.92%
Operation & Maintenance								
Dollar	\$79,634,100	\$21,528,200	\$77,554,800	\$11,902,400	\$110,985,400	\$2,189,400	\$32,117,300	\$413,400
Percent	11.15%	12.53%	11.02%	11.70%	11.36%	19.91%	11.40%	0.98%
Scholarships & Fellowships								
Dollar	\$17,125,200	\$12,916,800	\$88,019,900	\$12,094,300	\$113,031,000	\$297,400	\$9,306,700	\$0
Percent	2.40%	7.52%	12.51%	11.89%	11.57%	2.71%	3.30%	0.00%
Total Educational & General Expenditures								
Dollar	\$714,106,400	\$171,871,100	\$703,505,500	\$101,720,800	\$977,097,400	\$10,993,900	\$281,702,500	\$42,065,100
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 4 (continued)
SUMMARY OF UNRESTRICTED EDUCATIONAL & GENERAL EXPENDITURES
BY FUNCTIONAL AREA BY INSTITUTION FOR THE LGIs, TBR, & UT
July 1 BUDGET 2018-19

	UT Ext. Service	UT College of Vet. Medicine	Institute for Pub. Service	MTAS	CTAS	UT Univ.-Wide Admin.	TOTAL UT System	July 1 GRAND TOTAL
Instruction								
Dollar	\$121,800	\$40,086,500	\$0	\$0	\$0	\$0	\$570,658,600	\$1,606,733,500
Percent	0.23%	74.30%	0.00%	0.00%	0.00%	0.00%	39.01%	44.67%
Research								
Dollar	\$0	\$3,483,000	\$0	\$0	\$0	\$0	\$108,657,100	\$143,152,000
Percent	0.00%	6.46%	0.00%	0.00%	0.00%	0.00%	7.43%	3.98%
Public Service								
Dollar	\$50,884,200	\$101,200	\$6,151,500	\$6,940,700	\$6,577,400	\$0	\$86,506,200	\$108,934,000
Percent	94.62%	0.19%	83.89%	95.46%	98.73%	0.00%	5.91%	3.03%
Academic Support								
Dollar	\$920,100	\$5,586,300	\$0	\$222,600	\$0	\$0	\$169,917,500	\$352,137,000
Percent	1.71%	10.35%	0.00%	3.06%	0.00%	0.00%	11.62%	9.79%
Sub-Total								
Dollar	\$51,926,100	\$49,257,000	\$6,151,500	\$7,163,300	\$6,577,400	\$0	\$935,739,400	\$2,210,956,500
Percent	96.56%	91.30%	83.89%	98.52%	98.73%	0.00%	63.97%	61.47%
Student Services								
Dollar	\$0	\$0	\$0	\$0	\$0	\$0	\$91,907,800	\$349,541,900
Percent	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.28%	9.72%
Institutional Support								
Dollar	\$1,851,200	\$1,337,500	\$1,181,100	\$107,800	\$84,900	\$21,909,100	\$163,418,000	\$409,833,100
Percent	3.44%	2.48%	16.11%	1.48%	1.27%	100.00%	11.17%	11.39%
Operation & Maintenance								
Dollar	\$0	\$3,280,600	\$0	\$0	\$0	\$0	\$148,986,100	\$363,195,300
Percent	0.00%	6.08%	0.00%	0.00%	0.00%	0.00%	10.19%	10.10%
Scholarships & Fellowships								
Dollar	\$0	\$74,500	\$0	\$0	\$0	\$0	\$122,709,600	\$263,182,300
Percent	0.00%	0.14%	0.00%	0.00%	0.00%	0.00%	8.39%	7.32%
Total Educational & General Expenditures								
Dollar	\$53,777,300	\$53,949,600	\$7,332,600	\$7,271,100	\$6,662,300	\$21,909,100	\$1,462,760,900	\$3,596,709,100
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 5
MANDATORY STUDENT FEE CHARGES
2017-18 & 2018-19

	2017-18			2018-19			Percent Increase		
	Total Mandatory Fees	Undergraduate Maintenance Fees	Total Undergraduate Resident	Total Mandatory Fees	Undergraduate Maintenance Fees	Total Undergraduate Resident	Total Mandatory Fees	Undergraduate Maintenance Fees	Total Undergraduate Resident
Austin Peay	\$1,529	\$6,696	\$8,225	\$1,583	\$6,888	\$8,471	3.53%	2.87%	2.99%
East Tennessee	\$1,791	\$7,224	\$9,015	\$1,855	\$7,422	\$9,277	3.57%	2.74%	2.91%
Middle Tennessee	\$1,772	\$7,176	\$8,948	\$1,826	\$7,380	\$9,206	3.05%	2.84%	2.88%
Tennessee State	\$1,050	\$6,726	\$7,776	\$1,107	\$6,900	\$8,007	5.43%	2.59%	2.97%
Tennessee Tech	\$1,217	\$7,656	\$8,873	\$1,243	\$7,860	\$9,103	2.14%	2.66%	2.59%
University of Memphis	\$1,637	\$8,064	\$9,701	\$1,637	\$8,064	\$9,701	0.00%	0.00%	0.00%
UT Chattanooga	\$1,776	\$6,888	\$8,664	\$1,776	\$6,888	\$8,664	0.00%	0.00%	0.00%
UT Knoxville	\$1,860	\$11,110	\$12,970	\$1,896	\$11,110	\$13,006	1.94%	0.00%	0.28%
UT Martin (Part-Time & Full-Time w/ 90+ SCH)*	\$1,418	\$7,200	\$8,618	\$1,460	\$7,416	\$8,876	2.96%	3.00%	2.99%
UT Martin (Full-Time w/ less than 90 SCH)*	\$1,418	\$7,818	\$9,236	\$1,460	\$8,052	\$9,512	2.96%	2.99%	2.99%
Chattanooga	\$319	\$4,032	\$4,351	\$319	\$4,140	\$4,459	0.00%	2.68%	2.48%
Cleveland	\$299	\$4,032	\$4,331	\$299	\$4,140	\$4,439	0.00%	2.68%	2.49%
Columbia	\$327	\$4,032	\$4,359	\$333	\$4,140	\$4,473	1.83%	2.68%	2.62%
Dyersburg	\$299	\$4,032	\$4,331	\$299	\$4,140	\$4,439	0.00%	2.68%	2.49%
Jackson	\$285	\$4,032	\$4,317	\$285	\$4,140	\$4,425	0.00%	2.68%	2.50%
Motlow	\$307	\$4,032	\$4,339	\$305	\$4,140	\$4,445	-0.65%	2.68%	2.44%
Nashville	\$255	\$4,032	\$4,287	\$255	\$4,140	\$4,395	0.00%	2.68%	2.52%
Northeast	\$311	\$4,032	\$4,343	\$311	\$4,140	\$4,451	0.00%	2.68%	2.49%
Pellissippi	\$339	\$4,032	\$4,371	\$339	\$4,140	\$4,479	0.00%	2.68%	2.47%
Roane	\$303	\$4,032	\$4,335	\$303	\$4,140	\$4,443	0.00%	2.68%	2.49%
Southwest	\$319	\$4,032	\$4,351	\$319	\$4,140	\$4,459	0.00%	2.68%	2.48%
Volunteer	\$293	\$4,032	\$4,325	\$293	\$4,140	\$4,433	0.00%	2.68%	2.50%
Walters	\$288	\$4,032	\$4,320	\$288	\$4,140	\$4,428	0.00%	2.68%	2.50%
TN Colleges of Applied Technology	\$230	\$3,507	\$3,737	\$230	\$3,612	\$3,842	0.00%	2.99%	2.81%

*The 2017-18 tuition rate for full-time students who have completed fewer than 90 credit hours is a flat rate for 12 hours a semester regardless of how many hours the student is enrolled. Full-time students who have completed more than 90 credit hours are also charged a flat rate for 12 hours regardless of how many hours the student is enrolled. Part-time students are charged on a per credit hour basis at the 90+ credit hour rate.

Table 6

**COMPARISON OF AUXILIARY ENTERPRISE REVENUES, EXPENDITURES, AND TRANSFERS
FOR LGIs, TBR, & UT**

	Estimated 2017-18			Original 2018-19		
	Revenue	Expenditures/ Transfers	Difference	Revenue	Expenditures/ Transfers	Difference
Austin Peay	\$13,463,000	\$13,463,000	\$0	\$14,017,500	\$14,017,500	\$0
East Tennessee	26,130,300	26,116,300	14,000	25,646,700	25,646,700	-
Middle Tennessee	33,351,700	33,351,700	-	33,815,800	33,815,800	-
Tennessee State	27,075,900	27,075,900	-	27,099,800	27,099,800	-
Tennessee Tech	18,340,965	18,340,965	- *	18,342,320	18,342,320	-
University of Memphis	25,586,500	25,586,500	- *	26,476,300	26,476,300	-
subtotal	\$143,948,365	\$143,934,365	\$14,000	\$145,398,420	\$145,398,420	\$0
Chattanooga	\$1,525,000	\$1,482,300	\$42,700	\$1,525,000	\$1,519,500	\$5,500
Cleveland	167,600	45,300	122,300	199,000	46,400	152,600
Columbia	206,000	206,000	- *	231,000	231,000	-
Dyersburg	100,000	100,000	-	100,000	100,000	-
Jackson	225,000	225,000	-	145,000	145,000	-
Motlow	197,000	12,800	184,200	182,000	12,800	169,200
Nashville	385,600	26,100	359,500	355,200	24,600	330,600
Northeast	184,500	13,500	171,000	184,500	9,200	175,300
Pellissippi	460,000	460,000	- *	460,000	460,000	- *
Roane	259,300	246,700	12,600	283,000	283,000	- *
Southwest	700,000	574,400	125,600	730,000	677,900	52,100
Volunteer	400,000	385,000	15,000	400,000	385,000	15,000
Walters	248,300	248,300	- *	192,300	192,300	- *
subtotal	\$5,058,300	\$4,025,400	\$1,032,900	\$4,987,000	\$4,086,700	\$900,300
UT Chattanooga	\$14,542,704	\$14,542,704	\$0	\$18,796,704	\$18,796,704	\$0
UT Knoxville	229,542,116	229,542,116	-	232,236,496	232,236,496	-
UT Martin	10,543,687	10,543,687	-	10,818,526	10,818,526	-
subtotal	\$254,628,507	\$254,628,507	\$0	\$261,851,726	\$261,851,726	\$0
UT Space Institute	\$218,701	\$218,701	\$0	\$226,492	\$226,492	\$0
UT Health Science Center	1,779,765	1,779,765	- *	2,301,465	2,281,465	20,000
TN Colleges of Applied Tech	4,924,400	4,727,800	196,600	5,094,900	4,378,200	716,700
subtotal	\$6,922,866	\$6,726,266	\$196,600	\$7,622,857	\$6,886,157	\$736,700
TOTAL	\$410,558,038	\$409,314,538	\$1,243,500	\$419,860,003	\$418,223,003	\$1,637,000

*Revenues include transfers from Fund Balance in order to balance Auxiliary Enterprises.

Table 7
Athletics Data
2017-18 & 2018-19

	2017-18 General Fund Support	Athletics General Fund as Percent of E&G ¹	2017-18 Student Athletics Fee	2017-18 Athletics Fee Revenue	2017-18 Athletics Budget
APSU	\$5,565,600	4.2%	\$450	\$3,913,700	\$12,721,400
ETSU	5,520,940	2.4%	450	6,425,170	15,360,240
MTSU	9,747,400	3.1%	420	7,981,600	28,182,800
TSU	5,516,300	4.1%	320	2,650,000	10,858,100
TTU	5,386,759	3.5%	496	4,837,000	12,179,049
UM	8,111,041	2.0%	450	7,309,700	44,618,172
UTC	5,294,827	3.0%	480	4,991,503	14,759,267
UTM	6,484,664	6.5%	408	2,032,000	11,437,554
UTK ²	0	N/A	0	1,000,000	133,988,456
Subtotal	\$51,627,531			\$41,140,673	\$284,105,038
Chattanooga	\$827,100	1.3%	\$0	\$0	\$1,200,208
Cleveland	647,237	3.1%	0	0	897,257
Columbia	517,520	1.6%	0	0	994,220
Dyersburg	438,500	2.3%	0	0	751,400
Jackson	605,486	2.2%	0	0	705,686
Motlow	660,193	2.0%	0	0	1,110,193
Roane	786,996	1.7%	0	0	1,132,063
Southwest	826,505	1.5%	0	0	1,074,714
Volunteer	588,803	1.1%	0	0	605,303
Walters	818,979	1.7%	0	0	402,276
Subtotal	\$6,717,319			\$0	\$8,873,320
Total	\$58,344,850			\$41,140,673	\$292,978,358

1 - Total E&G expenditure base only includes undergraduate campus expenditures, not nonformula units, at UT, TBR, and/or the LGIs.

2 - Athletics at UTK are self-supporting.

	2018-19 General Fund Support	Athletics General Fund as Percent of E&G ¹	2018-19 Student Athletics Fee	2018-19 Athletics Fee Revenue	2018-19 Athletics Budget
APSU	\$5,686,500	4.2%	\$450	\$3,913,700	\$12,962,800
ETSU	5,520,940	2.5%	450	6,425,170	15,830,240
MTSU	8,747,400	2.8%	450	7,981,600	29,089,220
TSU	5,601,200	4.3%	358	2,790,300	10,795,000
TTU	5,323,445	3.5%	496	4,740,000	12,018,735
UM	1,111,041	0.3%	450	7,309,700	39,663,641
UTC	5,953,054	3.5%	480	4,991,503	15,417,494
UTM	6,272,505	6.3%	408	2,032,000	11,049,238
UTK ²	0	N/A	0	1,000,000	134,676,397
Subtotal	\$44,216,085			\$41,183,973	\$281,502,765
Chattanooga	\$842,300	1.3%	\$0	\$0	\$1,232,300
Cleveland	630,602	2.9%	0	0	995,622
Columbia	501,810	1.5%	0	0	884,010
Dyersburg	494,800	2.5%	0	0	962,000
Jackson	600,066	2.0%	0	0	702,066
Motlow	674,333	1.8%	0	0	1,146,333
Roane	627,823	1.4%	0	0	883,772
Southwest	800,068	1.3%	0	0	1,082,106
Volunteer	586,678	1.0%	0	0	603,178
Walters	841,853	1.7%	0	0	1,285,329
Subtotal	\$6,600,333			\$0	\$9,776,716
Total	\$50,816,418			\$41,183,973	\$291,279,481

1 - Total E&G expenditure base only includes undergraduate campus expenditures, not nonformula units, at UT, TBR, and/or the LGIs.

2 - Athletics at UTK are self-supporting.

Table 8
2018-19 Formula Needs Analysis

Institution	Preliminary FY 2018-19					Formula Estimated Total Need	Difference (Short)	Percent Funded
	Legislative* Appropriation	Maintenance Fees	Technology Access Fee	Out-of-State Tuition	Total Revenue			
Locally Governed Institutions								
Austin Peay	\$ 47,403,200	\$ 65,955,800	\$ 2,196,000	\$ 4,324,100	\$ 119,879,100	\$ 127,208,400	\$ (7,329,300)	94.2%
East Tennessee	65,025,400	101,769,930	3,518,680	21,562,080	191,876,090	182,818,000	9,058,090	105.0%
Middle Tennessee	102,154,100	147,512,092	4,318,100	20,953,900	274,938,192	274,293,900	644,292	100.2%
Tennessee State	39,010,700	53,323,900	1,562,700	24,268,000	118,165,300	114,232,400	3,932,900	103.4%
Tennessee Tech	54,266,700	74,906,000	2,162,500	8,463,500	139,798,700	137,209,700	2,589,000	101.9%
University of Memphis	116,739,900	157,112,100	3,480,000	10,378,700	287,710,700	323,019,700	(35,309,000)	89.1%
Subtotal	\$ 424,600,000	\$ 600,579,822	\$ 17,237,980	\$ 89,950,280	\$ 1,132,368,082	\$ 1,158,782,100	\$ (26,414,018)	97.7%
Community Colleges	\$ 268,752,400	\$ 259,881,772	\$ 13,908,998	\$ 9,197,160	\$ 551,740,330	\$ 589,310,800	\$ (37,570,470)	93.6%
UT Universities								
UT Chattanooga	\$ 55,002,000	\$ 78,501,515	\$ 2,800,000	\$ 6,566,476	\$ 142,869,991	\$ 148,528,100	\$ (5,658,109)	96.2%
UT Knoxville	230,952,000	297,887,882	6,480,000	41,073,936	576,393,818	620,926,400	(44,532,582)	92.8%
UT Martin	34,000,000	49,259,685	1,282,100	3,686,229	88,228,014	90,824,100	(2,596,086)	97.1%
Subtotal	\$ 319,954,000	\$ 425,649,082	\$ 10,562,100	\$ 51,326,641	\$ 807,491,823	\$ 860,278,600	\$ (52,786,777)	93.9%
TN Colleges of Applied Technology	\$ 71,007,800	\$ 34,349,511	\$ -	\$ -	\$ 105,357,311	\$ 128,864,000	\$ (23,506,689)	81.8%
Total Academic Formula Units	\$ 1,084,314,200	\$ 1,320,460,187	\$ 41,709,078	\$ 150,474,081	\$ 2,596,957,546	\$ 2,737,235,500	\$ (140,277,954)	94.9%

*Recurring funds only.

Agenda Item: V.**DATE:** July 26, 2018**SUBJECT:** Tuition and Fee Development Process**ACTION RECOMMENDED:** Informational

BACKGROUND INFORMATION

During its May 17 meeting, the Commission approved the THEC-staff recommendation of a binding range of zero-to-three percent range for increases to in-state, undergraduate maintenance fees (tuition) and a binding zero-to-three percent range for the combination of in-state, undergraduate maintenance and mandatory fees for the 2018-19 academic year. Two motions accompanied approval of the binding range.

Commissioner A C Wharton, Jr. motioned for THEC staff to revisit its guidance and recommendation process to ensure a tuition development system that is both responsive to institutional operations and focused on affordability for students and families.

Additionally, the Commission passed a motion requesting the president and chancellor of each governing board to report to the Commission in July the process by which they established the 2018-19 maintenance and mandatory fee rates for their respective institution(s).

As preparation for this discussion, THEC staff requested each governing board to provide written responses to the below questions to accompany their presentation. These questions are similar to those posed by the Commission at its May meeting and those asked of each governing board in January by the Senate Finance, Ways and Means Committee. The questions are inclusive of the requirements outlined in the *Tuition Transparency and Accountability Act*, taking effect for all universities on July 1, 2018.

- 1) For each institution, what is the percent increase in the maintenance fee and the percent increase in the combined maintenance and mandatory fees for 2018-19? How much revenue do you anticipate to raise with these increases? Please specify the purposes for which these revenues will be used.

- 2) What specific factors did your staff and governing board consider when recommending and establishing the 2018-19 maintenance and mandatory fee levels?
- 3) To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?
- 4) Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. What strategies have you implemented—or plan to implement—to reduce growths in these areas of expenditures?

The maintenance and mandatory fee rationales were submitted to THEC staff and are attached. The agenda includes time for each governing board to present a brief report on their process.

SUMMARY OF TUITION AND FEE CHANGES

The approved 2018-19 maintenance and mandatory fees for higher education all fall within the bounds set by the binding THEC range (see THEC Page 4). The increases from 2017-18 and 2018-19 fall on both ends of the spectrum, with combined increases equivalent to either less than 0.5% or above 2.0%. The maintenance and mandatory fee rationales follow starting on THEC Page 5.

Tuition and Fee Development Process

Mandatory Fee Charges, 2017-18 & 2018-19	THEC page 4
Austin Peay State University	THEC page 5
East Tennessee State University	THEC page 8
Middle Tennessee State University	THEC page 16
Tennessee State University	THEC page 19
Tennessee Technological University	THEC page 22
University of Memphis	THEC page 24
Tennessee Board of Regents	THEC page 27
University of Tennessee	THEC page 38

MANDATORY STUDENT FEE CHARGES 2017-18 & 2018-19

	2017-18			2018-19			Percent Increase		
	Total Mandatory Fees	Undergraduate Maintenance Fees	Total Undergraduate Resident	Total Mandatory Fees	Undergraduate Maintenance Fees	Total Undergraduate Resident	Total Mandatory Fees	Undergraduate Maintenance Fees	Total Undergraduate Resident
Austin Peay	\$1,529	\$6,696	\$8,225	\$1,583	\$6,888	\$8,471	3.53%	2.87%	2.99%
East Tennessee	\$1,791	\$7,224	\$9,015	\$1,855	\$7,422	\$9,277	3.57%	2.74%	2.91%
Middle Tennessee	\$1,772	\$7,176	\$8,948	\$1,826	\$7,380	\$9,206	3.05%	2.84%	2.88%
Tennessee State	\$1,050	\$6,726	\$7,776	\$1,107	\$6,900	\$8,007	5.43%	2.59%	2.97%
Tennessee Tech	\$1,217	\$7,656	\$8,873	\$1,243	\$7,860	\$9,103	2.14%	2.66%	2.59%
University of Memphis	\$1,637	\$8,064	\$9,701	\$1,637	\$8,064	\$9,701	0.00%	0.00%	0.00%
UT Chattanooga	\$1,776	\$6,888	\$8,664	\$1,776	\$6,888	\$8,664	0.00%	0.00%	0.00%
UT Knoxville	\$1,860	\$11,110	\$12,970	\$1,896	\$11,110	\$13,006	1.94%	0.00%	0.28%
UT Martin (Part-Time & Full-Time w/ 90+ SCH)*	\$1,418	\$7,200	\$8,618	\$1,460	\$7,416	\$8,876	2.96%	3.00%	2.99%
UT Martin (Full-Time w/ less than 90 SCH)*	\$1,418	\$7,818	\$9,236	\$1,460	\$8,052	\$9,512	2.96%	2.99%	2.99%
Chattanooga	\$319	\$4,032	\$4,351	\$319	\$4,140	\$4,459	0.00%	2.68%	2.48%
Cleveland	\$299	\$4,032	\$4,331	\$299	\$4,140	\$4,439	0.00%	2.68%	2.49%
Columbia	\$327	\$4,032	\$4,359	\$333	\$4,140	\$4,473	1.83%	2.68%	2.62%
Dyersburg	\$299	\$4,032	\$4,331	\$299	\$4,140	\$4,439	0.00%	2.68%	2.49%
Jackson	\$285	\$4,032	\$4,317	\$285	\$4,140	\$4,425	0.00%	2.68%	2.50%
Motlow	\$307	\$4,032	\$4,339	\$305	\$4,140	\$4,445	-0.65%	2.68%	2.44%
Nashville	\$255	\$4,032	\$4,287	\$255	\$4,140	\$4,395	0.00%	2.68%	2.52%
Northeast	\$311	\$4,032	\$4,343	\$311	\$4,140	\$4,451	0.00%	2.68%	2.49%
Pellissippi	\$339	\$4,032	\$4,371	\$339	\$4,140	\$4,479	0.00%	2.68%	2.47%
Roane	\$303	\$4,032	\$4,335	\$303	\$4,140	\$4,443	0.00%	2.68%	2.49%
Southwest	\$319	\$4,032	\$4,351	\$319	\$4,140	\$4,459	0.00%	2.68%	2.48%
Volunteer	\$293	\$4,032	\$4,325	\$293	\$4,140	\$4,433	0.00%	2.68%	2.50%
Walters	\$288	\$4,032	\$4,320	\$288	\$4,140	\$4,428	0.00%	2.68%	2.50%
TN Colleges of Applied Technology	\$230	\$3,507	\$3,737	\$230	\$3,612	\$3,842	0.00%	2.99%	2.81%

*The 2017-18 tuition rate for full-time students who have completed fewer than 90 credit hours is a flat rate for 12 hours a semester regardless of how many hours the student is enrolled. Full-time students who have completed more than 90 credit hours are also charged a flat rate for 12 hours regardless of how many hours the student is enrolled. Part-time students are charged on a per credit hour basis at the 90+ credit hour rate.



Austin Peay State University

2018-19 Maintenance and Mandatory Fee Rationale

- 1) For each institution, what is the percent increase in the maintenance fee and the percent increase in the combined maintenance and mandatory fees for 2018 – 19? How much revenue do you anticipate to raise with these increases? Please specify the purposes for which these revenues will be used.**

Response:

The percent increase in the maintenance fee is 2.87%, for a total increase in maintenance and mandatory fees of 2.99%. The combined maintenance and mandatory fee increases will generate approximately \$1,930,600 in annual revenue.

The revenue generated from the maintenance fee will be used to complete the funding of the 2.5% state-mandated salary increase and associated benefits, salary and benefits for employee market adjustments, faculty promotions, new academic programs, and fixed cost increases. The revenue generated from the increase in mandatory fees will be used in program services to serve students who are using health services and participating in university recreation, graduation exercises, and associated events.

2) What specific factors did your staff and governing board consider when recommending and establishing the 2018-19 maintenance and mandatory fee levels?

Response:

The maintenance and mandatory fee levels are recommended after an evaluation of the University's current expenses and revenue sources, assessment of the University's strategic planning goals, and contractual increases of existing contracts for services, software, and utilities.

The University's budget process included assessing campus needs, holding public budget briefings for presentations by campus units, establishing campus priorities as they relate to the strategic plan, referring suggested priorities to the Budget Advisory Task Force to evaluate, and making recommendations to the governing board.

The specific factors that influenced the 2018-19 fee levels were a need to complete funding of the state mandated 2.5% salary increase and associated benefits, make progress on the University's strategic planning priority to provide salaries that are competitive with peer institutions, keep up with escalating costs for existing software and service contracts, maintain existing service levels to students for university recreation and health services, and change how the University collects the graduation fee.

3) To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?

Response:

The University's budget process included prioritization of new funding requests designed to achieve the University's strategic planning goals. The requests were classified as mandatory, recurring, and one-time. The requests were evaluated and prioritized at the department and college levels.

Efforts were made to mitigate the effects of the maintenance and mandatory fee increases on students. Specifically, campus stakeholders evaluated degree programs and concentrations based on student interest and enrollment, reorganized departments to achieve better services to students and to be more efficient, and evaluated University software contracts to eliminate underutilized contracts. In addition, the University sought and won external grant funding for the replacement of existing lighting with LED lighting and provided mini-grants to assist students in completing their degrees.

- 4) Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. What strategies have you implemented – or plan to implement – to reduce growth in these areas of expenditures?

Response:

The major areas of expenditures and percentages of budget for the University are as follows:

Expenditures	Amount	Percentage of Total Budget
Salaries	\$71,409,300	52.49%
Employee Benefits	\$28,960,600	21.29%
Operating Expenses	\$35,318,800	25.96%
Capital Outlay	\$358,000	.26%

In order to minimize growth in these areas of expenditures, the University has implemented strategies such as using existing faculty resources to cover the increase in student credit hour growth, identifying and implementing process improvements in service departments, sharing network printers/copiers, using a software solution to reduce the paper and toner usage in the open computer labs, and obtaining grant funding to replace existing lighting with LED lighting to increase efficiency and reduce costs over time.



EAST TENNESSEE STATE UNIVERSITY
2018-19 Maintenance and Mandatory Fee Rationale
TENNESSEE HIGHER EDUCATION COMMISSION
July 26, 2018

Question 1:

What is the percent increase in the maintenance fee and the percent increase in the combined maintenance and mandatory fees for 2018-19? How much revenue do you anticipate to raise with these increases? Please specify the purposes for which these revenues will be used.

The ETSU Board of Trustees approved a 2.79% maintenance fee increase and a 2.91% combined maintenance and mandatory fee increase. The total dollar increase for an undergraduate student is \$131 per term at 15 credit hours.

The university budget was prepared anticipating an enrollment decrease of 100 students. The revenue generated on maintenance fees is \$3.3 million. The increase in other mandatory fees is anticipated to generate \$760,000.

The increase in maintenance fees of \$3.3 million, in conjunction with the new funding in the Governor's budget, will be used for faculty and staff salary enhancements, scholarship funding, and university strategic initiatives. The university share of the 2.5% salary increase as outlined in the Governor's budget is \$1.46 million. In addition to the 2.5% across the board salary increase, ETSU is establishing two salary enhancement pools totaling \$500,000 for faculty tenure/promotion and staff position review. ETSU is also increasing budget by \$220,000 to adjust the base pay for graduate assistants on campus. Student scholarship pools are increasing by \$1.3 million. Approximately \$1 million has been set aside for university strategic initiatives. These initiatives are focused on academic programs and administrative processes to increase enrollment, decrease expenses, improve campus infrastructure and data security, and enhance the educational experience for our students.

The increase in other mandatory fees of \$760,000 will increase the university's facilities fee and technology access fee. The facilities fee will fund a designated pool for renovations and construction projects targeting classroom enhancements and other campus improvement. The technology access fee will be used to increase the internet bandwidth on campus necessary for instruction and improve student network storage and security.

Question 2:

What specific factors did your staff and governing board consider when recommending and establishing the 2018-19 maintenance and mandatory fee levels?

Senior staff and the ETSU Board of Trustees reviewed the recommendations for salary, operating and capital appropriations contained in the Governor's Budget. Staff at the university and the Board of Trustees evaluated the needs for salary enhancements as outlined by the Governor's budget which would need to be funded by the university. The ten-year history of salary increases for the campus was presented and considered. The funding needed to implement the 2.5% salary pool outlined in the Governor's budget required a maintenance fee increase of approximate 1.75%. Staff presented a proposal to establish two pools of funds for faculty and staff salary enhancements above the 2.5% across the board adjustments. Ten years of historical data on maintenance and mandatory fee increases in the public institutions of higher education in the State of Tennessee was examined. Data on the tuition/maintenance fees at peer institutions was assessed. Historical trends in enrollment at ETSU were considered when preparing an estimate for enrollment decline. Staff and Board members were presented with a five-year history of expenditures and transfers at ETSU by both natural and functional classification to better understand growth in expenditures. Staff reviewed campus requests for any new budget funding with consideration of the alignment with the university's strategic goals to increase enrollment and efficiencies at the university.

Question 3:

To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?

East Tennessee State University has an annual budget planning process which includes a budget call from the president to the vice-presidents. The planning process serves to align budget and resources with the university's strategic plan, mission, vision and goals. The vice-presidents work with their staff to determine campus needs based on inflationary factors, strategic planning priorities, unfunded requirements, and needs based on changes in enrollment. Budget proposals are collected from departments and units by the vice-presidents and prioritized during unit budget hearings. In the budget cycle for FY19, units on campus presented the Vice Presidents with \$10 million in requests for new funding. These requests were reduced to \$5.8 million prior to moving forward to the formal budget hearings. The prioritized lists of the vice-presidents are reviewed by the Budget Advisory Committee during university budget hearing which are open to the entire campus. The committee is an advisory body to the President and provides input on the budget priorities for the University. The ETSU Board of Trustees was presented with a finalized request of \$1.1 million in new funding. Every budget proposal must support the University's strategic plan. The majority of the funding was for new positions in growing academic programs, staffing for new academic buildings, and staffing resulting from capital severance under the Focus Act. The recommended fee increases were presented to the ETSU Board of Trustees for their approval prior to completion of the university budget.

Question 4:

Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. What strategies have you implemented – or plan to implement – to reduce growths in these areas of expenditures?

ETSU Main Campus	\$ Expenditures	Percentage
Salaries	\$ 113,128,800	50.41%
Benefits	50,005,900	22.28%
Operating Expenses	61,092,200	27.22%
Capital Expenditures	176,700	0.08%
Total Main Campus	\$ 224,403,600	

The university continues to promote process changes and made budget investments to reduce cost and increase revenues. The university is implementing a structured review of student enrollment and progress, faculty course-load and staffing, and academic expenses to assess resource allocation and benchmark with peer institutions. Efficiencies have been achieved and are continuing to be implemented to reduce the growth in energy consumption on campus. These include lighting retrofits, hedging natural gas purchases, upgrading chilled water equipment, and adjusting building temperature set points to reduce energy consumption. Business processes have been put in place to promote electronic transactions which include student payments to the university, payments by the university to vendors, electronic invoicing by vendors, departmental deposits, data file loading to systems, electronic file sharing, electronic document retention, online payment websites for university services, events and products, electronic routing of forms, and electronic delivery of tax document. The review of business and administrative processes continues with a focus on eliminated redundancy, eliminating paper, and increasing efficiencies while maintaining service quality. Efficiencies that have or will be implemented reduce operating cost and decrease the need for additional staff.

Expenditures for the College of Medicine, Family Practice and College of Pharmacy are below.

ETSU College of Medicine	\$ Expenditures	Percentage
Salaries	\$ 40,394,400	60.38%
Benefits	12,636,400	18.89%
Operating Expenses	13,874,900	20.74%
Total Coll of Medicine	\$ 66,905,700	

ETSU Family Medicine	\$ Expenditures	Percentage
Salaries	\$ 11,323,700	65.01%
Benefits	3,502,900	20.11%
Operating Expenses	2,591,400	14.88%
Total Family Medicine	\$ 17,418,000	

ETSU College of Pharmacy	\$ Expenditures	Percentage
Salaries	\$ 6,199,900	56.92%
Benefits	2,002,400	18.38%
Operating Expenses	2,689,300	24.69%
Total Coll of Pharmacy	\$ 10,891,600	

MIDDLE TENNESSEE STATE UNIVERSITY
Maintenance and Mandatory Fee Rationale
2018-19

- 1) What is the percent increase in the maintenance fee and the percent increase in the combined maintenance and mandatory fees for 2018-19?

2.84% Maintenance fee

2.88% combined maintenance and mandatory fees

How much revenue do you anticipate to raise with these increases?

\$4.0 million in maintenance fees, net of scholarships

\$954,000 in mandatory fees

Please specify the purposes for which these revenues will be used.

Mandated salary increases not covered by appropriations

Salary market adjustments

Faculty promotions

Inflationary increases in utilities and other operations, including software maintenance agreements

Inflationary increases in operating budgets of auxiliary (self-supporting) units: Health Services, Student Recreation Center and Parking Services

New scholarship and student success initiatives

Enhanced student abroad opportunities and experiences

Capital improvements to athletic facilities

- 2) What specific factors did your staff and governing board consider when recommending and establishing the 2018-19 maintenance and mandatory fee levels?

The overall intent is to provide quality education and ensure affordability and accessibility while keeping student debt levels low. When considering maintenance fee increases, a high priority was funding mandated salary increases and increasing salaries to market levels. The University does not receive funding for market adjustments from the State and must rely on

local resources. With enrollment challenges and small tuition increases over the past few years, there has not been sufficient funding to address market needs. The last market adjustments were in FY 2012-13. Salaries and benefits represent 68.3% of the overall budget.

Mandatory fees include debt on facilities, operating funds for athletics, technology access fees, auxiliary operating fees, sustainable campus projects, student government association fees, and international fees. Each mandatory fee is reviewed in light of inflation and operating needs, keeping in mind the need to keep student fees to a minimum. Auxiliary operations are required to be self-supporting, so revenue must cover any salary or operating increases. The Student Government Association reviews and approves all mandatory fees prior to submission to the Board of Trustees for final approval.

3) To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?

In the spring of each year, budget hearings are held with each academic dean and divisional vice president. These hearings allow each dean/vice president to present accomplishments from the past year and funding requests for the upcoming year, centered around student success initiatives. Each unit must explain in their funding request how existing resources have been reallocated, to the extent possible, to cover new student success initiatives. The guiding principle is to protect the core mission of academics and instructional activities.

Each department, college, and division was requested to document how a base budget reduction of 2% would affect the unit in 2018-19. Since the University's budget is mainly comprised of personnel costs, the resulting action would have been a significant reduction in force (RIF), affecting many initiatives put in place for student success over the past several years as well as many student services.

- 4) Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. What strategies have you implemented-or plan to implement-to reduce growths in these areas of expenditures?

Salaries	\$ 158,577,900	50.1%
Benefits	57,589,700	18.2%
Travel	4,870,600	1.5%
Operating	92,214,900	29.2%
Capital Outlay	2,998,300	0.9%
Total	<u>\$ 316,251,400</u>	<u>100.0%</u>

As shown above, the University's largest expenditure is in salaries and benefits, representing over 68% of the overall total budget. Divisional units are first requested to reallocate existing positions within the unit when requesting new positions. Academic units have this option as enrollments and demand shift from one academic program to another. Non-academic units must review services being provided and align those with the University's Quest for Student Success, justifying any need for new positions.

Budgets for travel, operating expenses and capital outlay have not been significantly increased in several years. University departments have been required to operate within existing budgets due to limited new revenues. This has been a need raised each year by departments that has gone unfunded. Since the University does not receive any specific funding from the State for the renewal and replacement of equipment, all of these replacements have to be funded from regular appropriations and/or tuition/fees.

Tennessee State University
Maintenance and Mandatory Fee Rationale
FY 2018-2019

- 1) What is the percent increase in the maintenance fee and the percent increase in the combined maintenance and mandatory fees for 2018-19? How much revenue do you anticipate to raise with these increases? Please specify the purposes for which these revenues will be used.

Tennessee State University's maintenance fee increase for academic year 2018-19 is 2.59%. Other mandatory fees will increase by 5.52%. The total overall proposed mandatory fee increase is 2.98%.

- a. The 2.59% increase in the maintenance fee is expected to generate additional revenue of approximately \$1,479,000. This dollar amount is based on an FTE of 15 credit hours. This fee will be \$274 per credit hour and will increase by an additional \$54 per credit hour starting at 13 hours. The additional revenue will be used to cover costs such as across-the-board salary increases, increases in scholarships, etc.
- b. The Student Government Association Fee will increase from \$4 to \$9, which represents a 125% increase. This increase is expected to generate additional revenue of approximately \$50,000. Additional revenue will be used to increase funds for programs and additional student government activities. The Student Government Association initiated this fee increase by requesting that the Administration allow the student body to vote on it.
- c. The Student Activity Fee is increasing from \$70 to \$75, and this represents a 7% increase. This increase is estimated to generate additional revenue of \$50,000. Funds will be used to expand student activities such as Lecture Series, student newspaper, and scholarships. The expansion of student activities presents a demand for a newly created Greek Life Coordinator position.
- d. The Athletics Fee will increase from \$160 to \$179 per student, which is a 12% increase. Additional revenue of \$325,000 is expected to be generated. The additional funds will be used to support underfunded scholarships, and will also cover the increase in cost of Title IX compliance. The other five locally-governed universities have athletic fees that range from \$225-\$248 per semester. This leaves Tennessee State with the lowest athletic fee, even after the 12% increase.

- 2) What specific factors did your staff and governing board consider when recommending and establishing the 2018-19 maintenance and mandatory fee levels?

The factors taken into consideration when recommending the maintenance and mandatory fee levels were as follows:

<u>FY 2018-19 ADDITIONAL EXPENDITURES</u>	
1.5% and 2.0% Salary Pool (includes benefits)	1,604,600
Faculty Promotions (includes benefits)	198,800
Faculty Market Adjustments (includes benefits)	473,600
Health Insurance Premiums	234,200
Estimated State Mandated Scholarships & Waivers	75,000
Other Cost Increases and Student Retention Efforts	<u>1,200,000</u>
Additional Need for FY 2019	3,786,200
 <u>FY 2018-19 ADDITIONAL STATE FUNDING</u>	
Outcomes Funding Formula	830,700
Funding for 2.5% Salary Pool	1,188,300
Health Insurance Funding	<u>234,200</u>
	2,253,200
 Unmet Need	 1,533,000
 Revenue from Maintenance Fee Increase	 1,479,000

- 3) To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?

For the FY 2018-19 Original Budget, we reduced expenditures by approximately \$5 million. We implemented across-the-board travel and operating budget cuts, and combined classes to reduce the need for adjunct professors. We are finalizing plans to possibly reduce positions.

- 4) Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. What strategies have you implemented – or plan to implement – to reduce growths in these areas of expenditures?

Tennessee State University's major expenditures stem from combined salaries, plus benefits. To avoid growth in other areas, we intend to reduce all operating budgets by 10%, effective July 1. We intend to consolidate some divisions and departments in order to merge job duties to reduce costs. Part of this plan may require the elimination of approximately 60 positions. There are a few budgets that are excluded from these budget reductions. These include Specialized Academic Fees, all budgets funded by the Student Activity Fee, Grounds, Custodial, and Utility budgets. The University's FY 2018-19 expenditures are projected to be as follows:

Salaries - Administrative	\$ 6,413,995	4.9%
Salaries - Academic	32,826,488	24.9%
Salaries - Supporting	11,082,879	8.4%
Salaries - Students	-	0.0%
Salaries - Professional	19,895,114	15.1%
Total Salaries	<u>70,218,476</u>	<u>53.3%</u>
Employee Benefits	24,955,132	18.9%
Total Salaries and Benefits	<u>95,173,608</u>	<u>72.2%</u>
Travel	2,162,749	1.5%
Operating Expense	33,636,749	25.5%
Capital Outlay	255,990	0.2%
Department Revenues	(700,000)	-0.5%
E&G Transfers	1,440,900	1.1%
Grand Total	<u>\$ 131,969,996</u>	<u>100.0%</u>

TTU's responses to THEC regarding the questions for the July 26th Commission Meeting

- 1) For each institution, what is the percent increase in the maintenance fee and the percent increase in the combined maintenance and mandatory fees for 2018-19? How much revenue do you anticipate to raise with these increases? Please specify the purposes for which these revenues will be used.

Maintenance Fee Increase: 2.66%

Revenue Impact: \$1,688,786

Purpose: To accommodate increases in both fixed and variable costs related to instruction and support.

Mandatory Fee Increase: 2.14%

Revenue Impact: \$268,000

Purpose: To continue funding for student mental health services previously supported by grant resources.

Combined Maintenance and Mandatory Fees Increase: 2.59%

Revenue Impact: \$1,956,786

Purposes stated above.

- 2) What specific factors did your staff and governing board consider when recommending and establishing the 2018-19 maintenance and mandatory fee levels?

Please see **Attachment A** detailing available resources and university needs.

- 3) To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?

Please see **Attachment A** detailing available resources and university needs.

- 4) Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. What strategies have you implemented – or plan to implement – to reduce growths in these areas of expenditures?

TTU Cost Drivers:		Proposed Budget FY18-19	Percent
	Unrestricted Education & General Expenditures:		
	Professional Salaries	67,216,100	43.66%
	Other Salaries	12,011,300	7.80%
	Employee Benefits	31,704,600	20.59%
	Travel	1,911,700	1.24%
	Operating Expense	40,764,800	26.48%
	Equipment	338,500	0.22%
TOTAL TTU COST DRIVERS		\$ 153,947,000	100.00%

TTU faculty and staff are working on the following models and systems designed to help inform true costs of programs, resource reallocation opportunities, and revenue forecasting combined with enrollment predictions:

- TTU Budget Model – university-wide budget model using national data to set target margins for academic units.
- Cost of Education Model – financial statement analysis broken down to the individual student and/or course.
- Predictive Analytics Model – revenue predictive model based on historical student data.
- 5 Year Budget Plan Committee – President and Board of Trustees appointed committee working on a five year budget and forecasting model encompassing all the models mentioned above.

Attachment A:

TTU new resources and uses 2018-2019	
	Amount
Cost of 2.5% salary improvements with fringe benefits	\$ 2,216,354
Dedicate funds to re-establish operating fund balance	\$ 2,000,000
New academic program expenditures & start up costs	\$ 402,000
Recurring expense increases included in Proposed Budget	\$ 717,991
Recurring funding requests remaining to be funded	\$ 870,437
FY2018-19 Budget Need	\$ 6,206,782
Governor's budget dedicated to 2.5% salary improvements	\$ 1,281,500
Governor's budget dedicated to formula outcomes	\$ 1,327,400
Outcomes formula adjustment	\$ 463,400
* <i>Carnegie classification recognition</i>	\$ 700,000
FY2018-19 Funds Available due to anticipated increases in state appropriations	\$ 3,772,300
Revenue reduction due to early enrollment indicators	\$ (2,361,359)
FY2018-19 New Resources	\$ 1,410,941
Unmet Need	\$ (4,795,841)
Maintenance Fee Increase Needed	6.43%
Maintenance Fee Increase Recommended	2.66%
Revenue generated per 2.66% maintenance fee increase	\$ 1,982,700
Remaining unmet need after maintenance increase	\$ (2,813,141)
Short-term plan to address remaining unmet need:	
Continue to provide required 2% fund balance from one-time resources	\$ 2,000,000
Reduce cost increases for other than salaries and fringe benefits	\$ 813,141
	\$ 2,813,141
Long-term plan to address budget shortfall:	
Right size budget to reflect current enrollments	
Grow enrollments	

University of Memphis
2018-2019 Maintenance and Mandatory Fee Rationale for THEC Commissioners

1. For each institution, what is the percent increase in the maintenance fee and the percent increase in the combined maintenance and mandatory fees for 2018-2019?

The University of Memphis is not increasing maintenance or mandatory fees for 2018-2019. Our Board of Trustees approved our AY 2018-2019 Operating Budget which included a 0% increase in maintenance and mandatory fees.

How much revenue do you anticipate to raise with these increase?

Because we decided to hold tuition and mandatory fees flat, no incremental revenue increase is expected. However, our projections reflect an increase in enrollment which may result in some revenue increases from Tuition and Fees.

Please specify the purposes for which these revenues will be used.

Not applicable as no incremental revenue increases will be realized from a rate increase.

2. What specific factors did your staff and governing board consider when recommending and establishing the 2018-2019 maintenance and mandatory fee levels?

As part of our annual budgeting process, subsequent to the Governor's proposed budget release in late January, the University held budget hearings that engaged broad participation amongst academic and administrative departments in order to identify critical needs and investment opportunities to further the University's mission. Each request was prioritized based on impact to the strategic plan, safety initiatives, compliance requirements, or infrastructure needs.

The following critical needs and unavoidable cost increases were identified through the budget process:

- **UofM's share of 2.5% salary increase**
- **Raising minimum salary for lowest paid employees**
- **Fixed cost increases**
- **Faculty promotions and start-up costs**
- **Scholarship increases**
- **Compliance and safety initiatives**
- **Student support and success services**
- **Technology, facility and equipment investments**

While there is recognition of these important needs, with the national upward trend in higher education tuition and fees, the biggest impediment to student recruitment, retention and

graduation is Cost. Affordability is of particular concern for the University of Memphis student given that a majority of our students are Pell eligible and come from challenging socio economic backgrounds. Given the above, an overriding consideration while building our AY 2018-2019 budget was the University's commitment to hold tuition flat. UofM strongly believes that the 0% tuition increase will contribute to enhancing access for students, encourage completion and demonstrate a commitment to student affordability and retention.

While no incremental revenue increase will be realized from a tuition and fee increase, any new revenue generated from enrollment growth coupled with a strategic reallocation of existing resources will be targeted to address the following priorities/strategies:

- Ensure affordability, accessibility, and continue to keep student debt levels low compared to national averages.
 - Continue to improve retention/graduation rates and reduce time-to-graduation through enhancements to advising, tutoring, counseling, career planning, and other services critical to student progressions/success.
 - Incentivize exceptional performance through merit increases, improve faculty and staff recruitment/retention in areas where salaries are below market and inflationary adjustments.
 - Provide resources for student needs in high-demand programs, recruit exceptional research faculty to pursue external funding opportunities, and support faculty career progression.
 - Provide the appropriate mix of facilities, equipment, and technology needed to optimize faculty and staff effectiveness/efficiency and support student progression/success.
3. To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?

Over the past several years, the University embarked on various initiatives to improve processes, reduce administrative burden, and control costs, including:

- University-wide reductions
- Process Improvements
- Organizational Restructuring
- Shared services
- Implementing new technology & leveraging existing technology
- Line by line budget reviews
- New budget model
- Strategic reinvestments

These efforts have allowed the UofM to keep tuition flat for two (2) of the past five (5) years, including the upcoming 2018-2019 academic year.

4. Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. What strategies have you implemented – or plan to implement – to reduce growths in these areas of expenditures?

FY18 – Major Areas of Expenditures

Salaries	\$ 173,265,500	49%
Benefits	73,183,000	21%
Travel	7,590,800	2%
Operating	97,211,300	28%
Capital Outlay	983,600	0%

Our expenditures will likely continue to increase as we strive to reach a Carnegie I classification and stay competitive in the market with our peers. To mitigate this growth we are focusing on additional process improvement initiatives with the goal of maximizing efficiencies, reducing costs, and generating additional revenues. We are also seeking revenue growth and maximization opportunities through enrollment, strategic and innovative partnerships and an increase in gifts funds.

Tennessee Board of Regents
2018-19 Maintenance and Mandatory Fee Rationale

1. **For each institution, what is the percent increase in the maintenance fee and the percent increase in the combined maintenance and mandatory fees for 2018-19?**

Community Colleges:

2.68% Maintenance fees

2.44% to 2.62% (average 2.50%) Combined maintenance and mandatory fees

TCATS:

2.99% Maintenance fees

2.81% Combined maintenance and mandatory fees

How much revenue do you anticipate to raise with these increases? Please specify the purposes for which these revenues will be used.

Community Colleges:

\$7,136,900 Maintenance fees

\$ 18,000 Mandatory fees

Community College revenues will be used for the following purposes:

Approximately \$3,700,600 will be used to fund the institutional portion of the 2.5% state salary increase.

Six of the thirteen community colleges indicated that approximately \$933,100 would be used for new positions and/or payments on the institution's salary plan and faculty promotions. New positions include such things as faculty positions, admin/professional positions, security officers, and academic lab positions.

Seven of the thirteen community colleges indicated that portions of the fee increase would be used to fund increases in operating costs of approximately \$754,900. This includes increases in utilities, staff development, travel, and academic program supplies.

Eight of the thirteen community colleges indicated that portions of the fee increase would be used to expand existing or create new programs at a cost of approximately \$522,300. These new programs are both academic and non-academic in nature and include such things as paramedic summer courses, student counseling services, college success programs, programs to help at-risk youth, and online course development programs.

Two community colleges indicated that approximately \$280,000 would be used to fund additional adjuncts and/or increase adjunct pay rates.

Five community colleges indicated that \$274,600 would be spent on new software and/or software maintenance costs.

The remaining funding will be used on various items including increased operating expenses related to enrollment growth, equipment, building maintenance, events, and rebuilding reserves.

Tennessee Colleges of Applied Technology (TCATs):

\$990,000 Maintenance fees
\$ 0 Mandatory fees

TCAT revenues will be used for the following purposes:

Approximately \$528,500 will be used to fund the institutional portion of the 2.5% state salary increase.

Fourteen of the 27 TCATs indicated that approximately \$232,200 would be used to fund operating expense increases. This includes increases in classroom consumables, utilities, professional development for faculty and staff, small tools, and internet costs.

Three of the 27 TCATs indicated that a portion of the fee increase would be used to fund increases in instructional equipment at a cost of \$66,800. This includes purchasing instructional equipment for new programs and replacing outdated equipment for existing programs.

Four TCATs indicated a portion of the fee increase would be used to partially fund positions at a cost of \$48,400. This includes faculty positions, an IT specialist, and a financial support position.

The remaining funding will be used on various items including increased software maintenance costs, adjuncts, and adding new or expanding existing programs.

2. What specific factors did your staff and governing board consider when recommending and establishing the 2018-19 maintenance and mandatory fee levels?

The TBR is somewhat unique in that we establish tuition and mandatory fees for 40 institutions. The Community College sector has 13 institutions while the Tennessee College of Applied Technology (TCAT) sector has 27 institutions.

One factor that we consider is, given our mission to operate as a system, we set one common tuition rate for each of the sectors.

To that end, when setting tuition rates and increases we consider cost factors that may be common to all our institutions. The two factors that we considered this year were:

- Institutional portion of the 2.5% state salary increase
- Inflation factors.

3. To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?

In recent years we have used three primary factors when determining the tuition rate increase:

- Amount needed to fund the institutional portion of the state salary increase
- Amount needed for the inflation factor
- Amount needed to fund special common initiatives.

In order to mitigate the effect of the increase on students, no special common initiatives were considered/requested this year.

Additionally, the factors used for the inflation calculation were reduced. For the past several years, an inflation amount was calculated that would equate to 80% of the Higher Education Price Index (HEPI). This year, an inflation amount was calculated that equated to 62% of the HEPI. This effectively required the institutions to fund/absorb the remaining inflationary costs through other budget reductions and efficiencies.

There also were some course fees that were requested but not brought forward by staff for consideration.

4. Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. What strategies have you implemented or plan to implement to reduce growth in these areas of expenditures?

Sector	Salaries	Employee Benefits	Travel	Operating Expenses	Equipment	Education & General	Transfers	Auxiliaries	Total Unrestricted
Total Community Colleges									
Dollar	315,874,700	120,350,700	6,380,600	127,787,800	3,600,100	573,993,900	8,310,400	2,637,200	584,941,500
Percent	55.03%	20.97%	1.11%	22.26%	0.63%	100.00%			
Total TCATs									
Dollar	56,370,900	25,263,800	1,336,800	24,074,500	307,500	107,353,500	2,008,600	4,378,200	113,740,300
Percent	52.51%	23.53%	1.25%	22.43%	0.29%	100.00%			

Examples/excerpts of strategies are provided below.

Many of the examples relate to:

- Reallocation of job duties/positions to avoid creating new positions and/or deleting existing positions
- Refilling open positions at a lower salary
- Review and closure of low enrollment programs
- Implementation of energy efficiency measures
- Process/productivity improvement

The following examples/excerpts are from our **community colleges**

Salaries and Employee Benefits

- Several positions were deleted and/or reclassified during FY 2018 to lower paying positions. These included reclassification of a Vice President to an Executive Director and two Assistant Vice Presidents to Executive Director and Director.
- Class sizes are reviewed for optimization; vacant positions are reviewed for need and or reallocation.
- In an effort to reduce salaries as employees terminate their employment, an analysis is completed by the office to determine if duties can be reassigned or if the unfilled position needs to be advertised. In the case of both the Business Office and Admissions and Records, both offices reassigned duties and did not replace an employee.
- Academic (faculty) program director position was changed from a fiscal year to an academic year position to provide savings for summer session.
- Current strategies implemented to reduce costs in salaries and benefits include:
 - Not adding new positions if enrollment growth does not justify the need
 - Reviewing current positions to determine justification as a need for the College
 - Evaluating vacant position prior to approving to refill justification for position
 - Eliminating positions that no longer had relevance due to Shared Services initiative with TCATs
- As employees retire and resign, the College has and will continue to determine if the position duties can be absorbed by existing personnel and/or if the position needs to be reallocated to address immediate needs.
- Departments are focusing on cross training employees to assist with coverage of needs and to reduce personnel costs.
- Researching and submitting grant proposals that will assist with funding positions needed based on College's enrollment growth.
- The College has formed partnerships with local agencies to split personnel costs and will continue to pursue these opportunities.
- Fundraising to assist with faculty and staff personnel costs.
- Adding additional staffing to support the student's success in completion, which in turn will help with an increase to revenue and providing a better customer service experience for students.

- Will continue to reallocate positions from one division to another depending on the need within.
- Re-purposing position due to automations in some processes
- The College has intentionally limited the number of permanent faculty positions until such time that the enrollment has stabilized. Until then, the College is actively recruiting talented adjunct faculty to fill the additional demand for instruction.
- The College completed a Voluntary Buyout Program to reduce growth in the salaries and benefits category by converting any refilled positions vacated because of the Buyout to the TCRS Hybrid plan as well as by reducing starting salaries for these refilled positions. Additionally, the duties for the remaining unfilled positions from the Buyout plan as well as any other positions that become vacant are reviewed to determine relevance and current need of the institution.
- Low producing programs are reviewed for deletion which can save salary and other costs.
- An analysis of educational assistance for spouse and dependents of TBR employees was conducted in FY18 to determine mandatory and non-mandatory educational assistance expenditures. The analysis was completed to quantify existing expenditures as a potential source of savings if needed for future budgeting purposes.

Travel

- Travel is the one expenditure that has continued to increase mainly due to the cost of hotel expenditures. Travel related to training is being challenged to first review opportunities for online training versus training that requires overnight travel.
- New initiatives as Achieving the Dream (ATD) network has increased travel expenditures. But, the retention of students should be the long-term benefit of the program.
- Analysis of local travel should provide cost savings.
 - College is requesting staff that attend professional development workshops/seminars to share the knowledge gained with applicable College personnel.
 - Strategic training opportunities will be sought such as bringing in a consultant to the College to reach a larger number of employees and looking for webinar opportunities.
 - Employees are encouraged to carpool when travel is necessary or to utilize the College motor fleet.

Operating

- Participation in state and system wide contracts to lower costs for goods and services
- Implementation of a plan to become a paperless environment. Students receive e bills, reimbursements and payroll are made via direct deposit, student records, HR and payroll documents, accounts payable documents are scanned and stored digitally resulting in lower printing and copying costs.
- Continue to replace existing lighting with LED fixtures to lower utility costs
- Two campus sites were sold that were no longer cost effective to operate resulting in lower utilities, maintenance and staffing expenditures

- Utility costs are reviewed monthly and used as a reminder to faculty and staff to constantly monitor utility usage. Energy saving lighting has been installed to assist with the reduction of utilities where possible. Energy management systems in all locations have provided additional and continued cost savings.
- Printing costs are being reviewed by IT to determine ways to decrease toner and paper expenses.
- Plan to replace the exterior lighting with LED lights over a period of years. To date, the College has replaced 15 to 20% of the interior lights. The LED lights are energy efficient and the intent is to produce utility cost savings.
- Control the heating and cooling through a building automation system on all campuses. This system allows for the temperature to moderate based on the time set by facility personnel.
- To conserve water usage, the College has installed low flow flush valves.
- Currently utilizing geothermal power on some campuses which is much more energy efficient; therefore, resulting in lower utility bills over the long run.
- New boiler will be installed that will reduce energy consumption that should produce utility cost savings.
- Both Facility Services and Information Technology have implemented an electronic work order system. Both have streamlined the requests and allow the work to be scheduled based on priority level.
- Fall 2019 – Offering financial checks to students through electronic transfer of funds (ETF).
- ETFs for travel reimbursements and automatic bank drafts for some vendors.
- Emphasizing procurement card activity instead of processing checks resulting in larger rebate check.
- Utilization of web time entry to increase efficiency for the approval process and reduction of paperwork.
- Investigating several software applications for routing of documents for approval, texting, tracking of student and workforce recruitments, and delivery of online meetings and instructional programs.
- Fundraising to assist with program costs including start-up cost, equipment, and supplies.
- Partnerships with service area agencies and/or industries where they provide space, utilities, custodial costs and then the College delivers classes in the provided spaces.
- Closed an off-campus campus site.
- Received grant funding through Empower TN for replacing 365 outdoor campus lighting fixtures with energy efficient LED fixtures and Hubbel wiSCAPE lighting controls. The lighting controls provide the College with the ability to maximize energy savings during certain hours, weekends and holidays. The project is estimated to generate \$31,035.00 annual energy savings and annual kilowatt hours (kWh) reduction of 337,334.
- Recently applied for funding of \$318,000.00 through EmPower TN for replacing 1,122 light fixtures with energy efficient LED fixtures and controls. This project will generate \$26,120.00 in annual energy savings and annual kWh reduction of 236,353.
- Received a \$9,900 PepsiCo Recycling Zero Impact grant for the purpose of replacing 33 conventional water faucets with touchless technology faucets in two buildings. This water conservation project will reduce water consumption by approximately 149,000 gallons annually and will impact approximately 40 faculty/staff and 2600 students.

- Partnering with TDEC State Facility Utility Management to implement the Utility Data Management System project at the College. This project will provide the College with the ability to monitor and control energy usage, and utility bill accounting, budgeting and a basis to pinpoint sustainability / cost saving projects.
- In upgrading to a new distance learning room technology, the repairs and maintenance on current equipment would be reduced while providing a better educational experience for the students
- Planning to check for a one-time contract service to review the telephone and communications invoices to see where there maybe errors in billings. This would cost the College one year in projected cost savings but nothing in addition after the first year.
- The College reduced its operating expense category by more than \$100,000 in FY19 to help control cost.
- The College instituted a formal process for review and approval of investment projects to ensure that major, new investments meet an overall return to ensure funds are invested in the best projects.
- To further drive efficiencies and productivity in the institution, the College continues to invest in technology such as Degree Works and Highland scanning.
- The College is investing in technology and statewide course offerings to expand distance education, which is effective and economical.
- The College's procurement is moving from a purchasing-based approach to a strategic sourcing approach with emphasis on cost containment.
- The College has fully embraced Achieving the Dream (ATD) as a comprehensive reform movement for student success and process improvement. Changes made under the ATD framework have reduced wait times, streamlined processes and improved student experiences.
- The College has launched a number of deferred maintenance initiatives that will address areas long neglected and reduce cost by operating more efficient systems (HVAC for example) and avoiding break downs that require major repairs.
- Ensure that capital maintenance projects have a strong energy efficiency component with them to reduce utility costs.
- Reviewing all software costs, license and maintenance to make sure we are being efficient in our use.

Equipment

- Considering changing means of distance learning presentation by implementing Zoom technology for classrooms with an estimated cost of \$10,000 as opposed to interactive television previously costing about \$60,000 per classroom.
- Information technology (IT) maintains a list of upgrades and updates needed as related to IT equipment to upgrade equipment on a rotational basis to attempt to prevent an unexpected large IT expenditure. Efforts have also been made over the past few years to extend the operational life of existing PCs for faculty and staff, including upgrades to solid-state drives and RAM, in lieu of a full desktop or laptop replacement. Hardware from computer labs that is being replaced with new equipment is rotated and reallocated to other areas of need to make further use of existing technology and avoid purchasing new. When possible, server platforms are also re-used and re-allocated to other uses in the datacenter to support infrastructure and new projects and initiatives.

The following examples/excerpts are from our **TCATs**.

Salaries and Benefits

- Eliminated the full-time Administrative Support/HR position and redistributed the duties among existing staff.
- Increase class sizes and utilize additional adjunct instructors in high growth programs
- Ensure that all programs maintain full enrollment to support faculty expenses
- Adjunct and part-time temporary contracts will be reviewed and adjusted quarterly
- Grant funding was used to hire a recruiter to focus on enrollment numbers which in turn supported much needed revenue.
- The TCAT has experienced several changes in our faculty and staff. The structure change has allowed us to hire employees at more entry level salary schedules as opposed to senior level salaries and longevity. We plan to further assist in controlling our financial need and budget by continuing to evaluate faculty and staff positions with possible adjunct contracts and supply of part-time employees.
- Retirement of Master Instructor to be refilled with Associate Instructor level position
- Retirement of Senior Instructor was refilled with Associate Instructor level position
- Retirement of Business Office Associate that will not be refilled
- Evaluating low performance and the decrease in program enrollments and closing those programs.
- TCAT-Paris and TCAT-McKenzie share talent resources (TCAT-President and TCAT-Financial Coordinator). This employee sharing results in major savings to both TCATs. Additionally, both TCATs have been able to realize major savings due to normal attrition (Retirement), Reduction-In-Force Plans and the utilization of temporary employment through the TBR/State of TN Kelly Services, Inc. contract. Other functions will be shared which should result in the elimination of another position.
- Having evaluated the programs and the ever-changing needs of local industry, we have closed one program, Administrative Office Technology, and redirected the instructor to Technology Foundations. The salary and benefits of this instructor are also split with another TCAT resulting in cost savings.
- Our Assistant Director, Coordinator of Student Services, and one Master Instructor are either resigning or retiring next fiscal year and they will be replaced with lower paid employees resulting in additional salary and benefit savings.
- The institution has replaced light switches with switches that are more energy efficient. These new switches have proven to show a cost savings of \$21,300.00 for the first five months of 2018 and will continue to show a significant decrease in utility expense for the institution.
- Strategies for reducing instructional cost include reducing unnecessary adjunct cost and inactivate low FTE programs. To reduce adjunct cost, we plan on implementing a minimum headcount level for hiring instructional support; this could potentially save \$25,000 per year.
- Leaving the Student Services Coordinator position unfilled until at least January 2019. At that point we will coordinate with another TCAT to hire one (1) person to be the Coordinator for both TCATs and share that expense. Estimated cost savings for the 18/19 fiscal year: \$40,000.

- Strategy is to implement a system to monitor program FTE and set goals for low performing programs. If the goals are not met over the predetermined length of time the program will be inactivated. This could potentially add \$50,000 in tuition revenue or eliminate a position saving \$75,000 per year.
- We were experiencing low enrollment and placement in one of our academic programs. Therefore, we made the decision to inactivate the program offering. The instructor was informed, and the position was subsequently terminated. This move resulted in a cost savings of approximately \$39,000.
- Over the last few years four positions became vacant and were not refilled. In a couple of instances, a contract for part-time services was used instead.
- Reorganize the Financial Aid Office resulting in a reduction of positions.
- A Master Teacher's position that became available in March 2018 has not be filled. Another vacant position will not be filled at the salary level as the individual that is retiring.

Travel:

- Utilize Webinars and Conference Calls when available to reduce travel expenses.
- Increase fundraising efforts to support SkillsUSA student travel.
- Limit employee travel when webinar and conference call options are available.
- Conference travel authorizations will be reduced.
- Travel requests will be monitored for necessity to TCAT operations and mission.
- The overall travel budget will be reduced by 5%. All non-BANNER and non-Shared Services travel must be pre-approved by the President. Estimated cost savings for the 18/19 fiscal year: \$3,000.
- Reductions in travel expenditures will be achieved by limiting the number of participants involved in the annual State and National Skills USA competitions which represents the bulk of how these funds are spent.

Operating Expenses:

- Utilize Energy Management Software to reduce costs associated with heating and cooling facilities when not occupied.
- Utilize procedures to reduce utility expenses.
- Capital Maintenance project to upgrade replace chiller/boiler is being completed which will reduce the utility costs for the TCAT.
- Custodial and maintenance expenses will be monitored to assure that costs are controlled, and savings recognized.
- We are researching an outsourcing agreement with JLL to reduce the Operation & Maintenance of Plant line item in our E&G budget category. I anticipate a 3% reduction in costs. Estimated cost savings for the 18/19 fiscal year: \$19,500.
- Cost savings will be realized thru energy savings due to the installation of energy efficient windows and doors.

- Eliminated a security services contract but replaced with extra services from the city. Saved \$75,000 annually.
- Through the shared services initiative it appears that some software and personnel cost can be eliminated through software license savings and contract services. This could save approximately \$75,000 per year.
- The TCAT has plans to contact TVA and request an energy efficiency audit be conducted.

Equipment:

- Will rely largely on grants and special allocations for equipment.
- Encourage donations to programs from business and industry partners.
- The only equipment purchases that will be made in 18/19 year will be Technology Access Fee (TAF) eligible purchases or from funds acquired from the TCAT Equipment grant.

2018-19 Maintenance and Mandatory Fee Rationale
University of Tennessee Responses to June 5, 2018 Memo Questions

- 1) For each institution, what is the percent increase in the maintenance fee and the percent increase in the combined maintenance fee and mandatory fees for 2018-19?

% Change in In-State Undergraduate Tuition & Fees		
Campus	Maintenance Fee	Maintenance Fee + Mandatory Fees
UT Chattanooga	0.0%	0.0%
UT Knoxville	0.0%	0.3%
UT Martin	3.0%	3.0%

How much revenue do you anticipate to raise with these increases?

Campus	Revenue Growth
UT Chattanooga	\$ (11,500)
UT Knoxville	1,465,800
UT Martin	2,915,352
UT Health Science Center	1,215,500
UT College of Veterinary Medicine	134,460
TOTAL	\$ 5,719,612

This includes revenue growth from all tuition and fee changes including in-state undergraduate tuition & fees, graduate student tuition & fees, out-of-state tuition, professional program tuition, course fees, lab fees, and other student fees. This is limited to the revenue growth projected to result from changes to tuition & fee levels; it does not include revenue growth projected due to other factors such as enrolment changes and budget adjustments to revenue projections made in previous years.

Please specify the purposes for which these revenues will be used.

Proposed Uses	Allocations
Faculty/staff salary adjustments, new positions, promotions, faculty start-ups	\$ 1,730,448
Scholarships, grants-in-aid, fee waivers, and other student financial aid	2,031,791
Instruction, student services, academic support	1,571,252
Facilities, equipment, campus infrastructure, and debt service	386,121
TOTAL	\$ 5,719,612

2) What specific factors did your staff and governing board consider when recommending and establishing the 2018-19 maintenance and mandatory fee levels?

Market factors such as student demand, enrollment patterns, and tuition & fee levels at similar institutions. Each program at each campus has its own unique market. Campuses conduct analyses of market factors for each program, such as student demand and prices at similar programs, to ensure that pricing is competitive and will support enrollment goals. Affordability and access are key factors in this analysis. Highlights from these analyses are presented and discussed at meetings of the Board of Trustee's Subcommittee on Tuition, Fees, and Financial Aid; Finance & Administration Committee; and the full Board.

Affordability and access. The published "sticker price" of tuition and fees does not tell the whole story when it comes to affordability and access. Affordability is determined by the net-cost to obtain a degree rather than the sticker price to attend classes for a single year. Staff at each campus must assess the interplay of price, financial aid, family income, and student debt. Information related to this is presented to the Board along with the annual tuition & fee proposal. (More information about this can be found in our response to question #3.)

THEC tuition and fee ranges. The binding tuition and fee increase ranges established by THEC is obviously a key factor in UT's decision making process. With the lone exception of the 3.0% increase this year at UT Martin, 2018-19 will be the fourth year in a row where UT's maintenance fee increases have been below the top end of the THEC range.

State funding changes. State funding is a critical element in the pricing decision. It is one of the two major sources of unrestricted educational and general (E&G) funding, which supports general campus operations. Once appropriations for the upcoming year are known, each campus considers how far this funding will go to fulfilling their financial needs and operational goals for the upcoming year. In most years campuses need additional revenues since THEC's funding recommendations are based on the assumption that a portion of each campus' financial requirements will be funded through tuition and fee revenues. This year UT Chattanooga and UT Knoxville have the ability to maintain current capacity and productivity with no maintenance fee increase. This is the result of unusual short-term factors that are not sustainable over the long run. UT Martin will need to increase tuition and fees to simply maintain current capacity and productivity.

Cost factors related to general campus operations. As stated above, the maintenance fee and state appropriations are the primary funding sources for general campus operations. Each year there are a number of major items that require additional revenues to maintain existing capacity and productivity: salary pools to provide market and merit adjustments to faculty and staff, general operating inflation, replacement and renewal of equipment and facilities, enhancements to campus safety and security, contract escalation clauses, upgrades to campus infrastructure and software systems, and adapting to changes in student demand and expectations. In addition to the revenue growth needed to maintain status quo, funds to enhance existing or introduce new programs and services are often needed to respond to

competitive pressures from competing institutions, improve retention and graduation rates, and ensure the life-long value of a UT degree. Since implementation of the new CCTA performance funding model, there are numerous examples of how campuses at UT, TBR, and the LGIs have improved student progression and success through targeted investments in areas such as expanded student advising, learning support, and eliminating bottleneck courses.

Program- and course-level cost factors related to each program at each campus. A detailed analysis of each proposed fee change is prepared by campus staff, reviewed by System Administration budget and finance staff, and presented to the Board of Trustees. These analyses include a description of the cost factors influencing the decision to make the fee change, the number of students impacted by the change, the new revenues expected to result from the change, and how the additional revenues will be used.

- 3) **To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?** Fortunately there is little to mitigate this year at UT Chattanooga and UT Knoxville where there are no maintenance fee increases and few increases to other fees. UT Martin is projecting revenue growth of \$2.9 million as a result of its tuition & fee increases, but is allocating an additional \$2.1 million to student financial aid (\$1.8 million from general campus funds and the rest from a blend of grants, gifts, and endowments). Even in a year with few tuition and fee increases, UT campuses are allocating additional funds of \$14.6 million to financial aid, far more than the \$5.7 million projected to result from the tuition and fee increases. The slide presentation that follows includes information on “net price” and student debt that is considered by the appropriate Board subcommittees and committees when they review the university’s annual tuition & fee proposal (see pages 18 through 21).

- 4) **Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget.** We report this information to THEC twice each year. A summary can be found on page 5.

What strategies have you implemented – or plan to implement – to reduce growth in these areas of expenditures? Developing and implementing strategies to minimize tuition & fee increases and maximize student financial aid has been President DiPietro’s top priority since February 2015. Each UT campus has developed and implemented dozens of actions that have created efficiencies, reallocated resources, and increased alternative revenue streams with the goal of keeping tuition and fees as low as possible. The result is four straight years of the lowest tuition and fee increases in the history of the UT System. We have to share the credit with THEC, the administration, and the General Assembly who have worked together to provide strong state funding growth during this time period. Ensuring affordability and access is a partnership between us and the state, and that partnership has worked extremely well over recent years.

ATTACHMENTS

The following items are attached to provide context to our responses:

- 1. Major sources and uses of funding (response to question #4) – Page 5**
- 2. June 11, 2018 presentation to the UT Board of Trustees Subcommittee on Tuition, Fees, and Financial Aid – Pages 6 through 21**
- 3. Tuition & Fee section of the University of Tennessee 2018-19 Proposed Budget Document – Pages 22 through 46**
- 4. UT Policy on Approval of Student Fees – Pages 47 through 53**

The University of Tennessee

FY 2018-19 Current Operating Budget

Revenues by Funding Source and Fund Group	Unrestricted E&G	Restricted E&G	Auxiliary Operations	TOTAL	% of Unrest. E&G	% of Total
Tuition & Fees	711,215,155			711,215,155	48%	29%
State Appropriations	595,792,552	16,111,441		611,903,993	40%	25%
Grants & Contracts	43,237,280	597,381,250		640,618,530	3%	26%
Sales & Services	63,329,502		264,639,683	327,969,185	4%	14%
Other Revenues	57,591,636	68,190,604		125,782,240	4%	5%
Total Current Operating Revenues	1,471,166,125	681,683,295	264,639,683	2,417,489,103	100%	100%

Expenditures & Transfers by Functional Area and Natural Classifications	Salaries	Staff Benefits	Operating & Equipment	TOTAL	% of Unrest. E&G	% of Total
Instruction	339,190,484	124,812,703	106,655,270	570,658,457	39%	24%
Research	65,420,190	11,925,286	31,311,522	108,656,998	7%	4%
Public Service	43,078,312	16,224,906	27,202,892	86,506,110	6%	4%
Academic Support	93,239,809	29,844,580	46,832,999	169,917,388	12%	7%
Student Services	50,354,013	17,950,617	23,603,193	91,907,823	6%	4%
Institutional Support	89,247,367	30,526,869	43,643,633	163,417,869	11%	7%
Op/Maint Physical Plant	50,835,370	21,617,183	76,533,741	148,986,294	10%	6%
Scholarships/Fellowships	43,379	31,866	122,634,411	122,709,656	8%	5%
Subtotal: Unrestricted E&G Expenditures	731,408,924	252,934,010	478,417,661	1,462,760,595	100%	60%
Auxiliary Operations	61,010,890	15,751,987	121,667,384	198,430,261		8%
Unrestricted Current Fund Expenditures	792,419,814	268,685,997	600,085,045	1,661,190,856		69%
Mandatory Transfers (debt service)			592,146,91	59,214,691		2%
Non-Mandatory Transfers			15,457,162	15,457,162		1%
Unrestricted Current Fund Exp. & Transfers	792,419,814	268,685,997	674,756,898	1,735,862,709		72%
Estimated Restricted Current Fund Exp.	273,070,815	64,964,009	347,246,450	685,281,274		28%
Total Current Operating Exp. & Transfers	1,065,490,629	333,650,006	1,022,003,348	2,421,143,983		100%

Expenditures & Transfers by Campus/Institute	Unrestricted E&G	Unrestricted Auxiliary Funds	Restricted Current Funds	TOTAL	% of Unrest. E&G	% of Total
Knoxville	715,876,526	232,462,988	260,287,924	1,208,627,438	49%	50%
Chattanooga	174,154,888	18,796,704	54,215,078	247,166,670	12%	10%
Martin	101,534,092	10,818,526	33,972,184	146,324,802	7%	6%
Health Science Center	285,292,632	2,281,465	281,777,526	569,351,623	19%	24%
Institute of Agriculture	148,490,069		47,247,550	195,737,619	10%	8%
Institute for Public Service	21,837,565		5,931,012	27,768,577	1%	1%
System Administration	24,317,254		1,850,000	26,167,254	2%	1%
Total Current Operating Exp. & Transfers	1,471,503,026	264,359,683	685,281,274	2,421,143,983	100%	100%

Proposed Tuition & Fees FY 2018-19

June 11, 2018



- Lowest tuition & fee increases since 1984
 - *Lowest 4-year period in the history of the UT System*
- No Increase for In-State Undergraduate Tuition at UTC and UTK. UTM up 3.0%.
- No increase in out-of-state tuition
- Few increases in other fees

Projected Growth in Tuition & Fee Revenues

“Other Factors” include enrollment changes and adjustments to past revenue projections.

Campus/Unit	Due to Fee Changes	Due to Other Factors	Total
Chattanooga	\$ (11,500)	\$ 1,129,341	\$ 1,117,841
Knoxville/UTSI	1,465,800	8,841,892	10,307,692
Martin	2,915,352	147,809	3,063,161
Health Science Center	1,215,500	223,126	1,438,626
Veterinary Medicine	134,460	94,438	228,898
TOTAL	\$ 5,719,612	\$ 10,436,606	\$ 16,156,218

Proposed Uses of Additional Revenues

"Other Factors" include enrollment changes and adjustments to past revenue projections.

Proposed Uses	Due to Fee Changes	Due to Other Factors	Total
Faculty/Staff Salary Adjustments, Positions, Promotions, Start-Ups	\$1,730,448	\$1,719,918	\$3,450,366
Scholarships, Grant-in-Aid, Fee Waivers	2,031,791	1,464,646	3,496,437
Instruction, Student Services, Academic Support	1,571,252	7,172,615	8,743,867
Facilities, Equipment, & Debt Service	386,121	79,427	465,548
TOTAL	\$5,719,612	\$10,436,606	\$16,156,218

Proposed Tuition & Mandatory Fee Levels

Chattanooga	In-State	%-change	Out-of-State (regional discount)	%-change	Out-of-State	%-change
Undergraduate Tuition	\$6,888	0.0%	\$10,918	0.0%	\$23,006	0.0%
Undergraduate Tuition & Fees	\$8,664	0.0%	\$12,694	0.0%	\$24,782	0.0%
Graduate Tuition	\$8,244	0.0%	\$12,276	0.0%	\$16,308	-33.1%
Graduate Tuition & Fees	\$10,020	0.0%	\$14,052	0.0%	\$18,084	-30.8%

Proposed Tuition & Mandatory Fee Levels

Knoxville	In-State	%-change	Out-of-State	%-change
Undergraduate Tuition	\$11,110	0.0%	\$29,300	0.0%
Undergraduate Tuition & Fees	\$13,006	0.3%	\$31,426	0.1%
Graduate Tuition	\$11,244	0.0%	\$29,432	0.0%
Graduate Tuition & Fees	\$13,120	0.3%	\$31,538	0.1%
College of Law Tuition	\$16,368	0.0%	\$34,812	0.0%
College of Law Tuition & Fees	\$19,674	0.2%	\$38,348	0.1%

Proposed Tuition & Mandatory Fee Levels

Martin	In-State	%-change	Out-of-State Domestic	%-change	Inter-national	%-change
UG Tuition (90 hrs or more)	\$7,416	3.0%	\$13,456	3.8%	\$21,360	1.0%
UG Tuition/Fees (90 hrs or more)	\$8,876	3.0%	\$14,916	3.7%	\$22,820	1.1%
UG Tuition (Soar-in-Four)	\$8,052	3.0%	\$14,092	3.8%	\$21,996	1.1%
UG Tuition/Fees (Soar-in-Four)	\$9,512	3.0%	\$15,552	3.7%	\$23,456	1.2%
Graduate Tuition	\$8,918	3.0%	\$14,958	3.7%	\$22,862	1.2%
Graduate Tuition/Fees	\$10,364	3.0%	\$16,404	3.7%	\$24,308	1.3%

Proposed Tuition & Mandatory Fee Levels

Health Science Center (approved at the March BOT meeting; selected programs only)	In-State	%-change	Out-of-State	%-change
Medicine	\$34,366	2.0%	\$67,458	1.0%
Physician Assistant	\$22,724	2.0%	\$38,762	1.2%
Dentistry General DDS	\$30,188	2.0%	\$68,948	0.9%
Pharmacy	\$22,170	1.0%	\$42,180	0.5%
MS Pharmacology	\$16,512	0.0%	\$24,940	0.0%
Entry-level Adv Aud/Speech Path	\$18,620	2.0%	\$43,196	0.9%
Nursing BS	\$12,705	0.0%	\$36,930	0.0%
Nursing Graduate	\$18,498	1.0%	\$43,338	0.4%

Proposed Tuition & Mandatory Fee Levels

UTSI & Veterinary Medicine	In-State	%-change	Out-of-State	%-change
UTSI Graduate Tuition	\$11,244	0.0%	\$29,432	0.0%
UTSI Graduate Tuition & Fees	\$11,424	0.0%	\$29,612	0.0%
Veterinary Medicine Tuition	\$27,504	2.0%	\$54,540	0.0%
Vet Medicine Tuition & Fees	\$29,310	2.0%	\$56,576	0.1%

Other Student Fees

UTM & HSC	Current Rate	New Rate	Change	New Revenue
Martin				
Student Programs & Services Fee (SPSF) – Non-Athletic Student Programs	\$156	\$188	\$32	\$153,600
SPSF Green Fee	NEW	\$10	\$10	\$48,000
Health Science Center				
SPSF Counseling Fee (approved in March)	\$180	\$280	\$100	\$320,000

Other Student Fees

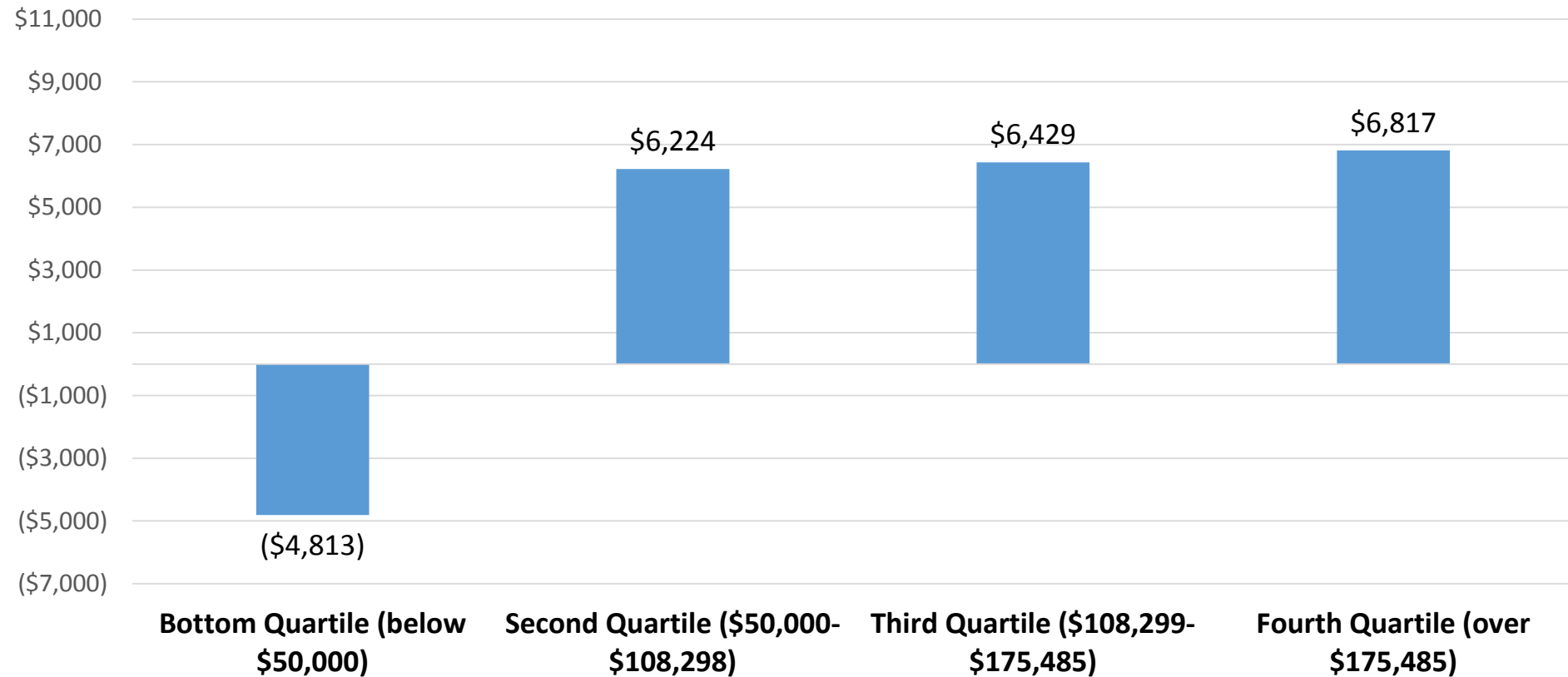
Chattanooga	Current Rate	New Rate	Change	New Revenue
College of Business Graduate Program Fee	NEW	\$900	\$900	\$275,000
Online MBA Program	\$1,276	0	(\$1,276)	(\$400,000)
Mosaic Program Fee	\$5,000	\$7,000	\$2,000	\$106,000
Mosaic Program Summer Fee	NEW	\$1,500	\$1,500	\$7,500

Other Student Fees

Knoxville	Current Rate	New Rate	Change	New Revenue
SPSF Student Program Fee	\$270	\$292	\$22	\$550,000
SPSF Capital Fee	\$398	\$412	\$14	\$350,000
MS Ind./Sys. Eng. Cohort Program Fee	\$16,000	\$18,000	\$2,000	\$30,000
MS Ind./Sys. Eng. Health Systems Prog. Fee	NEW	\$20,000	\$20,000	\$300,000
Doctor of Social Work Program Fee	NEW	\$600	\$600	\$72,000
MS in Social Work Program Fee	NEW	\$450	\$450	\$163,800
MS Ind./Sys. Eng. Online Program Fee <i>(effective fall 2019)</i>	NEW	\$22,950	\$22,950	\$803,250

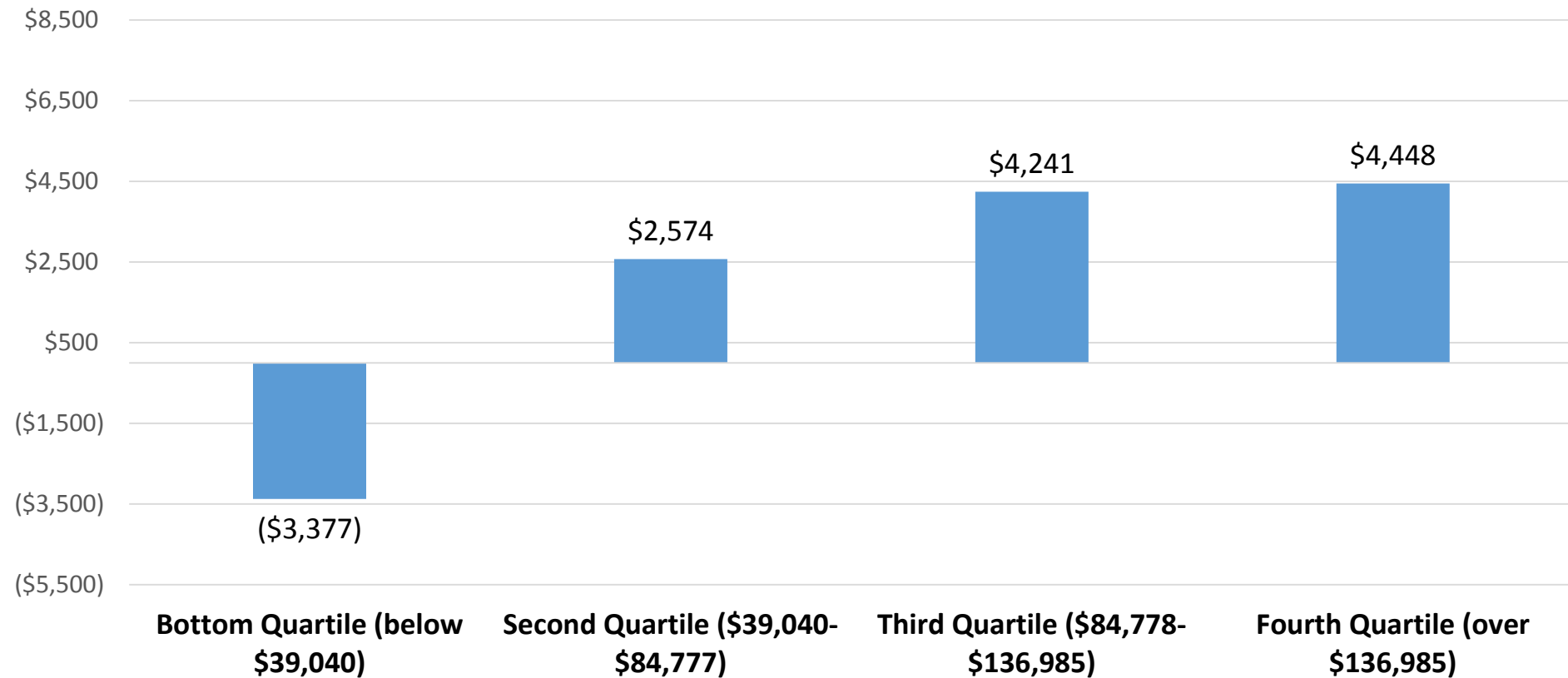
UTK Average Net Price of Tuition

Fall 2017 Dependent, In-State Freshmen by Family Income



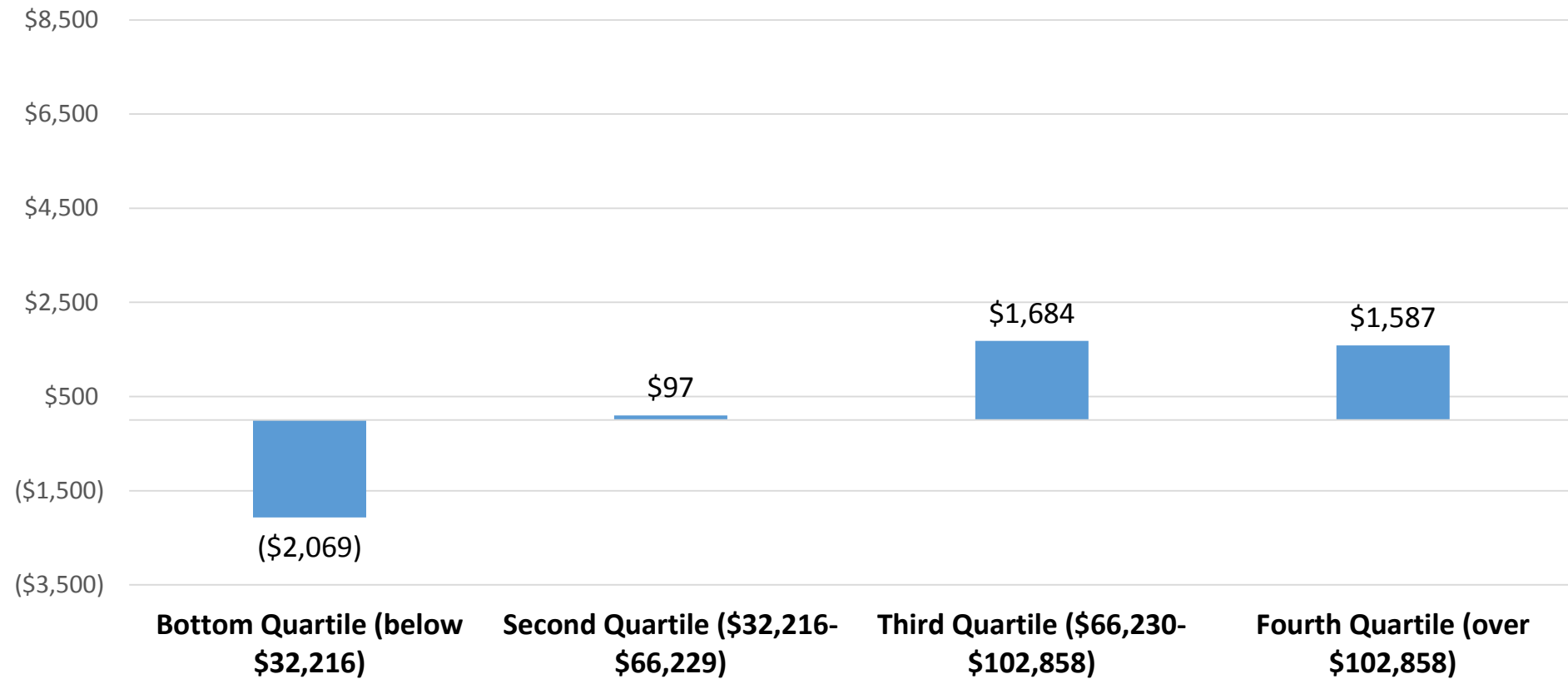
UTC Average Net Price of Tuition

Fall 2017 Dependent, In-State Freshmen by Family Income



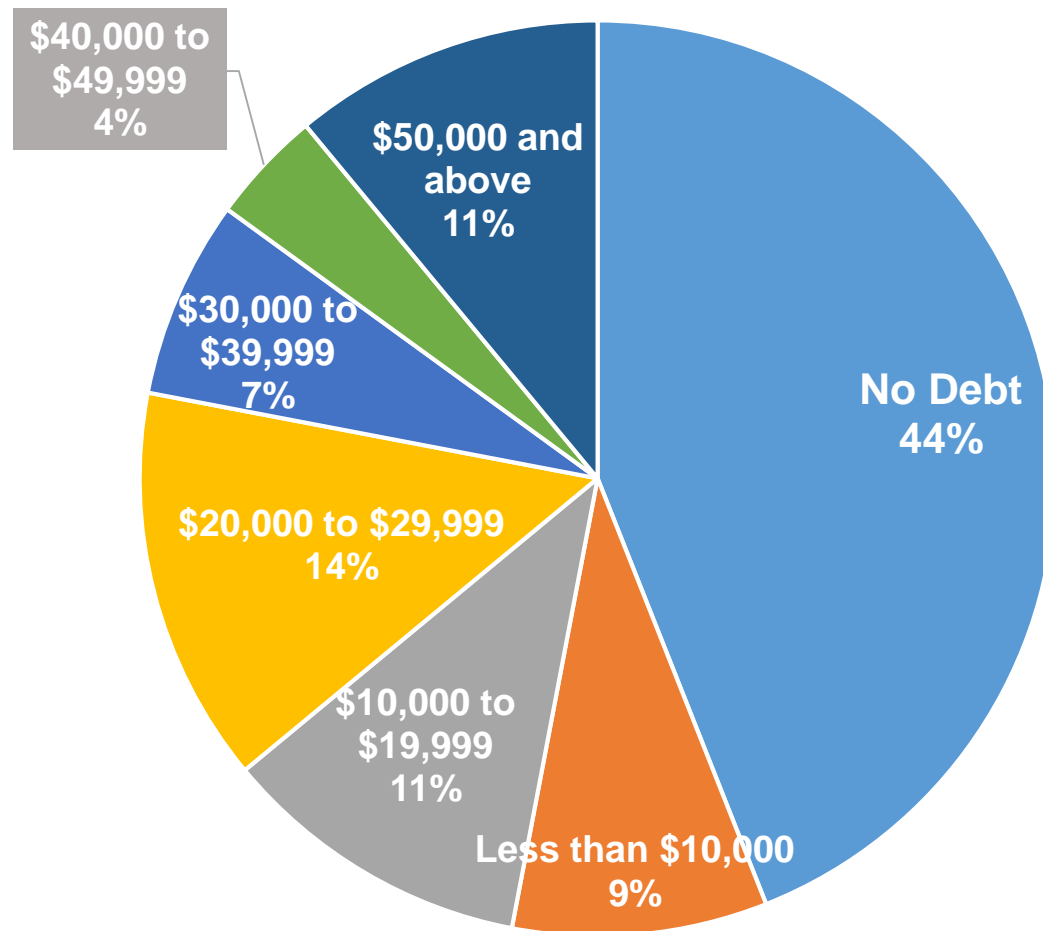
UTM Average Net Price of Tuition

Fall 2017 Dependent, In-State Freshmen by Family Income



Student Debt

2016 Bachelor Degree
Recipients



THE UNIVERSITY OF TENNESSEE FY 2018-19 PROPOSED TUITION AND FEES

This section presents anticipated tuition¹ and fee revenue growth that will result from the proposed fee adjustments recommended to the Board of Trustees for FY 2018-19. It is provided to inform Board members in their consideration of the university's fee proposal. It includes revenue projections for specific fee changes at each campus, a discussion on how the additional revenues are planned to be used, and detailed schedules of tuition and fee levels proposed for each campus. This section does not address revenue changes related to enrollment changes and other factors that will occur if tuition and fee levels remain unchanged.

Sections	Page
Recommendations	C-2
Proposed Uses of New Fee Revenues	C-5
Tuition and Fee Schedules:	
Chattanooga	C-10
Knoxville	C-12
Martin	C-17
Veterinary Medicine	C-20
Health Science Center	C-21
Student Program and Service Fees (SPSF)	C-24
Fees for Disabled and Elderly Persons	C-25

¹For the purposes of this document, tuition refers to both maintenance fees and out-of-state tuition.

Recommendations

The tuition and fee changes proposed for FY 2018-19 follow a recent trend of unusually low increases. In-state undergraduate tuition will not increase at UT Chattanooga and UT Knoxville, and will be within the Tennessee Higher Education Commission (THEC) range of 3% at UT Martin. This is an unprecedented fourth consecutive year of increases of 3% or less.

The tuition and fee changes recommended for Board approval are projected to generate additional unrestricted educational and general (E&G) revenues of \$5,719,612. The increase from tuition is \$3,743,712, while the remaining increase of \$1,975,900 comes from other student fees. (This does not include revenues of \$2,439,439 expected to result from increases to auxiliary rates for housing, dining, parking, and other miscellaneous fees approved by the chancellors.)

Nearly a third of these revenues will be allocated to student financial aid, leaving almost \$4.5 million to fund E&G operations. Over half of these funds will be used for new faculty and staff positions, promotions, and faculty start-up expenditures.

Campus/Institute	New Revenue
Knoxville	\$1,465,800
Health Science Center	1,215,500
Chattanooga	-11,500
Martin	2,915,352
Veterinary Medicine	134,460
TOTAL	\$ 5,719,612
Allocations	
Faculty & Staff Positions, Promotions, Start-up	1,730,588
Scholarships, Grant-in-Aid, and Fee Waivers	2,031,791
Student Services and Instructional Support and Academic Support	1,571,252
Facilities, Equipment, and Debt Service	386,121
TOTAL	\$ 5,719,612

MAINTENANCE FEES AND TUITION
Recommended Percent Change

<i>ACADEMIC UNITS</i>	<i>Maintenance Fee*</i>	<i>Out-of-State Tuition</i>	<i>New Revenues</i>
Chattanooga – In-State Undergraduate and Graduate	0.0 %	0.0%	
Chattanooga – Out-of-State Graduate	0.0 %	-50.0%	
Knoxville – Undergraduate	0.0 %	0.0%	
Knoxville – Graduate	0.0 %	0.0%	
Knoxville - College of Law	0.0%	0.0 %	
Martin – Undergraduate (Less than 90 Credit Hours – ‘Soar in Four’ Model)	3.0%	4.9%	2,713,752
Martin – Undergraduate (90 or More Credit Hours)	3.0%	4.9%	
Martin – Graduate	3.0%	4.9%	
Martin – Out-Of-State Tuition (International)	3.0%	0.0%	
Space Institute	0.0%	0.0%	
Health Science Center:			
College of Medicine – MD	2.0 %	0.0 %	403,500
College of Medicine – PA	2.0%	0.0%	25,400
College of Health Professions – Graduate	2.0%	0.00%	96,200
College of Dentistry – Graduate	2.0%	0.00%	202,200
College of Pharmacy	1.0%	0.00 %	137,600
College of Nursing – Graduate	1.0%	0%	30,600
College of Veterinary Medicine	2.0%	-2.0%	134,460
Total			\$ 3,743,712

*In-state students pay only for the maintenance fee, which is commonly referred to as ‘in-state tuition’. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as ‘out-of-state tuition’.

OTHER FEES
FY 2018-19 Recommended Rate Increases

CAMPUS	FEE	Current Annual Rate	Proposed Annual Rate	Change	New Revenue
Martin	Program and Service Fee (Non-Athletic)	\$ 156	\$ 188	\$ 32	\$ 153,600
	Green Fee	0	10	10	48,000
Knoxville	Student Program Fee	270	292	22	550,000
	Capital Fee	398	412	14	350,000
	Professional Program Fees:				
	Masters in Industrial & Systems Engineering	16,000	18,000	2,000	30,000
	Masters in Industrial & Systems Engineering Health Systems	0	20,000	20,000	300,000
	Doctor of Social Work	0	600	600	72,000
	Masters of Science in Social Work	0	450	450	163,800
Chattanooga	College of Business Graduate Program Fee	0	900	900	275,000
	Online MBA Program	1276	0	(1,276)	(400,000)
	Mosaic Program Fee	5,000	7,000	2,000	106,000
	Mosaic Program Summer Fee	0	1,500	1,500	7,500
Health Science Center					
	Counseling Fee	180	280	100	\$320,000
Total					\$ 1,975,900

PROPOSED USES OF NEW REVENUES

UT CHATTANOOGA

- Maintenance Fee and Out-of-State Tuition – There is no increase for the maintenance fee for undergraduate and graduate students. There is no increase for undergraduate out-of-state tuition. Graduate out-of-state tuition is reduced by 50% (-\$8,054) from \$16,118 to \$8,064, while Graduate out-of-state tuition (International) is reduced 0.3% from \$16,118 to \$16,064. Graduate Revenue is expected to remain neutral based on an anticipated full-time equivalent (FTE) student increase.
- Online Professional MBA Program – The Online Professional MBA Program will decrease 20.2% (-\$5,856) from \$28,944 to \$23,088. The decrease is due to the elimination of the Online MBA Program fee. The revenues for this decrease represents an amount of -\$400,000.
- Graduate College of Business Program Fee – This new program fee is an annualized amount of \$900 and will generate \$275,000 in revenue. The revenue will be used to fund marketing efforts to produce additional enrollment, manage lead applications, enhance career services and fund key staff positions.
- Mosaic Program Fee – This fee will increase 40% (\$2,000) annually from \$5,000 to \$7,000 and will generate \$106,000 in new revenue. This revenue will be used in support of the Mosaic Program within the Disability Resource Center. The Mosaic Program is a multifaceted and comprehensive program that supports college students who have an Autism Spectrum Disorder. This fee will increase the ability for this self-sustaining program to continue growing and achieving great successes both inside and outside the classroom; as well as, become accurately benchmarked among peer programs in regards to costs.

UT KNOXVILLE

- Maintenance Fee and Out-of-State Tuition – Knoxville proposes no increase to the maintenance fee or out-of-state tuition for undergraduate, graduate, or professional students.
- Masters in Science in Industrial and Systems Engineering – This program fee increase covers operating costs for the full-time, off campus masters cohort. The fee covers university tuition, engineering fees, faculty time, other instructors, the program director, student assistants, meals, books, and miscellaneous supplies. The current rate was established in 2011 and has not increased. However, tuition, fees and overall program costs have increased during that time. The increase in the program fee will generate \$30,000 in additional revenue.

- Master of Science in Industrial and Systems Engineering Health Systems – This new program fee covers operating cost for full-time, off campus master’s program. The courses are delivered one day a week on-site at a TN Hospital Association facility. Students register for specific courses in the program which are taught only for the cohort students. The fee covers university tuition, engineering fees, faculty time, instructors, the program director, student assistants, snacks, books, travel and supplies. This fee will generate \$300,000 in new revenue.
- Social Work Program Fees – Social work is requesting program fees for their Doctor of Social Work (DSW) and Master of Science in Social Work (MSSW) programs. For the DSW Program, this requested fee will provide additional financial support for the operational needs of the DSW program. The program requires additional funding to support the DSW program materials and activities such as DSW orientation, graduation reception, and intensive week: refreshments, lunches, rental space, parking, marketing resources, and student travel. The fee request for the MSSW Program will provide financial support for a non-tenure track faculty of practice and will cover salary and benefits. This faculty of practice track would help alleviate the need for a high number adjunct faculty and will increase the quality of teaching provided to students. These fees will generate \$235,800 in new revenue.
- Masters of Science in Supply Chain Management (MSSCM) – Online – This program fee will primarily be used (but not limited to) to pay faculty costs, online program management services (marketing recruiting, instructional design, student services, technology integration) and provide additional support for student success through enhanced career planning and development, advising and career management. The fee covers the cost of the university In-State Maintenance Fee, Out-of-State Tuition, Library Fee and Online Program Fee. (Note: MSSCM-Online program is currently awaiting approval from the Board of Trustees & THEC with a start date of Fall Semester 2019. All other proposed fee changes will be effective in the 2018 Fall Semester.) This fee will generate \$803,250 in new revenue in FY 2019-20.
- Student Program and Service Fees (SPSF) - An increase in Student Program and Service Fees will generate an increase of \$900,000 in revenues. Projected FY19 operating expenses covered by the SPSF exceed projected revenues by \$1,700,000. Upon review of the reserve balances and focusing on easing the burden placed on students, \$800,000 will be covered by drawing on reserves and the remaining \$900,000 will be covered by revenues produced by the fee increase. \$650,000 of this increase will be used for costs associated with opening the new Student Union and \$250,000 will be used for an anticipated 2.5% raise pool.
 - Student Program Fee (\$550,000) - This portion of the SPSF is used for expenses relating to student services, activities, and programs organized or operated under the auspices of the Chief Student Affairs Officer (e.g. operating expenses and equipment; wages, salaries, and benefits) including student organized programming.

- Capital Fee (\$350,000) - This portion of the SPSF is used for acquisition, construction, installation, maintenance, or enhancement of any University property or facilities primarily used for non-instructional purposes, including the satisfaction of indebtedness. It is also used for the purpose of equipment to support student services, activities and programs organized or operated under the auspices of the Chief Student Affairs Officer.

UT MARTIN

- Maintenance Fee – The net result of a 3.0 % increase in the maintenance fee is a revenue increase of \$1,000,700. There is an increase in out-of-state tuition to maintain the out-of-state/in-state ratio of 75%. The out-of-state increase will generate \$116,000 in revenue. The SOAR in Four model phase in will continue with an increase from less than 60 credit hours to less than 90 credit hours resulting in an additional \$536,700 in revenue. The increases will be used to support a robust scholarship program that started in FY18, faculty and staff promotions and new hires, and increases in fixed costs.
- UT Online - Martin
 - Undergraduate - The course fee per credit hour (PCH) increases 3.0%, in addition to the implementation of the ‘SOAR in Four’ rate for all students with less than 90 credit hours. The 14.4% increase will bring the online course fee up to the on campus maintenance fee for ‘SOAR in Four’. This results in a revenue increase of \$908,730. The revenue increase will be used to support faculty and staff promotions and new hires and academic scholarships.
 - Graduate - The course fee per credit hour (PCH) increases 3.0%. This results in a revenue increase of \$32,300. The revenue increase will be used to support faculty and staff promotions.
- UTM Centers - The 3.0% maintenance increase and the ‘SOAR in Four’ phase in from 60 credit hours to 90 credit hours will result in an increase of \$119,322 for the Centers. The Centers will use the funding for the 2.5% salary pool, fixed cost increases, and new hires.
- Student Activity Fee - will increase \$32 annually and generate \$153,600 in additional revenue. The Student Government Association (SGA) approved the fee increase from \$156 to \$188 annually to enhance programming from general and multicultural perspective.

In addition a new \$10 annual Green Fee was created at the request of the Student Government Association (SGA) to create a Center for Sustainability. The \$48,000 generated will be used to facilitate student recruitment, determine long term economic efficiency, and create institutional assessment metrics.

UT SPACE INSTITUTE (UTSI)

- Maintenance Fee and Out-of-State Tuition – UTSI proposes no increase to the maintenance fee for undergraduate and graduate students. Also, there is no increase for out-of-state tuition

UT HEALTH SCIENCE CENTER (UTHSC)

(UTHSC 2018-19 tuition & fee rates were approved at the previous Board meeting. The following is presented for information purposes)

- Maintenance Fee– There is a general 1% to 2% proposed maintenance fee increase this year for Graduate Programs, but no increase for Undergraduate Programs. The only exception is for the College of Graduate Health Sciences which will have no increase for Graduate Programs. There will also be an increase in Out-of-State Tuition ranging from 0.7% to 2.0% for Graduate Programs, except for the College of Graduate Health Sciences which will not have an increase. There will also be no increase for Undergraduate Programs. Tuition increases will provide \$895,500 in new revenues. First, UTHSC will allocate \$395,500 to help fund new faculty positions in Dentistry, Nursing, Medicine, & Health Professions. Finally, we will allocate \$500,000 for Faculty Market Salary Adjustments in various colleges. Detail by program is as follows:
 - Medicine – Revenue increases will come from tuition increases that will generate \$428,900 in new revenues. The new revenues will be used to help fund new faculty in the College of Medicine and faculty market salary adjustments.
 - Health Professions – Revenue increases will come from tuition increases which will generate \$96,200 in new revenues. The new revenues will be used to help fund new faculty in the College of Health Professions.
 - Dentistry – Revenue increases will come from tuition increases in the Dentistry Program that will generate \$202,200 in new revenues. These new revenues will be used to help fund new faculty in Dentistry and faculty market salary adjustments.
 - Nursing – Revenue increases will come from tuition increases in the Nursing programs that will generate \$30,600 in new revenues. These new revenues will be used to fund new Nursing Faculty.
 - Pharmacy – Revenue increases will come from tuition increases for the College of Pharmacy which will generate \$137,600 in new revenues. These new revenues will be used fund new Pharmacy Faculty and faculty market salary adjustments.
- Student Program and Service Fees (SPSF) – An increase in Student Program and Service Fees will generate an increase of \$320,000 in revenues.

- Counseling Fee (\$320,000) – This portion of the Student Program and Service Fee is charged per credit hour and is used to help fund Counselors that help students with any needs they may have related to their time at UTHSC.

UT COLLEGE OF VETERINARY MEDICINE

- Maintenance Fee and Out-of-state Tuition – There is a 2.0 % increase in the maintenance fee and a 2.0% decrease in out-of-state tuition which generates a net revenue gain of \$134,460. These new revenues will be used for a faculty promotion, utilities and partial funding for a new Orthopedic Surgery faculty position.

Chattanooga

FY 2018-19 Annual Tuition and Fees Maintenance Fee & Tuition

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
IN-STATE				
Undergraduate				
Maintenance Fee	\$ 6,888	\$ 6,888		
Other Fees:				
Student Programs and Services Fees *	\$ 660	\$ 660		
Athletics	480	480		
Green	20	20		
Technology	250	250		
Library	50	50		
Transportation	96	96		
Facilities	200	200		
International Education	20	20		
Total Other Fees	\$ 1,776	\$ 1,776		
Total Tuition and Fees	\$ 8,664	\$ 8,664		
Graduate				
Maintenance Fee	\$ 8,244	\$ 8,244		
Other Fees:	1,776	1,776		
Total Tuition and Fees	\$ 10,020	\$ 10,020		
OUT-OF-STATE				
Undergraduate				
Maintenance Fee	\$ 6,888	\$ 6,888		
Out-of-State Tuition	16,118	16,118		
Maintenance Fee & Out-of-State Tuition	\$ 23,006	\$ 23,006		
Other Fees	1,776	1,776		
Total Tuition and Fees	\$ 24,782	\$ 24,782		
Graduate - Domestic				
Maintenance Fee	\$ 8,244	\$ 8,244		
Out-of-State Tuition	16,118	8,064	\$ (8,054)	-50.0%
Maintenance Fee & Out-of-State Tuition	\$ 24,362	\$ 16,308	\$ (8,054)	-33.1%
Other Fees	\$ 1,776	\$ 1,776		
Total Tuition and Fees	\$ 26,138	\$ 18,084	\$ (8,054)	-30.8%
Graduate - International				
Maintenance Fee	\$ 8,244	\$ 8,244		
Out-of-State Tuition	16,118	16,064	\$ (54)	-0.3%
Maintenance Fee & Out-of-State Tuition	\$ 24,362	\$ 24,308	\$ (54)	-0.2%
Other Fees	\$ 1,776	\$ 1,776		
Total Tuition and Fees	\$ 26,138	\$ 26,084	\$ (54)	-0.2%

In-state students pay only for the maintenance fee, which is commonly referred to as 'in-state tuition'. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as 'out-of-state tuition'.

The schedule above does not include differential fees assessed at \$57 per credit hour for College of Business, School of Nursing, College of Engineering and Computer Science, and Doctorate programs for Physical Therapy and Occupational Therapy Courses. There is no cap on these fees.

* Student Programs and Services Fees detail are on page C-24.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Chattanooga

FY 2018-19 Annual Tuition and Fees Programs and Online Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
MASTER'S DEGREE PROGRAMS				
Executive MBA - In-State	\$ 44,000	\$ 44,000		
Executive MBA - Out-of-State	49,000	49,000		
Online MBA Program - In-State *	28,944	23,088	\$ (5,856)	-20.2%
Online MBA Program - Out-of-State *	28,944	24,780	(4,164)	-14.4%
Graduate College of Business Program Fee	-	900	900	100.0%
UT ONLINE - Chattanooga				
UT online course and support fees are charged per credit hour with no maximum credit hour cap on the distance campus. The online support fee also applies to each online credit hour taken by on-campus students.				
UNDERGRADUATE				
IN-STATE				
Course Fee	\$ 287	\$ 287		
Online Support	56	56		
Total	\$ 343	\$ 343		
OUT-OF-STATE				
Course Fee	\$ 313	\$ 313		
Online Support	56	56		
Total	\$ 369	\$ 369		
GRADUATE				
IN-STATE				
Course Fee	\$ 458	\$ 458		
Online Support	56	56		
Total	\$ 514	\$ 514		
OUT-OF-STATE				
Course Fee	\$ 505	\$ 505		
Online Support	56	56		
Total	\$ 561	\$ 561		

* The online support fee has not changed. The Online MBA Program decreased from eliminating a program fee in the amount of \$1,276.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Knoxville

FY 2018-19 Annual Tuition and Fees

Undergraduate Tuition and Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
IN-STATE				
Fall and Spring Semesters				
Maintenance Fee	\$ 11,110	\$ 11,110		
<u>Other Fees:</u>				
Student Programs and Service Fee *	\$ 976	\$ 1,012	\$ 36	3.7%
Technology	240	240		
Facilities	404	404		
Transportation	150	150		
Library Fee	70	70		
International Education	20	20		
Total Other Fees	\$ 1,860	\$ 1,896	\$ 36	1.9%
Total Tuition and Fees	\$ 12,970	\$ 13,006	\$ 36	0.3%
Summer Semester Only				
<u>Other Fees:</u>				
Student Programs and Service Fee *	\$ 296	\$ 307	\$ 11	3.7%
Technology	120	120		
Facilities	202	202		
Transportation	75	75		
Library Fee	35	35		
International Education	10	10		
Total Other Fees	\$ 738	\$ 749	\$ 11	1.5%

OUT-OF-STATE				
Fall and Spring Semesters				
Maintenance Fee	\$ 11,110	\$ 11,110		
Tuition (Non-residents only)	18,190	18,190		
Total (Out-of-State Tuition)	\$ 29,300	\$ 29,300		
<u>Other Fees:</u>				
Student Programs and Service Fee *	\$ 976	\$ 1,012	\$ 36	3.7%
Technology	240	240		
Facilities	634	634		
Transportation	150	150		
Library Fee	70	70		
International Education	20	20		
Total Other Fees	\$ 2,090	\$ 2,126	\$ 36	1.7%
Total Tuition and Fees	\$ 31,390	\$ 31,426	\$ 36	0.1%
Summer Semester Only				
<u>Other Fees:</u>				
Student Programs and Service Fee *	\$ 296	\$ 307	\$ 11	3.7%
Technology	120	120		
Facilities	317	317		
Transportation	75	75		
Library Fee	35	35		
International Education	10	10		
Total Other Fees	\$ 853	\$ 864	\$ 11	1.3%

In-state students pay only for the maintenance fee, which is commonly referred to as 'in-state tuition'. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as 'out-of-state tuition'.

Additional differential fees for certain courses are assessed on a per credit hour basis: \$64 for College of Engineering courses; \$132 for specific College of Nursing courses; \$99 for undergraduate College of Business courses with the exception of 100, 500, and 600 level courses; and \$109 for the College of Architecture. There is no cap on these fees.

* Student programs and services fees detail are on page C-24.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Knoxville
FY 2018-19 Annual Tuition and Fees
Graduate Student Tuition and Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
IN-STATE				
Fall and Spring Semesters				
Maintenance Fee	\$ 11,244	\$ 11,244		
Other Fees:				
Student Programs and Service Fees *	\$ 976	\$ 1,012	\$ 36	3.7%
Technology	240	240		
Facilities	404	404		
Transportation	150	150		
Library Fee	70	70		
Total Other Fees	\$ 1,840	\$ 1,876	\$ 36	2.0%
Total Tuition and Fees	\$ 13,084	\$ 13,120	\$ 36	0.3%
Summer Semester Only				
Maintenance Fee	\$ 5,622	\$ 5,622		
Other Fees:				
Student Programs and Service Fees *	296	307	11	3.7%
Technology	120	120		
Facilities	202	202		
Transportation	75	75		
Library Fee	35	35	-	0.0%
Total Other Fees	\$ 728	\$ 739	\$ 11	1.5%
Total Tuition and Fees	\$ 6,350	\$ 6,361	\$ 11	0.2%
OUT-OF-STATE				
Fall and Spring Semesters				
Maintenance Fee	\$ 11,244	\$ 11,244		
Out-of-State Tuition	18,188	18,188		
Maintenance Fee & Out-of-State Tuition	\$ 29,432	\$ 29,432		
Other Fees:				
Student Programs and Service Fees *	\$ 976	\$ 1,012	\$ 36	3.7%
Technology	240	240		
Facilities	634	634		
Transportation	150	150		
Library Fee	70	70		
Total Other Fees	2,070	2,106	36	1.7%
Total Tuition and Fees	\$ 31,502	\$ 31,538	\$ 36	0.1%
Summer Semester Only				
Maintenance Fee	\$ 5,622	\$ 5,622		
Out-of-State Tuition	9,094	9,094		
Maintenance Fee & Out-of-State Tuition	\$ 14,716	\$ 14,716		
Other Fees:				
Student Programs and Service Fees *	296	307	11	3.7%
Technology	120	120		
Facilities	317	317		
Transportation	75	75		
Library Fee	35	35		
Total Other Fees	\$ 843	\$ 854	\$ 11	1.3%
Total Tuition and Fees	\$ 15,559	\$ 15,570	\$ 11	0.1%

In-state students pay only for the maintenance fee, which is commonly referred to as 'in-state tuition'. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as 'out-of-state tuition'.

The schedule above does not include differential fees assessed for certain courses: additional charge of \$64 per credit hour for Engineering courses; additional charge of \$132 per credit hour for 200, 300 and 400 level Nursing courses; additional charge of \$99 per credit hour except for 100, 500, 600 level Business courses; and additional charge of \$109 for the College of Architecture. There is no cap on these fees.

* Student programs and services fees detail are on page C-24.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Knoxville
FY 2018-19 Annual Tuition and Fees
Specialized Master's Programs

			CHANGE	
	FY 2017-18	FY 2018-19	Amount	Percent
Master's Degree Programs				
MBA Programs				
Full-Time MBA	\$ 15,400	\$ 15,400		
Senior Executive MBA	71,000	71,000		
Aerospace Executive MBA	69,000	69,000		
Professional Executive MBA	48,000	48,000		
Physician Executive MBA	76,000	76,000		
Global Supply Chain Executive MBA	85,000	85,000		
Health Care Leadership MBA	65,000	65,000		
Specialty Master's Degree Programs				
Masters of Science in Industrial & Systems Engineering	\$ 16,000	\$ 18,000	\$ 2,000	12.5%
Masters of Human Resource Management	4,500	4,500		
Masters of Business Analytics Program in Statistics, Operations, and Management Science	6,000	6,000		
Masters of Accountancy in Accounting and Information Management	6,000	6,000		
Masters of Science in Supply Chain Management	2,000	2,000		
Doctor of Social Work	-	600	600	NEW
Masters of Science in Social Work	-	450	450	NEW
Masters of Science in Industrial & Systems Engineering Health Systems	-	20,000	20,000	NEW

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Knoxville

FY 2018-19 Annual Tuition and Fees

College of Law Tuition and Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
IN-STATE				
Maintenance Fee	\$ 16,368	\$ 16,368		
<u>Other Fees:</u>				
Student Programs and Services Fee *	\$ 976	\$ 1,012	\$ 36	3.7%
Technology	240	240		
Transportation	150	150		
Facilities	404	404		
Law Library Fee	250	250		
Law Enhancement Fee	1,250	1,250		
Total Other Fees	\$ 3,270	\$ 3,306	\$ 36	1.1%
Total Tuition and Fees	\$ 19,638	\$ 19,674	\$ 36	0.2%
Summer Semester Only				
Maintenance Fee	\$ 5,461	\$ 5,461		
<u>Other Fees:</u>				
Student Programs and Services Fee *	\$ 296	\$ 307	\$ 11	3.7%
Technology	120	120		
Transportation	75	75		
Facilities	202	202		
Total Other Fees	\$ 693	\$ 704	\$ 11	1.6%
Total Tuition and Fees	\$ 6,154	\$ 6,165	\$ 11	0.2%
OUT-OF-STATE				
Maintenance Fee	\$ 16,368	\$ 16,368		
Out-of-State Tuition	18,444	18,444		
Maintenance Fee & Out-of-State Tuition	\$ 34,812	\$ 34,812		
<u>Other Fees:</u>				
Student Programs and Services Fee *	\$ 976	\$ 1,012	\$ 36	3.7%
Technology	240	240		
Transportation	150	150		
Facilities	634	634		
Law Library	250	250		
Law Enhancement Fee	1,250	1,250		
Total Other Fees	\$ 3,500	\$ 3,536	\$ 36	1.0%
Total Tuition and Fees	\$ 38,312	\$ 38,348	\$ 36	0.1%
Summer Semester Only				
Maintenance Fee	\$ 5,461	\$ 5,461		
Out-of-State Tuition	6,145	6,145		
Maintenance Fee & Out-of-State Tuition	\$ 11,606	\$ 11,606		0.0%
<u>Other Fees:</u>				
Student Programs and Services Fee *	\$ 296	\$ 307	\$ 11	3.7%
Technology	120	120		
Transportation	75	75		
Facilities	317	317		
Total Other Fees	\$ 808	\$ 819	\$ 11	1.4%
Total Tuition and Fees	12,414	12,425	\$ 11	0.1%

In-state students pay only for the maintenance fee, which is commonly referred to as 'in-state tuition'. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as 'out-of-state tuition'.

This schedule does not reflect the rates for the Flexible Schedule J.D. Program. Students enrolled in this program pay tuition by the credit hour rather than at a flat rate. Specifically, Flexible Schedule students would pay the prevailing per-credit-hour rate equal to that paid by full-time students if full-time students paid on a per-credit-hour-basis (based on 32 credit hours per year). For the current academic year, this amount is \$512 per credit hour (excluding fees).

* Student programs and services fees detail are on page C-24

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Knoxville - Space Institute

FY 2018-19 Annual Tuition and Fees Graduate Student Tuition and Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
IN-STATE				
Fall and Spring Semesters				
Maintenance Fee	\$ 11,244	\$ 11,244		
<u>Other Fees:</u>				
Student Programs and Services Fees *	180	180		
Total Tuition and Fees	<u>\$ 11,424</u>	<u>\$ 11,424</u>		
Summer Semester Only				
Maintenance Fee	\$ 5,622	\$ 5,622		
<u>Other Fees:</u>				
Student Programs and Service Fees *	75	75		
Total Tuition and Fees	<u>\$ 5,697</u>	<u>\$ 5,697</u>		
OUT-OF-STATE				
Fall and Spring Semesters				
Maintenance Fee	\$ 11,244	\$ 11,244		
Out-of-State Tuition	18,188	18,188		
Maintenance Fee & Out-of-State Tuition	<u>\$ 29,432</u>	<u>\$ 29,432</u>		
<u>Other Fees:</u>				
Student Programs and Services Fees *	180	180		
Total Tuition and Fees	<u>\$ 29,612</u>	<u>\$ 29,612</u>		
Summer Semester Only				
Maintenance Fee	\$ 5,622	\$ 5,622		
Out-of-State Tuition	9,094	9,094		
Maintenance Fee & Out-of-State Tuition	<u>\$ 14,716</u>	<u>\$ 14,716</u>		
<u>Other Fees:</u>				
Student Programs and Services Fees *	75	75		
Total Tuition and Fees	<u>\$ 14,791</u>	<u>\$ 14,791</u>		

In-state students pay only for the maintenance fee, which is commonly referred to as 'in-state tuition'. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as 'out-of-state tuition'.

The schedule above does not include differential fees assessed for certain courses: additional charge of \$64 per credit hour for Engineering courses. There is no cap on these fees.

* Student Programs and Services Fees detail are on page C-24.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Martin

FY 2018-19 Annual Tuition and Fees In-State Undergraduate and Graduate Tuition and Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
IN-STATE				
<u>Undergraduate</u>				
<u>90 Credits or More</u>				
Maintenance Fee	\$ 7,200	\$ 7,416	\$ 216	3.0%
Student Programs and Services Fees *	1,004	1,046	42	4.2%
Technology	250	250		
Publications Fee	14	14		
Facilities	150	150		
Total Other Fees	\$ 1,418	\$ 1,460	\$ 42	3.0%
Total Tuition and Fees	\$ 8,618	\$ 8,876	\$ 258	3.0%
<u>Less Than 90 Credit Hours (Soar in Four Model)</u>				
Maintenance Fee	\$ 7,818	\$ 8,052	\$ 234	3.0%
Total Other Fees	1,418	1,460	42	3.0%
Total Tuition and Fees	\$ 9,236	\$ 9,512	\$ 276	3.0%
<u>Graduate</u>				
Maintenance Fee	\$ 8,658	\$ 8,918	\$ 260	3.0%
Student Programs and Services Fees *	1,004	1,046	42	4.2%
Technology	250	250		
Facilities	150	150		
Total Other Fees	\$ 1,404	\$ 1,446	\$ 42	3.0%
Total Tuition and Fees	\$ 10,062	\$ 10,364	\$ 302	3.0%

In-state students pay only for the maintenance fee, which is commonly referred to as 'in-state tuition'. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as 'out-of-state tuition'.

The 'Soar in Four' tuition model was instituted in FY2016-17. The intent of the initiative is to encourage students to enroll in 15 or more credit hours per semester in order to graduate in four years. Although it encourages students to enroll for more hours each term, the 'Soar in Four' rate will be assessed to students registered for 12 or more credit hours in a term. (Proof of credit hours must be received and accepted by the fifth day of the term.) For FY 2016-17 and FY 2017-18, the rate applied to students who earned less than 60 credit hours. For FY 2018-19, it will apply to students who have earned less than 90 credit hours. By FY 2019-20, the 'Soar in Four' rate will be applicable to all students.

* Student Programs and Services Fees (SPSF) detail are on page C-24.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Martin

FY 2018-19 Annual Tuition and Fees Out-Of-State Undergraduate and Graduate Tuition and Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
OUT-OF-STATE DOMESTIC				
<u>Undergraduate</u>				
<u>90 Credit Hours or More</u>				
Maintenance Fee	\$ 7,200	\$ 7,416	\$ 216	3.0%
Out-of-State Tuition	5,760	6,040	280	4.9%
Maintenance Fee & Out-of-State Tuition	\$ 12,960	\$ 13,456	\$ 496	3.8%
Other Fees *	1,418	1,460	42	3.0%
Total Tuition and Fees	<u>\$ 14,378</u>	<u>\$ 14,916</u>	<u>\$ 538</u>	<u>3.7%</u>
<u>Less Than 90 Credit Hours (Soar in Four Model)</u>				
Maintenance Fee	\$ 7,818	\$ 8,052	\$ 234	3.0%
Out-of-State Tuition	5,760	6,040	280	4.9%
Maintenance Fee & Out-of-State Tuition	\$ 13,578	\$ 14,092	\$ 514	3.8%
Other Fees *	1,418	1,460	42	3.0%
Total Tuition and Fees	<u>\$ 14,996</u>	<u>\$ 15,552</u>	<u>\$ 556</u>	<u>3.7%</u>
<u>Graduate</u>				
Maintenance Fee	\$ 8,658	\$ 8,918	\$ 260	3.0%
Out-of-State Tuition	5,760	6,040	280	4.9%
Total Tuition and Fees	<u>\$ 14,418</u>	<u>\$ 14,958</u>	<u>\$ 540</u>	<u>3.7%</u>
Other Fees *	<u>\$ 1,404</u>	<u>\$ 1,446</u>	<u>42</u>	<u>3.0%</u>
Total Tuition and Fees	<u>\$ 15,822</u>	<u>\$ 16,404</u>	<u>\$ 582</u>	<u>3.7%</u>
OUT-OF-STATE INTERNATIONAL				
<u>Undergraduate</u>				
<u>90 Credit Hours or More</u>				
Maintenance Fee	\$ 7,200	\$ 7,416	\$ 216	3.0%
Out-of-State Tuition	13,944	13,944		
Maintenance Fee & Out-of-State Tuition	\$ 21,144	\$ 21,360	\$ 216	1.0%
Other Fees *	1,418	1,460	42	3.0%
Total Tuition and Fees	<u>\$ 22,562</u>	<u>\$ 22,820</u>	<u>\$ 258</u>	<u>1.1%</u>
<u>Less Than 90 Credit Hours (Soar in Four Model)</u>				
Maintenance Fee	\$ 7,818	\$ 8,052	\$ 234	3.0%
Out-of-State Tuition	13,944	13,944		
Maintenance Fee & Out-of-State Tuition	\$ 21,762	\$ 21,996	\$ 234	1.1%
Other Fees *	1,418	1,460	42	3.0%
Total Tuition and Fees	<u>\$ 23,180</u>	<u>\$ 23,456</u>	<u>\$ 276</u>	<u>1.2%</u>
<u>Graduate</u>				
Maintenance Fee	\$ 8,658	\$ 8,918	\$ 260	3.0%
Out-of-State Tuition	13,944	13,944		
Total Tuition and Fees	<u>\$ 22,602</u>	<u>\$ 22,862</u>	<u>\$ 260</u>	<u>1.2%</u>
Other Fees *	<u>\$ 1,404</u>	<u>\$ 1,446</u>	<u>\$ 42</u>	<u>3.0%</u>
Total Tuition and Fees	<u>\$ 24,006</u>	<u>\$ 24,308</u>	<u>\$ 302</u>	<u>1.3%</u>

In-state students pay only for the maintenance fee, which is commonly referred to as 'in-state tuition'. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as 'out-of-state tuition'.

The 'Soar in Four' tuition model was instituted in FY2016-17. The intent of the initiative is to encourage students to enroll in 15 or more credit hours per semester in order to graduate in four years. Although it encourages students to enroll for more hours each term, the 'Soar in Four' rate will be assessed to students registered for 12 or more credit hours in a term. (Proof of credit hours must be received and accepted by the fifth day of the term.) For FY 2016-17 and FY 2017-18, the rate applied to students who earned less than 60 credit hours. For FY 2018-19, it will apply to students who have earned less than 90 credit hours. By FY 2019-20, the 'Soar in Four' rate will be applicable to all students.

* Other Fees details are on page C-17.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Martin
FY 2018-19 Annual Tuition and Fees
Online Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
UT ONLINE - Martin				
UT online course fees are charged per credit hour with no maximum credit hour cap. This applies to all students, including on-campus students.				
<u>UNDERGRADUATE</u>				
IN-STATE				
Course Fee	\$ 299	\$ 342	\$ 43	14.4%
Online Support	56	56		
Total	<u>\$ 355</u>	<u>\$ 398</u>	<u>\$ 43</u>	<u>12.1%</u>
OUT-OF-STATE DOMESTIC				
Course Fee	\$ 329	\$ 376	\$ 47	14.3%
Online Support	56	56		
Total	<u>\$ 385</u>	<u>\$ 432</u>	<u>\$ 47</u>	<u>12.2%</u>
OUT-OF-STATE INTERNATIONAL				
Course Fee	\$ 361	\$ 414	\$ 53	14.7%
Online Support	56	56		
Total	<u>\$ 417</u>	<u>\$ 470</u>	<u>\$ 53</u>	<u>12.7%</u>
<u>GRADUATE</u>				
IN-STATE				
Course Fee	\$ 516	\$ 532	\$ 16	3.1%
Online Support	56	56		
Total	<u>\$ 572</u>	<u>\$ 588</u>	<u>\$ 16</u>	<u>2.8%</u>
OUT-OF-STATE DOMESTIC				
Course Fee	\$ 567	\$ 585	\$ 18	3.2%
Online Support	56	56		
Total	<u>\$ 623</u>	<u>\$ 641</u>	<u>\$ 18</u>	<u>2.9%</u>
OUT-OF-STATE INTERNATIONAL				
Course Fee	\$ 623	\$ 643	\$ 20	3.2%
Online Support	56	56		
Total	<u>\$ 679</u>	<u>\$ 699</u>	<u>\$ 20</u>	<u>2.9%</u>

University Fees are set by the Board of Trustees and are subject to change at any regular meeting of the Board.

Veterinary Medicine

FY 2018-19 Annual Tuition and Fees Graduate Tuition and Fees

Graduate Tuition and Fees			CHANGE	
	FY 2017-18	FY 2018-19	Amount	Percent
IN-STATE				
Maintenance Fee	\$ 26,964	\$ 27,504	\$ 540	2.0%
Other Fees:				
Student Programs and Services Fees *	\$ 976	\$ 1,012	\$ 36	3.7%
Technology	240	240		
Transportation	150	150		
Facilities	404	404		
Total Other Fees	\$ 1,770	\$ 1,806	\$ 36	2.0%
Total Tuition and Fees	\$ 28,734	\$ 29,310	\$ 576	2.0%
OUT-OF-STATE				
Maintenance Fee	\$ 26,964	\$ 27,504	\$ 540	2.0%
Out-of-State Tuition	27,576	27,036	(540)	-2.0%
Maintenance Fee & Out-of-State Tuition	\$ 54,540	\$ 54,540	\$ -	0.0%
Other Fees				
Student Programs and Services Fees *	\$ 976	\$ 1,012	\$ 36	3.7%
Technology	240	240		
Transportation	150	150		
Facilities	634	634		
Total Other Fees	\$ 2,000	\$ 2,036	\$ 36	1.8%
Total Tuition and Fees	\$ 56,540	\$ 56,576	\$ 36	0.1%

In-state students pay only for the maintenance fee, which is commonly referred to as 'in-state tuition'. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as 'out-of-state tuition'.

* Student program and services fees detail are on page C-24.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Health Science Center

FY 2018-19 Annual Tuition and Fees Tuition and Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
IN-STATE				
Graduate Health Sciences	\$ 10,694	\$ 10,694		
MS Pharmacology	16,512	16,512		
Medicine				
Doctor of Medicine	\$ 33,692	\$ 34,366	\$ 674	2.0%
Physician Assistant	22,278	22,724	446	2.0%
Dentistry				
General DDS	\$ 29,596	\$ 30,188	592	2.0%
Transitional DDS	71,400	72,828	1,428	2.0%
Dental Hygiene Bachelor of Science	9,988	9,988		
Pharmacy	\$ 21,950	\$ 22,170	220	1.0%
Nursing				
Bachelors	\$ 12,705	\$ 12,705		
Graduate	18,315	18,498	183	1.0%
Health Professions				
Entry Level Bachelor of Science				
Medical Technology	\$ 7,990	\$ 7,990		
Audiology & Speech Pathology ****	11,110	11,110		
Entry Level Advanced Degrees *	13,346	13,614	268	2.0%
Entry Lev Adv Degrees Audiology/Speech Path**	18,255	18,620	365	2.0%
Post-Professional Degrees ***	9,674	9,868	194	2.0%
OUT-OF-STATE				
Graduate Health Sciences	\$ 29,864	\$ 29,864		
MS Pharmacology	24,940	24,940		
Medicine				
Doctor of Medicine	\$ 66,784	\$ 67,458	674	1.0%
Physician Assistant	38,316	38,762	446	1.2%
Dentistry				
General DDS	\$ 68,356	\$ 68,948	592	0.9%
Transitional DDS	71,400	72,828	1,428	2.0%
Dental Hygiene Bachelor of Science	33,596	33,596		
Pharmacy	41,960	42,180	220	0.5%
Nursing				
Bachelors	\$ 36,930	\$ 36,930		
Graduate	43,155	43,338	183	0.4%
Health Professions				
Entry Level Bachelor of Science				
Medical Technology	\$ 26,156	\$ 26,156		
Audiology & Speech Pathology ****	29,300	29,300		
Entry Level Advanced Degrees *	31,328	31,596	268	0.9%
Entry Lev Adv Degrees Audiology/Speech Path**	42,831	43,196	365	0.9%
Post-Professional Degrees ***	27,614	27,808	194	0.7%

*** Entry Level Advanced Degrees**

Doctor of Physical Therapy
Master of Cytopathology
Master of Occupational Therapy

**** Entry Level Advanced Degrees Audiology/Speech Path**

Doctor of Audiology
Master of Science in Speech-Language Pathology
Transitional Doctor of Audiology

***** Post-Professional Degrees**

Doctor of Science in Physical Therapy
Master of Science in Physical Therapy
Transitional Doctor of Physical Therapy
Master of Science in Clinical Lab Sciences

****** Bachelor of Audiology & Speech Pathology**

This is a joint degree with UTK where UTHSC will teach the 4th year of the Bachelor's program but charge the UTK tuition rate.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Health Science Center

FY 2018-19 Annual Tuition and Fees

Other Fee Details

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
Programs & Services and Required Fees				
Student Programs & Services Fees *	\$ 900	\$ 1,000	\$ 100	11.1%
Technology Fee	240	240		
Graduation/Yearbook	50	50		
Total	\$ 1,190	\$ 1,290	\$ 100	8.4%
Other Fees				
Health Insurance	\$ 2,660	\$ 2,928	\$ 268	10.1%
Disability Insurance	48	44	(4)	-8.3%
Malpractice Insurance				
Medicine				
Class of 2020 and 2021	14	14		
Class of 2018 and 2019	43	43		
Pharmacy	20	20		
Nursing	20	20		
Health Professions	20	20		
Dentistry	18	18		
Course Proficiency Exam Fee	\$ -	\$ 200	\$ 200	NEW
Other Fees - Health Professions				
CHP OT Board Review Fee	150	150		
CHP OT Media Fee	150	150		
Other Fees - Nursing				
CON Pre-Licensure Digital Course Materials Fee-1st Term	2,266	2,020	(246)	-10.9%
CON Pre-Licensure Digital Course Materials Fee-2nd Term	920	580	(340)	-37.0%
CON Pre-Licensure Digital Course Materials Fee-3rd Term	920	700	(220)	-23.9%
CON BSN Digital Course Materials Fee-1st Term	495	525	30	6.1%
CON BSN Digital Course Materials Fee-2nd Term	495	320	(175)	-35.4%
CON BSN Digital Course Materials Fee-3rd Term	-	235	235	NEW
CON DNP Digital Course Materials Fee-1st Term	526	-	(526)	-100.0%
CON DNP Digital Course Materials Fee-2nd Term	322	-	(322)	-100.0%
CON CNL Digital Course Materials Fee	832	832		
CON Nursing Kit	395	372	(23)	-5.8%
CON Digital Equipment Fee	340	410	70	20.6%
CON Board Review Fee	315	315		
Other Fees - Medicine				
Step 1 Exam Prep Fee	-	120	120	NEW
COM PA Digital Course Materials Fee	310	48	(262)	-84.5%
COM PA Board Review Fee	392	392		
Other Fees - Pharmacy				
Pre-Naplex Exam Fee-4th Year all in Fall Semester	80	80		
MTM Certificate Fee-3rd Year all in Fall Semester	100	100		
Point of Care Testing Certificate Fee	-	140	140	NEW
COP Board Review Fee	175	175		
Other Fees - Dentistry				
Dentistry Student Government	60	60		
COD Digital Course Materials Fee-Class of 2021	900	-	(900)	-100.0%
COD Digital Course Materials Fee-Class of 2020	772	-	(772)	-100.0%
COD Digital Course Materials Fee-Class of 2019	703	-	(703)	-100.0%
COD Dental Hygiene Digital Course Materials Fee-Class of 2019	662	-	(662)	-100.0%
Laboratory and Clinical Utilization Fee	2,200	2,400	200	9.1%
Graduate Endodontics Clinical Utilization Fee	12,750	12,750		
Graduate Orthodontics Clinical Utilization Fee	7,000	7,000		

* Student Programs and Services Fees (SPSF) detail are on page C-24.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Health Science Center

FY 2018-19 Annual Tuition and Fees

Online Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
HEALTH SCIENCE CENTER ONLINE				
HSC online course fees are charged per credit hour with no maximum credit hour cap.				
<u>UNDERGRADUATE</u>				
IN-STATE				
Course Fee	\$ 350	\$ 350		
Online Support	46	46		
Total	<u>\$ 396</u>	<u>\$ 396</u>		
OUT-OF-STATE				
Course Fee	\$ 415	\$ 415		
Online Support	46	46		
Total	<u>\$ 461</u>	<u>\$ 461</u>		
<u>GRADUATE</u>				
IN-STATE				
Course Fee	\$ 640	\$ 640		
Online Support	46	46		
Total	<u>\$ 686</u>	<u>\$ 686</u>		
OUT-OF-STATE				
Course Fee	\$ 705	\$ 705		
Online Support	46	46		
Total	<u>\$ 751</u>	<u>\$ 751</u>		
<u>HEALTH INFORMATICS AND INFORMATION MANAGEMENT</u>				
IN-STATE				
Course Fee	\$ 500	\$ 500		
Online Support	50	50		
Total	<u>\$ 550</u>	<u>\$ 550</u>		
OUT-OF-STATE				
Course Fee	\$ 550	\$ 550		
Online Support	50	50		
Total	<u>\$ 600</u>	<u>\$ 600</u>		

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Student Programs and Services Fees

FY 2018-19 Annual Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
KNOXVILLE (Includes College of Law and Veterinary Medicine)				
FALL AND SPRING				
Student Program	\$ 270	\$ 292	\$ 22	8.1%
Capital	398	412	14	3.5%
Health Services	202	202		
Student Counseling	106	106		
Total	<u>\$ 976</u>	<u>\$ 1,012</u>	<u>\$ 36</u>	<u>3.7%</u>
Summer Semester Only				
Student Program	\$ 82	\$ 89	\$ 7	8.5%
Capital	121	125	4	3.3%
Health Services	61	61		
Student Counseling	32	32		
Total	<u>\$ 296</u>	<u>\$ 307</u>	<u>\$ 11</u>	<u>3.7%</u>
SPACE INSTITUTE				
FALL AND SPRING				
Student Activity	\$ 180	\$ 180		
Summer Semester Only				
Student Activity	\$ 75	\$ 75		
CHATTANOOGA				
Student Activity	\$ 240	\$ 240		
Debt Service	300	300		
Health Services	120	120		
Total	<u>\$ 660</u>	<u>\$ 660</u>		
MARTIN				
Student Activity - Non Athletic	\$ 156	\$ 188	\$ 32	20.5%
Student Activity - Athletic	408	408		
Student Health & Counseling	60	60		
Green Fee		10	10	NEW
Debt Service	380	380		
Total	<u>\$ 1,004</u>	<u>\$ 1,046</u>	<u>\$ 42</u>	<u>4.2%</u>
HEALTH SCIENCE CENTER				
Student Activity	\$ 26	\$ 26		
Campus Recreation	40	40		
Campus Improvement	50	50		
Simulation Center Equipment Fee	300	300		
Debt Service	54	54		
Computer Based Testing Fee	50	50		
Health Services	200	200		
Counseling	180	280	\$ 100	55.6%
Total	<u>\$ 900</u>	<u>\$ 1,000</u>	<u>\$ 100</u>	<u>11.1%</u>

The purpose of the Student Programs and Services Fee (SPSF) is to advance the University's educational mission by funding non-instructional services, activities, programs, and facilities that promote student satisfaction and retention or promote the intellectual, physical, emotional, social, cultural, or leadership development of students. The Board of Trustees retains ultimate control of the SPSF and sets the amount of the SPSF at each campus annually upon the recommendation of the Board's Finance and Administration Committee.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

University of Tennessee System

FY 2018-19 Annual Tuition and Fees Fees for Disabled and Elderly Persons

	FY 2017-18	FY 2018-19	CHANGE Amount
Disabled/Elderly Persons			
COURSES FOR CREDIT			
Per Semester Hour	\$ 7	\$ 7	
Maximum Fee per Semester	70	70	
AUDIT COURSES			
	No Charge	No Charge	

Fee levels mandated by Tennessee Code Annotated 49-7-113.

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Version: 2	Effective Date: 02/26/2015

**BOARD OF TRUSTEES
POLICY ON APPROVAL OF STUDENT FEES**

1. OBJECTIVE

To provide for the consistent administration of student fees and charges.

2. INTRODUCTION

- a. This policy applies to student fees, fines, room and board, and other charges students may incur while attending or applying for admission to a University of Tennessee campus. The policy identifies the highest level of approval needed to enact a new fee or to change an existing fee.
- b. Fee waiver and fee discount programs established by state statute provide reduced fees for specific groups of students. The University shall implement these programs in accordance with state laws, rules, and regulations. The Board of Trustees must approve any student fee discount other than one established by statute.
- c. The University recognizes that adjustments to original charges may be appropriate based on dropping a course or a student's withdrawal from the University. Campuses have the authority to establish refund procedures for this purpose.
- d. Students with outstanding debts are not permitted to register for subsequent terms until all outstanding debts are paid or arrangements have been made with the University to pay the debt.

3. STUDENT COURSE-RELATED FEES

Student Course-Related Fees represent the University's core charges for instructional offerings. The following Student Course-Related Fees are approved by the Board of Trustees:

- a. Maintenance Fees
A Maintenance Fee is assessed to students enrolled in credit courses, including courses in which the student is enrolled only on an audit basis. A Maintenance Fee is established for undergraduate students, and a

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separate Maintenance Fee is established for graduate students. All students, both in-state and out-of-state, are assessed the established Maintenance Fee.

b. Out-of-State Tuition

Out-of-State Tuition is an additional fee assessed to undergraduate and graduate students who are classified as non-residents of the State of Tennessee for fee assessment purposes and who are enrolled in credit courses, including courses in which the student is enrolled only on an audit basis.

c. Differential Tuition

Differential Tuition is a per-credit-hour fee assessed for a specific course or group of courses as dictated by increasing demand for educational excellence in specific areas. Examples include specific Business, Engineering, and Nursing courses. Differential Tuition proposals and requests should be prepared and submitted according to the same schedule as other fee requests each year. Once approved, future percentage increases in Maintenance Fees automatically apply to the Differential Tuition for these specific courses. Increases to Differential Tuition exceeding the percentage increases proposed for Maintenance Fees must be approved by the Board of Trustees.

d. Professional Program Fees

Professional Program Fees apply to specialized programs that prepare students for professional careers. These fees include both the Maintenance Fee and Out-of-State Tuition components as applicable. Examples include Executive and Professional MBA Program fees and the fees assessed to students in the College of Law; the College of Veterinary Medicine; and the Health Science Center Colleges of Medicine, Health Professions, Dentistry, Nursing, Pharmacy, and Graduate Health Sciences.

e. Online and Distance Education Course Fees

Online and distance education courses are provided for undergraduate and graduate students. Each of these modes of delivery may have different Maintenance Fee and Out-of-State Tuition rates and additional fees. The additional fees are generally assessed based on the location of the course/program and delivery [mode](#) and are currently called Online Support Fee, Distance Education Fee and Access Fee.

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4. DEDICATED STUDENT FEES

The following Dedicated Student Fees are mandatory student fees that fund specific activities of the University. Dedicated student fees are approved by the Board of Trustees:

a. Student Programs and Services Fee

The Student Programs and Services Fees are dedicated to supporting student-related services, including, but not limited to, student activities, student health clinics, debt service for designated buildings, and student government association activities. Student input on the use of fee revenues is desired, but it is not necessary to have a student referendum or other vote to effect a fee request. Campuses are authorized to assess, use, and allocate a student activity fee only in accordance with the Board of Trustees Policy on a Student Programs and Services Fee [\[insert link\]](#).

b. Other Dedicated Student Fees

Other Dedicated Student Fees include, but are not limited to, the following fees: Athletic Fees, Technology Fees, Facilities Fees, Transportation Fees, Library Fees, Study Abroad Fees and Yearbook Fees.

Revenues from these fees provide additional resources and services to the students as designated by the assessed fee. Student input on the use of fee revenues is desired, but it is not necessary to have a student referendum or other vote to effect a fee request.

5. SPECIAL COURSE FEES

Special Course Fees are approved by the President, or his/her designee, each year. These fees cover additional instructional costs not covered by the Maintenance and Out-of-State Tuition. Examples include fees charged for labs, music lessons, field trips, international travel, and program materials and equipment.

6. APPLICATION FEES

Undergraduate and graduate Application Fees are approved by the President, or his/her designee. An application fee, which is non-refundable, must be submitted with the first-time admissions application before an individual will be permitted to become a University of Tennessee student or attend classes. This fee is not

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required for undergraduate program transfers within the University. Campuses may assess a re-admissions fee.

7. ROOM AND BOARD

Room and Board rates are established at the campus level and approved by the chief executive officer for each campus.

- a. Student Housing
Institutional residential facilities are available to students, which include rooms and apartments.
- b. Housing Deposits
In addition to signing a housing contract, students must pay a housing deposit before a residence hall assignment will be made.
- c. Room Damages
Residents are responsible for the condition and care of the accommodations to which they are assigned and shall reimburse the University for damages to their room. Charges for damages and cleaning will be assessed to the student.
- d. Meal Plans
Students may choose from a variety of meal plans, or dining options, at the beginning of each semester.

8. OTHER STUDENT FEES

Other Student Fees are approved by the campus or institute chief executive officer. Other Student Fees include fees and charges based on a student's specific needs or individual program requirements.

- a. Non-credit Fees
Fees are established for various non-credit courses and programs based on the delivery cost of the course or program.
- b. Contractual Course Fees
The University may enter into contractual agreements with customers for the delivery of credit courses and programs. Prior to offering a contractual

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course, the department shall consult with the chief business officer or his/her designee to review the financial feasibility of offering the course.

c. Returned Check Fees

Each returned check is subject to a University administrative fee. In addition to the returned check administrative fee, late payment fees may be assessed as of the date the check is redeemed. Returned check fees cannot exceed the maximum amount established in accordance with the applicable state statute.

d. Miscellaneous Student Fees

Miscellaneous Student Fees include, but are not limited to, late registration fees, add/drop fees, late exam fees, special exam fees, ID replacement, orientation fees, diploma fee, parking fees, motor vehicle registration, student insurance, housing application fee, collection fees, payment processing fees, and program deposits or seat fees for programs such as Law, Nursing, Social Work, and Architecture at UT Knoxville and Physical Therapy and Occupational Therapy at UT Chattanooga.

9. FINES

Fines include traffic fines, parking fines, parking fine late fees and library fines. Fines must be promulgated as “rules” under the Tennessee Uniform Administrative Procedures Act and require approval by the Board of Trustees. Rules of the University of Tennessee are published in Chapter 1720 of the *Tennessee Rules and Regulations*.

10. REFUNDS

The campus or institute chief executive officer shall develop appropriate refund procedures and publish these procedures in catalogs or online. The procedures shall include, at a minimum, the following provisions:

- a. A percentage of Maintenance Fees, Out-of-State Tuition, Differential Tuition, and any Mandatory Dedicated Fees will be charged unless the student officially drops courses or withdraws from the University by the deadline set by the campus or institute. The drop/add procedure cannot be used to withdraw for a semester, and withdrawal does not cancel fees or charges already incurred.

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- b. Refunds and repayments to the Title IV programs (Return to Title IV Aid) shall be determined according to the formula published in the current "Federal Student Financial Aid Handbook," located in the Financial Aid office of each campus and institute, which is responsible for calculating the amount of the refund and/or repayment and for distributing the correct amount back to the financial aid program(s) according to the Refund/Repayment Allocation Policy.
- c. University of Tennessee campuses and institutes shall follow the applicable federal policy and procedures for calculating refunds and repayments for financial aid. For this purpose, refunds are defined as the portion of the Maintenance Fee, Differential Tuition, and/or Out-of-State Tuition and University housing/meal charges due when a student withdraws or drops a portion of class hours. Once a refund is determined to be appropriate, any amount will be applied toward other outstanding fees owed to the University at the time the refund is issued.

11. REPORTING CAMPUS-APPROVED AND CAMPUS-SPECIFIC FEES

The campus or institute chief executive officer shall file with the President a report of campus-approved fees for each coming academic year. The report shall contain all campus-approved fees except the charges for non-credit courses and contractual courses. The report shall also include all campus-specific fees requiring approval by the Board of Trustees. The report will be presented to the Board of Trustees for information at the annual meeting each year.

12. ADMINISTRATIVE ADJUSTMENTS

The President, or his/her designee, may make administrative adjustments to this policy if necessary to comply with statutory or regulatory requirements, to ensure the policy is carried out with the Board of Trustees' direction, and to ensure the policy is consistent with other University policies.

History:

Adopted	3/6/2007
Revised	2/26/2015

[See the Appendix on the following page for an Approval Matrix.]

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APPENDIX

POLICY ON APPROVAL OF STUDENT FEES

APPROVAL MATRIX

FEE	Board	System	Campus
3. STUDENT COURSE FEES			
a: Maintenance Fee	X	X	X
b: Out-of-State Tuition	X	X	X
c: Differential Tuition	X	X	X
d: Professional Program Fees	X	X	X
e: Online and Distance Education Courses	X	X	X
4. DEDICATED STUDENT FEES			
a: Programs and Services Fees	X	X	X
b: Other Dedicated Student Fees	X	X	X
5. SPECIAL COURSE FEES		X	X
6. APPLICATION FEES		X	X
7. ROOM AND BOARD			
a: Student Housing			X
b: Housing Deposits			X
c: Room Damages			X
d: Meal Plans			X
8. OTHER STUDENT FEES			
a: Non-credit Fees			X
b: Contractual Course Fees			X
c: Returned Check Fees			X
d: Miscellaneous Student Fees			X
9. FINES	X	X	X
10. REFUNDS			X
11. ADMINISTRATIVE ADJUSTMENTS		X	

Agenda Item: VI.

DATE: July 26, 2018

SUBJECT: Election of Officers

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION: The Commission will elect the 2018-19 officers. Article V of the Commission's rules of procedure provides:

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.

The current Commission officers are:

Evan Cope – Chairman

Vernon Stafford – Vice Chairman

Mintha Roach – Vice Chairman

A C Wharton – Secretary