

**TENNESSEE HIGHER EDUCATION COMMISSION**

Minutes of the Summer Quarterly Meeting

TCAT Murfreesboro – Smyrna Campus

663 Ken Pilkerton Drive, Smyrna, TN

July 25, 2019

Link to recording:

<https://web.nowuseeit.tn.gov/Mediasite/Play/20b834b53ad14f39aa1e20cf1771c3891d>

Chairman Evan Cope called the meeting to order at 9:00 a.m.

<b>Member</b>	<b>PRESENT</b>	<b>ABSENT</b>
Chairman Evan Cope	X	
Commissioner Nancy Dishner	X	
Secretary Tre Hargett	X	
Commissioner Jimmy Johnston	X	
Commissioner Pam Koban	X	
Treasurer David Lillard	X	
Commissioner Sarah Morrison		X
Commissioner Jay Moser	X	
Commissioner Vernon Stafford	X	
Commissioner Celeste Riley	X	
Commissioner Frank Watson	X	
Commissioner AC Wharton		X
Comptroller Justin Wilson	X	
Commissioner Dakasha Winton	X	

There were twelve members present, constituting a quorum.

**ADOPTION OF AGENDA**

Comptroller Wilson made a motion to adopt the agenda and Commissioner Koban seconded it. A voice vote was taken and the motion passed unanimously.

**APPROVAL OF MAY 17, 2019 MINUTES**

Commissioner Stafford made a motion to amend the minutes from May 17, 2019, to reflect that twelve members were present, not thirteen. Commissioner Dishner seconded the motion. A voice vote was taken and the motion passed unanimously.

Commissioner Stafford made a motion to approve the minutes from May 17, 2019 as amended. Commissioner Dishner seconded the motion. A voice vote was taken and the motion passed unanimously.

### **CHAIRMAN'S REPORT:**

After a brief overview of the items on the agenda, Chairman Cope recognized the two new board members, Commissioner Jay Moser and Commissioner Celeste Riley. Chairman Cope ceded the rest of his time to Mr. Ryan Horony. Ryan is an entrepreneur, a current TCAT student and graduate, a combat veteran and an advocate for small business growth.

Ryan had proudly served TCAT-Murfreesboro as Student President and as the TCAT Student Government Presidents' Council liaison. He is a two-time SkillsUSA Tennessee Gold Metalist and placed in the top ten at the National SkillsUSA Leadership and Technical event. He represents the TCAT students to the Rutherford County Chamber of Commerce and serves as a volunteer instructor with the Rutherford County Library System.

**EXECUTIVE DIRECTOR REPORT:** Director Krause provided his report.

### **AGENDA ITEMS**

#### **I. Postsecondary Education Authorization (Action Item)**

Dr. Stephanie Bellard Chase presented the recommendations for Postsecondary Education Authorization for this quarter as endorsed by the Committee on Postsecondary Educational Institutions (CPEI).

During her presentation, Commissioner Stafford inquired about the four locations of the University of St. Augustine for Health Sciences that were seeking approval for Optional Expedited Authorization. Dr. Bellard Chase explained that all of the institutions were located outside of Tennessee and were only seeking approval to recruit Tennessee students; meaning students attend the institutions in the states where they are located and/or take classes on-line.

Chairman Cope asked about the process for reviewing applications. Dr. Bellard Chase noted that the Division of Postsecondary State Authorization reviewed twelve new initial authorization applications and seven new program applications, yet only four and five were on the agenda, respectively. She explained that the other eight institutions and two programs did not meet the minimum standards required by T.C.A. Title 49, Chapter 7, Part 20 and the related rules; therefore, the institutions and programs were deferred until the next agenda. When an institution or program is deferred, the institution receives a letter

alerting it of the deficiencies and is given a deadline for corrections. She gave some examples of reasons for deferral.

Chairman Cope asked the Commission if all four types of Postsecondary Education Authorization items on the agenda could be combined for consideration by a single vote. Commissioner Stafford made a motion to approve all of the items, and Comptroller Wilson seconded. A voice vote was taken and the motion passed unanimously.

Lastly, Dr. Chase stated that Commission staff recommended that Mrs. Murlunda Lattimore and Dr. Keith Lindsey be appointed to the Committee on Postsecondary Educational Institutions (CPEI) and that Ms. Vicki Burch, Mr. Gaylon Hall, Mr. Steve South and Dr. Earlie Steele be reappointed to the CPEI. Each appointment is for a three year term from July 1, 2019 to June 30, 2022.

Commissioner Stafford made a motion to approve those recommendations, and Commissioner Koban seconded it. A voice vote was taken and the motion passed unanimously.

## **II. New Academic Programs (Action Item)**

President Phil Oldham, presented proposals for two new academic programs submitted by Tennessee Technological University:

- Engineering Management, Master of Science to be implemented spring 2020.
- Counseling and Supervision, Doctor of Philosophy to be implemented fall 2020.

Treasurer Lillard made a motion to approve The Engineering Management, Master of Science. Commissioner Dishner seconded it. A voice vote was taken and the motion passed unanimously.

Treasurer Lillard made a motion to approve the Counseling and Supervision, Ph.D. and Commission Dakasha Winton seconded it. A voice vote was taken and the motion passed with eleven "aye" votes. Comptroller Wilson abstained.

## **III. Operating Budgets (Action Item)**

Chairman Cope recognized Crystal Collins, THEC Director of Fiscal Policy, who presented the 2019-20 proposed operating budgets for higher education. Due to the passage of the FOCUS Act in 2016, the locally governed institutions now submit their operating budgets directly to THEC.

Ms. Collins outlined briefly what information is contained in agenda item III, including unrestricted E&G revenue and expenditures, fee information, auxiliary revenue, athletics revenues and expenditures and restricted revenues and expenditures.

Ms. Collins gave a brief overview of the 2019-20 state legislative budget, pointing out that the state has invested more than \$500 million in new recurring appropriations to higher education in the last five years. Total revenue across all higher education is estimated to be \$3.81 billion in 2019-20, against estimated expenditures of \$3.74 billion, indicating that the budgets are balanced.

Ms. Collins then provided a summary of campus expenditures. Examples included the implementation of academic success advisors, admissions and financial aid assistance, technological upgrades and operational support, expanding library services, and general education course redesigns.

Finally, Ms. Collins discussed the scholarship and fellowship category—commenting that ten years ago only about four percent of all campus expenditures were directed toward scholarships, but in 2019-20 that proportion had increased to eleven percent. This equates to a 153 percent increase in those types of expenditures in the last decade. Examples of these scholarship investments included Middle Tennessee State University's "guaranteed scholarships", East Tennessee State University's "Public Service Corps", University of Memphis's "Summer 3+3 Program", and Austin Peay State University's "GAP scholarship program."

In closing, Ms. Collins stated that the 2019-20 proposed operating budgets had been thoroughly reviewed by staff and recommended that they be reported to Finance and Administration for their action.

Chairman Cope opened the floor for questions. Commissioner Riley commented on the presentation, focusing on the student services discussion. Ms. Riley asked why there isn't more support for adult students. Ms. Riley inquired about the cumbersome process of trying to find scholarships on campuses and if there has been action related to streamlining this process, commending Middle Tennessee State University's guaranteed scholarships. Ms. Collins mentioned the Tennessee Reconnect Navigators and Coordinators are a great resource. She commended Commissioner Riley for shining a light on the needs of non-traditional students.

Commissioner Stafford inquired about shifting the paradigm around new capital outlay projects and the movement to on-line courses or hybrid courses. Ms. Collins mentioned that large scale capital outlay projects are not the norm anymore. Director Krause indicated he agreed. Commissioner Stafford then asked about the nature of funding of ADA

Compliance maintenance projects. Patti Miller, THEC Chief of Facilities Planning came to the microphone to discuss ADA funding and the timeline for those projects. Commissioner Stafford asked about the mandatory student fee charges information, specifically the guaranteed tuition plan at University of Memphis and the Soar in Four Program at University of Tennessee at Chattanooga. Ms. Collins discussed these new rates and tuition under the FOCUS Act.

Commissioner Dishner made a motion that the Commission approve the FY 2019-20 July 1 Proposed Operating Budgets, authorize the Executive Director to make appropriate technical adjustments if necessary, and transmit the budgets with the Commission's action and comments to the Department of Finance and Administration for their review and approval. Secretary Hargett seconded the motion. A voice vote was taken and the motion passed unanimously.

#### **V. Election of Officers (Action Item)**

Chairman Cope addressed the election of THEC officers for 2019-2020.

Pursuant to Article V of the THEC Rules of Procedure, the Commission elects officers annually at the regular summer meeting to serve one year terms. The officers consist of a chair, two vice-chairs, and secretary. The chair and vice-chair must reside in different grand divisions of the state.

Chairman Cope opened the floor for nominations.

Commissioner Koban nominated Chairman Cope to continue as Chair of the Commission for the coming year. Commissioner Stafford seconded it. Chairman Cope then passed the gavel to Commissioner Koban to conduct that portion of the meeting.

Commissioner Koban proposed that the board consider the officer elections as a slate, with a single vote at the end of nominations. Commissioner Winton made a motion to that effect, and Comptroller Wilson seconded. A voice vote was taken and the motion passed unanimously.

Commissioner Koban asked for nominations for the remaining three officer positions.

Chairman Cope nominated Vernon Stafford to be the Vice Chair from the West Grand Division, and Secretary Hargett seconded.

Chairman Cope nominated Dakasha Winton for the Vice Chair of the East Grand Division, and Commissioner Johnston seconded.

Chairman Cope nominated AC Wharton for Secretary, and Commissioner Stafford seconded.

Commissioner Koban then called for a voice vote on all four nominations. A voice vote was taken and the motions passed unanimously.

#### **VI. Selection of Audit Committee Member (Action Item)**

Chairman Cope recognized Brett Gipson to present the Executive Director's selection of a Commission member to serve on the Combined THEC/TSAC Audit Committee.

Commissioner Koban made a motion to approve the Executive Director's selection of Dr. Nancy Dishner for the appointment. Commissioner Stafford seconded the motion. A voice vote was taken and the motion passed with eleven "aye" votes. Comptroller Wilson abstained.

#### **System and LGI Reports**

Tennessee Board of Regents – Chancellor Flora Tydings provided her report.

University of Tennessee – President Randy Boyd provided his report.

Locally Governed Institutions- Dr. Brian Noland provided his report.

#### **Adjournment**

Chairman Cope adjourned the meeting at 11:53 a.m.

#### **NEXT THEC COMMISSION MEETING:**

Thursday, November 7, 2019 at 10:00 a.m. CST

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**THEC Chairman Evan Cope**

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**THEC Secretary AC Wharton, Jr.**