

**Agenda Item:** II. A.**DATE:** January 26, 2018**SUBJECT:** Policy Updates: Master Planning Update**ACTION RECOMMENDED:** Approval

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**BACKGROUND INFORMATION**

The Tennessee Higher Education Commission (THEC) Policy Manual outlines the roles and responsibilities of the Commission and its staff in the areas of academic affairs, finance, human resources, legal and regulatory affairs, and general operations. In 2017, legislative actions, including the Focus On College and University Success (FOCUS) Act of 2016, and changes in practice necessitated revisions to the THEC Policy Manual's financial policies. Since the change to policies at the spring Commission Meeting in May 2017, THEC staff have identified needed changes to the Master Plan policy to ensure more adequate yet flexible facilities planning at campuses.

**PROPOSED POLICY REVISIONS**

This policy was revised on May 11, 2017 and outlines the Commission's authority, requirements, review, and approval concerning campus master plans. A proposed revision explicitly defines three classifications of master plans: a new master plan, which must be completed at least once every ten years; a master plan update, which includes substantive changes and revisions to current master plan components and/or scope; and master plan amendments—limited scope revisions such as land acquisition expansions, building program refinements, or parking and vehicular circulation changes. Another proposed revision authorizes the Executive Director to review and approve both updates and amendments to master plans previously approved by the Commission. Finally, a proposed revision requires campus master plans to be performed in accordance with Master Plan Guidelines that are developed, maintained, and updated by Commission staff.

**RECOMMENDATION**

Proposed revisions to THEC Policy F4.1 Master Plans have been thoroughly reviewed by capital and fiscal policy staff, the Office of General Counsel, and are recommended for approval and adoption.

**Section Title:** Financial Policies

**Policy Title:** Master Plans

**Policy Number:** F4.1

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

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

4.1.30A **Procedures.** A campus master plan, once approved in compliance with the policies and procedures of a respective governing board, must be submitted to the Commission for review and approval prior to submission to the State Building Commission. A new campus master plan or a master plan update must be completed for each institution at least once every ten (10) years.

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

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

A **Master Plan Update** includes substantive changes to various sections of the campus master plan or revisions in scope that are consistent with the objectives and concept of the current master plan and may require the re-issuance of the complete master plan book. The approval of an Update by the Executive Director shall be reported to the Commission and may be presented for information, at the discretion of the Commission, at a following quarterly meeting.

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

- 1) Property acquisitions or disposals;
- 2) Plans for traffic, parking, or vehicular or pedestrian circulation;
- 3) Refinement of a building program or site;
- 4) Studies of regional demographics or workforce development; or
- 5) Operation of auxiliary enterprises, including, but not limited to, athletics, recreation, housing, and food services.

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

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

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

- 1) Academic mission;
- 2) Enrollment;
- 3) Student services;
- 4) Capital projects;
- 5) Parking;
- 6) Space need, as defined by the Commission's Space Allocation Guidelines, and space utilization;
- 7) Land acquisition and disposal; and
- 8) Site, environmental, and utility issues.

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

**Approved:** January 26, 1990  
**Revised:** November 14, 2002  
May 11, 2017  
January 26, 2018

**Applicable Statute**

T.C.A. § 49-7-202, capital investment needs  
T.C.A. § 49-7-1002, higher education funding requests  
T.C.A. § 49-8-203, capital and real estate transactions

**Current Applicable Policies**

THEC Space Allocation Guidelines  
THEC Master Plan Guidelines

**Section Title:** Financial Policies

**Policy Title:** Master Plans

**Policy Number:** F4.1

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

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

4.1.30A **Procedures.** A facility-campus master plan, once approved in compliance with the policies and procedures of a respective governing board, must be submitted to the Commission for review and approval prior to submission to the State Building Commission. A new campus master plan or a master plan update must be completed for each institution at least once every ten (10) years.

4.1.30B A facility master plan must be reviewed and updated for each institution at least every ten (10) years. Once approved in compliance with the policies and procedures of a governing board, all subsequent revisions updates or updates amendments to existing facility-campus master plans must be submitted to the Commission for review and approval.

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

A **Master Plan Update** includes substantive changes to various sections of the campus master plan or revisions in scope that are consistent with the objectives and concept of the current master plan and may require the re-issuance of the complete master plan book. The approval of an Update by the Executive Director shall be reported to the Commission and may be

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presented for information, at the discretion of the Commission, at a following quarterly meeting.

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

- 1) Property acquisitions or disposals;
- 2) Plans for traffic, parking, or vehicular or pedestrian circulation;
- 3) Refinement of a building program or site;
- 4) Studies of regional demographics or workforce development; or
- 5) Operation of auxiliary enterprises, including, but not limited to, athletics, recreation, housing, and food services.

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4.1.30C

On a regular schedule, Commission staff may solicit information from each institution to assess whether or not—in the judgment of the Executive Director—substantive changes have occurred to the campus environment, which may include new academic programs, enrollment changes, or regional workforce developments, that warrant updates or revisions to a campus's facility campus master plan before the institution's next regularly scheduled master plan review or update or revision.

4.1.30D

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

4.1.40A

**Master Plans.** When evaluating and approving new and updated or revised amended facility campus master plans, the Commission and Executive Director may consider, but is are not limited to, the following:

- 1) Academic mission;
- 2) Enrollment;
- 3) Student services;
- 4) Capital construction and maintenance projects;
- 5) Parking;
- 6) Space need and utilization, as defined by the Commission's Space Planning and Allocation Guidelines, and space utilization;
- 7) Land acquisition and disposal; and
- 8) Site, environmental, and utility issues, such as:
  - a. Utilities,
  - b. Signage,

~~c. Traffic and pedestrian circulation, and~~  
~~d. Landscaping.~~

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

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~~4.1.40B In order to be considered for funding through the Commission's annual appropriation request process, facility master plans must address and include new building construction or additions, capital maintenance projects (including Americans with Disabilities Act provisions), land acquisition(s) and disposal(s), a third-party validation of space need and utilization, and all other capital and facility projects anticipated to be completed in whole or in part with state funds over the next ten (10) years.~~

**Approved:** January 26, 1990

**Revised:** November 14, 2002

May 11, 2017

January 26, 2018

**Applicable Statute**

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

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

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

**Current Applicable Policies**

THEC Space ~~Planning and~~ Allocation Guidelines

THEC Master Plan Guidelines