



## **SPRING QUARTERLY MEETING**

Nashville Room, 3<sup>rd</sup> Floor  
William R. Snodgrass Tennessee Tower

*May 11, 2023*

**Tennessee Higher Education Commission**



**AGENDA**  
**TENNESSEE HIGHER EDUCATION COMMISSION**  
**Spring Quarterly Meeting**  
**Nashville Room - Third Floor, William R. Snodgrass Tennessee Tower**  
**May 11, 2023, 9:00 a.m. CDT**

**Call to Order**

**Adoption of Agenda**

**Approval of Minutes:** January 27, 2023, Winter Quarterly Meeting

**Chair's Report**

**Executive Director's Report**

**Consent Calendar**

- I. Postsecondary State Authorization (*Action Item*)
  - A. Authorization of New Institutions
  - B. Optional Expedited Authorization
  
- II. Human Resources and Legal & Regulatory Policies (*Action Item*)
  - A. HR1.0 – Outside Employment
  - B. LR5.2 – Conflict of Interest Disclosure Policy for Commission Staff
  - C. LR5.3 – Code of Conduct Commission Staff

**Regular Calendar**

- I. 2023-24 Binding Tuition and Fees Ranges (*Action Item*)
  
- II. University of Tennessee, Knoxville Master Plan (*Action Item*)
  
- III. University of Tennessee, Chattanooga Master Plan (*Action Item*)
  
- IV. Ford BlueOval City Presentation (*Information Item*)
  
- V. Executive Director Search Discussion (*Action and/or Information Item*)
  
- VI. Legislative Update (*Information Item*)
  
- VII. Audit Committee Update (*Information Item*)
  
- VIII. Other Business

**TENNESSEE HIGHER EDUCATION COMMISSION**

Minutes of the Winter 2023 Commission Meeting

Senate Hearing Room 1, Cordell Hull Building

425 Rep. John Lewis Way N.

Nashville, TN

January 27, 2023

Link to recording: [THEC Winter 2023 Commission Meeting \(tn.gov\)](https://www.tn.gov)

Vice Chairman Stafford called the meeting to order at 9:00 a.m.

<b>Member</b>	<b>PRESENT</b>	<b>ABSENT</b>
Vice Chairman Vernon Stafford, Jr.	<b>X</b>	
Commissioner Whitney Allmon	<b>X</b>	
Commissioner Evan Cope	<b>X</b>	
Commissioner Andrew Kingsolver	<b>X</b>	
Commissioner Pam Koban	<b>X</b>	
Commissioner Jimmy Matlock	<b>X</b>	
Commissioner Jay Moser	<b>X</b>	
Chairwoman Tara Scarlett	<b>X</b>	
Commissioner AC Wharton	<b>X</b>	
Commissioner Dakasha Winton	<b>X</b>	
Secretary Tre Hargett	<b>X</b>	
Treasurer David H. Lillard, Jr.	<b>X</b>	
Commissioner Sara Morrison	<b>X</b>	
Comptroller Jason Mumpower	<b>X</b>	

At the start of the meeting there were nine (9) voting members physically present and four (4) voting members participating electronically, constituting a quorum. Commissioner Tara Scarlett, Commissioner A.C. Wharton, Commissioner Dakasha Winton, and Comptroller Jason Mumpower participated electronically. Comptroller Mumpower left the meeting at 9:40 a.m.

**ADOPTION OF AGENDA**

Secretary Tre Hargett made a motion to approve the agenda. The motion was seconded by Commissioner Pam Koban. A roll call vote was taken, and the motion passed with 12 ayes.

**APPROVAL OF NOVEMBER 3, 2022, MEETING MINUTES**

Secretary Hargett made a motion to approve the November 3, 2022, meeting minutes. The motion was seconded by Commissioner Jimmy Matlock. A roll call vote was taken, and the motion passed with 13 ayes.

**APPROVAL OF DECEMBER 12, 2022, SPECIAL CALLED MEETING MINUTES**

Commissioner Evan Cope made a motion to approve the December 12, 2022, special called meeting minutes. The motion was seconded by Commissioner Andrew Kingsolver. A roll call vote was taken, and the motion passed with 13 ayes.

## **EXECUTIVE DIRECTOR'S REPORT**

Dr. Robert M. Smith, Interim Executive Director, gave his report. He then recognized Ms. Samantha Gutter, Chief Access and Outreach Officer. Ms. Gutter discussed Momentum Year 2023, which aims to increase the number of high school graduates who enroll in college to 60% and increase the number of Tennessee Reconnect participants. This initiative also works to coordinate and align education and workforce training for greater economic mobility. Dr. Smith then completed his reported.

## **AGENDA ITEMS**

Vice Chairman Vernon Stafford stated that there were two (2) items on the consent calendar and that without objection, the Commission would vote on the items as a set. Commissioner Cope made a motion to approve both items on the consent calendar. The motion was seconded by Commissioner Kingsolver. A roll call vote was taken, and the motion passed with 13 ayes.

### **I. Election of Chair for Remainder of 2022-23 Term**

Vice Chairman Stafford began by thanking Commissioner Cope for serving in the position of Chairman. The floor was open for nominations of a new chairperson. Commissioner Cope nominated Commissioner Scarlett for the position of Chair. The motion was seconded by Commissioner Moser. The commission members asked questions and a discussion was held. A roll call vote was taken, and the motion passed with 12 ayes, and one (1) abstention from Commissioner Scarlett.

With Chairwoman Scarlett's permission, Vice Chairman Stafford continued to chair the meeting as Chairwoman Scarlett was participating electronically.

### **II. Executive Director Search Committee Recommendations**

Mr. Lou Hanemann, Chief of Staff, presented on behalf of the Executive Director Search Committee. Mr. Hanemann provided the committee's recommendations for the job description, the proposed search process, and proposed timeline for the selection of a new Executive Director. The commission members discussed the job description. Commissioner Cope made a motion to amend the job description to change the word experience to credential in the portion of the job description describing the work done at THEC. The motion was seconded by Commissioner Allmon. The commission members asked questions and a discussion was held. A roll call vote was taken, and the motion passed with 13 ayes.

Commissioner Koban made the motion to accept the Executive Director Search Committee recommendations with the amended job description. The motion was seconded by Commissioner Kingsolver. A roll call vote was taken, and the motion passed with 13 ayes.

### **III. Tennessee Department of Economic and Community Development Presentation**

Mr. Scott Sloan, General Counsel, introduced Mr. Chassen Haynes, Senior Director of Business Development of the Tennessee Department of Economic and Community Development. Mr. Haynes presented information on the Department's recruitment strategies, interactions with prospective employers, and connections with higher education. Commission members asked questions and a discussion was held.

### **IV. Tennessee College of Applied Technology Master Plan**

Dr. Flora Tydings, Chancellor of the Tennessee Board of Regents, introduced Mr. Woody Giles, Senior Associate at DLR Group, to discuss the changes to the Tennessee College of Applied Technology



Master Plan. Mr. Giles stated that the master plan incorporated the individual master plans for each institution and the items being requested are needed to avoid duplication of efforts for more efficient and effective programming throughout the state. Commission members asked questions and a discussion was held. Commissioner Koban made a motion to approve the changes to the master plan. The motion was seconded by Commissioner Matlock. A roll call vote was taken, and the motion passed with 12 ayes.

**V. Middle Tennessee State University Master Plan Amendment**

Dr. Sidney McPhee, President of Middle Tennessee State University, introduced Mr. Edward Norwood, Senior Associate with Brailsford and Dunlavy. Mr. Norwood presented information on the need for the development of a hotel on the Middle Tennessee State University campus to serve the hospitality management degree program along with the community of Rutherford County. Mr. Norwood stated that this amendment is in alignment with the current master plan. Commission members asked questions and a discussion was held. Treasurer Lillard made a motion to approve the master plan amendment. The motion was seconded by Commissioner Koban. A roll call vote was taken, and the motion passed with 12 ayes.

**VI. Academic Policies**

**A. A1.0 New Academic Programs: Approval Process**

Dr. Julie Roberts, Chief Academic Officer, presented information on the changes needed to Academic Policy A1.0 New Academic Programs: Approval Process, which would provide additional flexibility and allow institutions to determine when governing board approval is obtained in alignment with their board policies as long as the governing board approval occurs prior to consideration by the Commission. Commissioner Matlock made a motion to approve the changes to the policy. The motion was seconded by Commissioner Koban. A roll call vote was taken, and the motion passed with 12 ayes.

**B. A1.3 New Academic Units**

Dr. Julie Roberts, Chief Academic Officer, presented information on the changes needed to Academic Policy A1.3 New Academic Units, which would streamline the approval process, align the policy with statutory language, and outline required components. Additionally, sections were added to clarify the process for modifications of existing units, including name changes. Commissioner Cope made a motion to approve the changes to the policy. The motion was seconded by Treasurer David Lillard. A roll call vote was taken, and the motion passed with 12 ayes.

**VII. Move on When Ready Act – ACT Thresholds**

Dr. Victoria Harpool, Senior Director of Policy and Effectiveness, presented background information on the collaboration with the State Board of Education and THEC's statutory authority under the *Move on When Ready Act* to recommend the ACT threshold for students participating in the program. Dr. Harpool introduced Dr. Jacob Kamer, Director of Research and Strategy. Dr. Kamer presented information on the evaluation of the ACT thresholds, high school grade point average (GPA), and HOPE scholarship renewal and retention. Following THEC's evaluation, THEC staff recommended a change to the required ACT Math and English subscores, under Tenn. Code Ann. § 49-6-8103, from a 27 to a 25. Commission members asked questions and a discussion was held. Treasurer Lillard made a motion to approve the changes. The motion was seconded by Commissioner Kingsolver. A roll call vote was taken, and the motion passed with 11 ayes.

Vice Chairman Stafford adjourned the meeting at 10:44 a.m.

**NEXT THEC COMMISSION MEETING:**

Thursday, May 11, 2023, in Nashville

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**THEC Chairwoman Tara Scarlett**

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**THEC Secretary AC Wharton, Jr.**



## TENNESSEE HIGHER EDUCATION COMMISSION

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**CONSENT CALENDAR ITEM:** I.A.

**MEETING DATE:** May 11, 2023  
**SUBJECT:** Postsecondary State Authorization  
Authorization of New Institutions  
**ITEM TYPE:** Action  
**ACTION RECOMMENDATION:** Approval

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### BACKGROUND

The Commission, under the Tennessee Higher Education Authorization Act of 2016, as amended, has the “power and duty” to act upon applications for authorization of postsecondary educational institutions. 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. In accordance with Rule 1540-01-02-.07(2)(d), the Executive Director granted these institutions provisional initial authorization subject to review and ratification by the Commission. These institutions are being recommended for Regular Authorization.

**A. Bread of Life School of Ministry** **Johnson City, TN**  
2308 Watauga Road, Johnson City, Tennessee 37601

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

Bread of Life School of Ministry is seeking to register one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized location in Johnson City, Tennessee.

**1. Program:** Biblical Studies  
**Credential Awarded:** Diploma  
**Length of Program:** 70 Contact Hours  
12 Months

**License/Certification Required for Employment:** None

**B. Competitive Edge Dental Assisting Academy, LLC**

**Lebanon, TN**

1633 W Main Street, Suite 200, Lebanon, Tennessee 37087

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

Competitive Edge Dental Assisting Academy, LLC is seeking to register one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized location in Lebanon, Tennessee.

- 1. **Program:** Dental Assistant
- Credential Awarded:** Certificate of Completion
- Length of Program:** 120 Contact Hours  
2 Months

**License/Certification Required for Employment:** Registered Dental Assistant  
**Licensing Board/Agency:** Tennessee Board of Dentistry

**C. Dental Staff School of Tennessee**

**Brentwood, TN**

115 Penn Warren Drive, Suite 500, Brentwood, Tennessee 37027

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

**Change of Ownership:**

Dental Staff School of Tennessee is owned by Greg Stanley and Amy Patricia Stanley. The institution was purchased from Dan Bowen on September 9, 2022. The institution is a Limited Liability Corporation and has been authorized by THEC since April 29, 2010.

Dental Staff School of Tennessee is seeking approval to register four revised programs. The Coronal Polishing, Registered Dental Assisting with Radiology, and Sealant Application programs will be offered in a blended format. The Monitoring Nitrous Oxide program will be offered in a distance learning format. Instruction will be provided by the faculty from their authorized location in Brentwood, Tennessee, as well as on-line.

- 1. **Program:** Coronal Polishing (Revised)
- Credential Awarded:** Certificate of Completion
- Length of Program:** 14 Contact Hours  
2 Days

**License/Certification Required for Employment:** Coronal Polishing Certification  
**Licensing Board/Agency:** Tennessee Board of Dentistry

2. **Program:** Monitoring Nitrous Oxide (Revised)  
**Credential Awarded:** Certificate of Completion  
**Length of Program:** 5 Contact Hours  
1 Day

**License/Certification Required for Employment:** Nitrous Oxide Monitoring Certification  
**Licensing Board/Agency:** Tennessee Board of Dentistry

3. **Program:** Registered Dental Assisting with Radiology (Revised)  
**Credential Awarded:** Certificate of Completion  
**Length of Program:** 189 Contact Hours  
2.5 Months

**License/Certification Required for Employment:** Registered Dental Assistant  
**Licensing Board/Agency:** Tennessee Board of Dentistry

4. **Program:** Sealant Application (Revised)  
**Credential Awarded:** Certificate of Completion  
**Length of Program:** 6 Contact Hours  
1 Day

**License/Certification Required for Employment:** Sealant Placement Certification  
**Licensing Board/Agency:** Tennessee Board of Dentistry

**D. First Class Dental Assisting School of Nashville** **Brentwood, TN**  
1177 Old Hickory Blvd, Suite 102, Brentwood, Tennessee 37027

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

First Class Dental Assisting School of Nashville is seeking to register one new program. The program will be offered in a blended format. Instruction will be provided by the faculty from their authorized location in Brentwood, Tennessee, as well as online.

1. **Program:** Dental Assisting  
**Credential Awarded:** Certificate  
**Length of Program:** 120 Contact Hours  
2.5 Months

**License/Certification Required for Employment:** Registered Dental Assistant  
**Licensing Board/Agency:** Tennessee Board of Dentistry

**E. Northwest Phlebotomy School**  
1780 Nonconnah Blvd, Memphis, Tennessee 38132

**Memphis, TN**

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

Northwest Phlebotomy School is seeking to register two 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:** Intravenous Therapy  
**Credential Awarded:** Certificate  
**Length of Program:** 5 Contact Hours  
1 Day

**License/Certification Required for Employment:** None

- 2. Program:** Phlebotomy  
**Credential Awarded:** Certificate  
**Length of Program:** 9 Contact Hours  
3 Days

**License/Certification Required for Employment:** None

**F. Northwest Phlebotomy School**  
2424 Atrium Way, Nashville, Tennessee 37214

**Nashville, TN**

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

Northwest Phlebotomy School is seeking to register two new programs. The programs will be offered in a residential format. Instruction will be provided by the faculty from their authorized location in Nashville, Tennessee.

- 1. Program:** Intravenous Therapy  
**Credential Awarded:** Certificate  
**Length of Program:** 5 Contact Hours  
1 Day

**License/Certification Required for Employment:** None

2. **Program:** Phlebotomy  
**Credential Awarded:** Certificate  
**Length of Program:** 9 Contact Hours  
3 Days

**License/Certification Required for Employment:** None



## TENNESSEE HIGHER EDUCATION COMMISSION

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**CONSENT CALENDAR ITEM:** I.B.

**MEETING DATE:** May 11, 2023

**SUBJECT:** Postsecondary State Authorization  
Optional Expedited Authorization

**ITEM TYPE:** Action

**ACTION RECOMMENDATION:** Approval

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### BACKGROUND

The Commission, under the Tennessee Higher Education Authorization Act of 2016, as amended, has the “power and duty” to act upon applications for authorization of postsecondary educational institutions. For the institutions listed below, applications have been reviewed and staff has determined that all necessary documentation and bonds have been secured. In accordance with Rule 1540-01-02-.07(2)(d), the Executive Director granted these institutions provisional optional expedited authorization subject to review and ratification by the Commission. These institutions are being recommended for Optional Expedited Authorization.

### OPTIONAL EXPEDITED AUTHORIZED LOCATIONS (3)

- |   |               |
|---|---------------|
| 1. Concorde Career College                    | Memphis, TN   |
| 2. Concorde Career College - Southaven Campus | Southaven, MS |
| 3. Jersey College                             | Knoxville, TN |





## TENNESSEE HIGHER EDUCATION COMMISSION

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**CONSENT CALENDAR ITEM:** II.A.

**MEETING DATE:** May 11, 2023

**SUBJECT:** Human Resources and Legal & Regulatory Policies  
HR1.0 – Outside Employment

**ITEM TYPE:** Action

**ACTION RECOMMENDATION:** Approval

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### **BACKGROUND**

THEC Human Resources Policy 1.0 – Outside Employment addresses the outside employment activities of Tennessee Higher Education Commission employees to ensure that outside employment does not conflict with their employment duties at THEC.

The proposed revisions were completed in order to clarify that the policy applies to all employees, including full-time, part-time, direct contract, subcontract, volunteer, or intern employees, to improve readability, and to align THEC policies with Tennessee Student Assistance Corporation (TSAC) policies.

Attachment A provides a redlined version of the policy and Attachment B provides a clean version of the proposed changes.

**ATTACHMENT A: REDLINED VERSION OF PROPOSED CHANGES**

**Section Title:** Human Resources

**Policy Title:** Outside Employment

**Policy Number:** HR1.0

1.0.1 **PURPOSE:** This policy addresses the outside employment activities of Tennessee Higher Education Commission (THEC) employees to ensure that outside employment does not conflict with their employment duties at ~~the Commission~~THEC.

1.0.2 **APPLICATION:** This policy applies to all ~~full time employees~~employees serving in a direct or indirect full-time, part-time, direct contract, subcontract, volunteer, or intern employment of ~~the Tennessee Higher Education Commission~~THEC.

1.0.3 **DEFINITIONS:** Outside employment is defined as the engagement in any line of business or the performance of any type of work or service for any person or entity other than that required by the employee's official position with ~~the Tennessee Higher Education Commission~~THEC. This is limited to outside employment performed for the purpose of obtaining wages, salary, fee, gift, or other compensation. Such outside employment also includes active participation in a business, including being an owner, part-owner, partner, corporate officer, or serving in a policy-making position for such business.

1.0.4 **POLICY:** As a condition of employment, all full time ~~Commission~~THEC employees shall abide by this policy. Any violation of this policy will result in corrective action, up to and including termination, at the discretion of the Executive Director.

1.0.4 A Full-time employment with ~~the Commission~~THEC demands an individual's full-time commitment, professional expertise, and attention to assigned responsibilities. Holding an appointment to a full-time position with ~~the Commission~~THEC constitutes acknowledgement of these requirements, and that the position shall be the employee's primary occupation. It is further understood that fulfillment of official duties for ~~the Commission~~THEC may require working beyond the regular work day or work week, and in such situations the work of the Commission shall take priority over any outside employment opportunity.

1.0.4 B Employees shall not engage in any outside employment that may affect the employee's ability to fulfill his or her official duties with ~~the Commission~~THEC. Additionally, full time employment with ~~the Commission~~THEC shall, at a minimum, require adherence to the State of Tennessee's standard work schedule and attendance consistent with the employee's job duties, with allowances for sick and annual leave. An employee's regular work schedule will generally consist of an uninterrupted 7.5 hour work day plus a lunch break.

1.0.4 C As a guide to determine the appropriateness of outside employment, consideration shall be given as to whether the outside employment will:

- (1) Result in a conflict of interest, or an apparent conflict of interest, with the employee's official duties and responsibilities or with regular ~~Commission~~THEC operations;
- (2) Interfere with the employee's efficient performance of official duties, work schedule, and responsibilities at ~~the Commission~~THEC;
- (3) Bring discredit to ~~the Commission~~THEC or cause unfavorable or justifiable criticism of ~~the Commission~~THEC;
- (4) Be performed entirely outside of ~~the Commission~~THEC offices, and with priority placed on normal working assignments and responsibilities;
- (5) Require only a reasonable time commitment from the employee; and,
- (6) Be undertaken with an inappropriate claim that the individual is officially representing ~~the Commission~~THEC in connection with the employment.

1.0.4 D Outside employment should not conflict with an employee's regular work schedule, and employees are required to work a standard, uninterrupted 7.5 hour work day. ~~The Commission~~THEC acknowledges there may be rare, isolated instances when outside employment conflicts with regular work schedules. Any outside employment commitment that conflicts with regular working hours must be formally approved in advance, in writing, by the Executive Director. Such approval shall include a written plan as to how the employee will work 37.5 hours in any week in which the outside employment conflicts with the regular work schedule, with additional assurance that the employee's work product and responsibilities will not be compromised. A copy of the approved plan shall be placed in the official personnel file of the employee. After the required approvals have been issued, if the employee is unable to fulfill the required 37.5 work hours in any week due to outside employment activities, annual leave must be utilized for the shortfall, documentation of which must be provided to the Executive Director.

- 1.0.5 A      **PROCEDURE:** ~~Commission~~THEC employees with outside employment obligations that are limited to hours beyond the standard work day, on weekends and/or state holidays, will not be required to notify or seek approval for such employment as long as the outside employment does not conflict with this policy.
- 1.0.5 B      ~~Commission~~THEC employees with outside employment obligations that involve higher education, consulting, or as a business owner, part-owner, partner, corporate officer, or in a policy making position, and their involvement is limited to hours beyond the standard work day, on weekends and/or state holidays, shall disclose the outside employment obligation in writing to their immediate supervisor, and a copy shall be filed with the Executive Director and placed in the employee's official personnel file.
- 1.0.5 C      Commission employees wishing to engage in outside employment with other agencies, departments, or institutions of state government, shall first obtain the approval of the Executive Director and will be subject to prior approval of the President, Director, or appropriate representative of the other agency, department, or institution. Such services to another state agency or institution of higher education shall be paid by the contracting agency to ~~the~~ ~~Commission~~THEC in accordance with a dual services agreement.
- 1.0.6      It shall be the duty of the employee to provide notice and/or seek approval in writing on a timely basis as required by this policy.

**Approved:** July 27, 2006

**Revised:** January 26, 2017; May 11, 2023

**ATTACHMENT B: CLEAN VERSION OF PROPOSED CHANGES**

**Section Title:** Human Resources

**Policy Title:** Outside Employment

**Policy Number:** HR1.0

- 1.0.1 **PURPOSE:** This policy addresses the outside employment activities of Tennessee Higher Education Commission (THEC) employees to ensure that outside employment does not conflict with their employment duties at THEC.
  
- 1.0.2 **APPLICATION:** This policy applies to all employees serving in a direct or indirect full-time, part-time, direct contract, subcontract, volunteer, or intern employment of THEC.
  
- 1.0.3 **DEFINITIONS:** Outside employment is defined as the engagement in any line of business or the performance of any type of work or service for any person or entity other than that required by the employee's official position with THEC. This is limited to outside employment performed for the purpose of obtaining wages, salary, fee, gift, or other compensation. Such outside employment also includes active participation in a business, including being an owner, part-owner, partner, corporate officer, or serving in a policy-making position for such business.
  
- 1.0.4 **POLICY:** As a condition of employment, all full time THEC employees shall abide by this policy. Any violation of this policy will result in corrective action, up to and including termination, at the discretion of the Executive Director.
  
- 1.0.4 A Full-time employment with THEC demands an individual's full- time commitment, professional expertise, and attention to assigned responsibilities. Holding an appointment to a full-time position with THEC constitutes acknowledgement of these requirements, and that the position shall be the employee's primary occupation. It is further understood that fulfillment of official duties for THEC may require working beyond the regular work day or work week, and in such situations the work of the Commission shall take priority over any outside employment opportunity.
  
- 1.0.4 B Employees shall not engage in any outside employment that may affect the employee's ability to fulfill his or her official duties with THEC. Additionally, full

time employment with THEC shall, at a minimum, require adherence to the State of Tennessee's standard work schedule and attendance consistent with the employee's job duties, with allowances for sick and annual leave. An employee's regular work schedule will generally consist of an uninterrupted 7.5 hour work day plus a lunch break.

1.0.4 C

As a guide to determine the appropriateness of outside employment, consideration shall be given as to whether the outside employment will:

- (1) Result in a conflict of interest, or an apparent conflict of interest, with the employee's official duties and responsibilities or with regular THEC operations;
- (2) Interfere with the employee's efficient performance of official duties, work schedule, and responsibilities at THEC;
- (3) Bring discredit to THEC or cause unfavorable or justifiable criticism of THEC;
- (4) Be performed entirely outside of THEC offices, and with priority placed on normal working assignments and responsibilities;
- (5) Require only a reasonable time commitment from the employee; and,
- (6) Be undertaken with an inappropriate claim that the individual is officially representing THEC in connection with the employment.

1.0.4 D

Outside employment should not conflict with an employee's regular work schedule, and employees are required to work a standard, uninterrupted 7.5 hour work day. THEC acknowledges there may be rare, isolated instances when outside employment conflicts with regular work schedules. Any outside employment commitment that conflicts with regular working hours must be formally approved in advance, in writing, by the Executive Director. Such approval shall include a written plan as to how the employee will work 37.5 hours in any week in which the outside employment conflicts with the regular work schedule, with additional assurance that the employee's work product and responsibilities will not be compromised. A copy of the approved plan shall be placed in the official personnel file of the employee. After the required approvals have been issued, if the employee is unable to fulfill the required 37.5 work hours in any week due to outside employment activities, annual leave must be utilized for the shortfall, documentation of which must be provided to the Executive Director.

1.0.5 A

**PROCEDURE:** THEC employees with outside employment obligations that are limited to hours beyond the standard work day, on weekends and/or state

holidays, will not be required to notify or seek approval for such employment as long as the outside employment does not conflict with this policy.

- 1.0.5 B THEC employees with outside employment obligations that involve higher education, consulting, or as a business owner, part-owner, partner, corporate officer, or in a policy making position, and their involvement is limited to hours beyond the standard work day, on weekends and/or state holidays, shall disclose the outside employment obligation in writing to their immediate supervisor, and a copy shall be filed with the Executive Director and placed in the employee's official personnel file.
- 1.0.5 C Commission employees wishing to engage in outside employment with other agencies, departments, or institutions of state government, shall first obtain the approval of the Executive Director and will be subject to prior approval of the President, Director, or appropriate representative of the other agency, department, or institution. Such services to another state agency or institution of higher education shall be paid by the contracting agency to THEC in accordance with a dual services agreement.
- 1.0.6 It shall be the duty of the employee to provide notice and/or seek approval in writing on a timely basis as required by this policy.

**Approved:** July 27, 2006

**Revised:** January 26, 2017; May 11, 2023



## TENNESSEE HIGHER EDUCATION COMMISSION

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**CONSENT CALENDAR ITEM:** II.B.

**MEETING DATE:** May 11, 2023

**SUBJECT:** Human Resources and Legal & Regulatory Policies  
LR5.2 – Conflict of Interest Disclosure Policy for Commission Staff

**ITEM TYPE:** Action

**ACTION RECOMMENDATION:** Approval

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### **BACKGROUND**

THEC Legal & Regulatory Policy 5.2 – Conflict of Interest Disclosure Policy for Commission Staff addresses the conflict of interest disclosure policy of Tennessee Higher Education Commission employees.

The proposed revisions were completed in order to clarify that the policy applies to all employees, including full-time, part-time, direct contract, subcontract, volunteer, or intern employees, align THEC policies with Tennessee Student Assistance Corporation (TSAC) policies, improve readability, delete the disclosure form from the policy, and direct Human Resources to maintain and collect an annual disclosure form.

Attachment A provides a redlined version of the policy and Attachment B provides a clean version of the proposed changes.



**ATTACHMENT A: REDLINED VERSION OF PROPOSED CHANGES**

**Section Title:** Legal ~~and~~ & Regulatory

**Policy Title:** Conflict of Interest Disclosure Policy for Commission Staff

**Policy Number:** LR5.2

5.2.1 **PURPOSE:** This policy addresses the conflict of interest disclosure policy for Tennessee Higher Education Commission (THEC) employees.

5.2.2 **APPLICATION:** This policy applies to all employees serving in a direct or indirect full-time, part-time, direct contract, subcontract, volunteer, or intern employment of THEC.

5.2.3 **DEFINITIONS:** “Direct interest” means any contract to provide goods or services to the Commission THEC as a result of a bid process or any other business transaction with a:

(a) Commission THEC sStaff person;

(b) a relative of a Commission THEC sStaff person;

(c) a business in which a Commission THEC sStaff- member person is:

(i) the sole proprietor;

(ii) a partner; or

(iii) the person having the controlling ownership or control of the largest numbers of outstanding shares owned by any single individual or corporation.

“Indirect interest” means any contract in which THEC staff person is interested but not directly so, but includes contracts where the THEC staff person is directly interested but is the sole supplier of goods or services.

“Relative” includes spouse, parents, siblings, or children.

“Disclosure form” means the form maintained and collected annually by Human Resources at THEC for THEC staff persons to disclose any direct or indirect interests per this policy.

5.2.15.2.4 **POLICY:** (1) It shall be inappropriate for a Commission THEC sStaff member

person to have a direct interest in any contract ~~the Commission~~THEC has entered into for goods or services as a result of a bid process or any other business transaction with ~~the Commission~~THEC. Additionally, it shall be inappropriate for ~~Commission~~THEC ~~s~~Staff to be indirectly interested in any such contract or business transaction unless the ~~Commission~~THEC ~~s~~Staff member publicly acknowledges his/her interest.

- (2) ~~Commission~~THEC ~~s~~Staff shall disclose any of the following interests:
- (a) Any indirect interest in any contract or other business transaction with ~~the Commission~~THEC;
  - (b) Any interest in any contract or other business transaction with any higher education institution which is coordinated by, contracted by, contracted with, or authorized by ~~the Commission~~THEC; and
  - (c) Any indirect interest created by a relative who has (to the extent ~~Commission~~THEC ~~s~~Staff is aware) any contract or business transaction with ~~the Commission~~THEC or with any higher education institution which is coordinated by, contracted by, contracted with, or authorized by ~~the Commission~~THEC.

#### 5.2.2 ~~\_\_\_\_\_~~

~~(3) "Direct interest" means any contract to provide goods or services to the Commission as a result of a bid process or any other business transaction with a:~~

- ~~(a) Commission Staff person;~~
- ~~(b) a relative of a Commission Staff person;~~
- ~~(c) a business in which a Commission Staff member is:~~
  - ~~(i) the sole proprietor;~~
  - ~~(ii) a partner; or~~
  - ~~(iii) the person having the controlling ownership or control of the largest numbers of outstanding shares owned by any single individual or corporation.~~

~~(4) "Indirect interest" means any contract in which Commission Staff person is interested but not directly so, but includes contracts where the Commission Staff person is directly interested but is the sole supplier of goods or services.~~

~~(5) "Relative" includes spouse, parents, siblings, or children.~~

5.2.35.2.5 ~~(6)~~**PROCEDURE:** ~~—~~In the event a ~~Commission~~THEC ~~s~~Staff person identifies any conflict covered by this policy, he/she shall immediately notify the Executive Director. The Executive Director may determine that such ~~Commission~~THEC ~~s~~Staff person should not work on material related to such interests. Such interests shall

be disclosed to ~~the Commission~~THEC regardless of whether the ~~Commission~~THEC ~~s~~Staff person is relieved of working on the matters in question.

~~(7)~~The basic underlying principle in conflict of interest is that ~~Commission~~THEC ~~s~~Staff ~~person~~ should disclose any activity, investment, or interest that might reflect unfavorably upon ~~the Commission~~THEC, using the disclosure form. Because of the sensitive nature of ~~the Commission's~~THEC's relationship with all of the postsecondary institutions, as well as the General Assembly, it is important that ~~s~~Staff persons resolve questions of conflict of interest by disclosure. Any activity which might constitute, or be perceived to constitute, a prohibited conflict should be fully reported. Full disclosure of any situation in doubt should be made.

~~(8)~~The conflict of interest form must be filed within thirty (30) days after the Commission's regular ~~s~~Spring meeting, but in no case shall it be filed later than June 1. In the case of a ~~s~~Staff person ~~is~~ appointed to ~~the Commission~~THEC staff after the ~~s~~Spring meeting, the newly appointed ~~s~~Staff person shall file a conflict of interest statement no later than thirty (30) days after the first Commission meeting following his/her appointment.

~~(9)~~ ~~Commission~~THEC ~~s~~Staff shall amend their respective disclosure because of termination or acquisition of interests of which disclosure is required.

**Approved:** January 31, 1992

**Revised:** April 15, 2004; July 27, 2006; May 11, 2023

**Revised:** ~~July 27, 2006~~

**TENNESSEE HIGHER EDUCATION COMMISSION DISCLOSURE STATEMENT  
FOR INDIRECT INTERESTS OF COMMISSION STAFF**

~~I, the undersigned Staff member of the Tennessee Higher Education Commission, in order to assure that any appearance of conflict of interest is avoided, and in order to assure that any indirect interests are publicly acknowledged, hereby make the following statements and assurances:~~

~~I am related to the following employees of the Tennessee Higher Education Commission or any official of any corporation, partnership, sole proprietorship, association, institution of higher education or other entities which do business with, are licensed by, or are otherwise involved with the Tennessee Higher Education Commission:~~

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~~I am employed or professionally affiliated with the following corporation, partnerships, sole proprietorships, associations, institutions of higher education or any other entities which are licensed by the Tennessee Higher Education Commission:~~

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~~I have an ownership interest in or serve on the Board of the following corporations, partnerships, sole proprietorships, associations, institutions of higher education or other entities which, to my knowledge, do business with postsecondary institutions coordinated or licensed by the Tennessee Higher Education Commission:~~

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~~In my household and among my dependents, to my knowledge, the following individuals have an ownership interest as stated in Number 3 above:~~

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~~I am currently the recipient of the following grants administered by the Tennessee Higher Education Commission:~~

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~~I hereby certify that if, during my tenure this year on the Tennessee Higher Education Commission staff, I become directly or indirectly interested as an owner, employee or affiliated as described in Number 1-5 above, or if there is any change in the information provided in this statement, I shall immediately disclose such information to the Tennessee Higher Education Commission. The accuracy of this statement will be reviewed within thirty (30) days after the Commission's regular Spring meeting, but no later than June 1.~~

~~By my signature below, I affirm that all of the above statements are true to the best of my knowledge and belief.~~

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~~{Signature}~~

---

~~{Date}~~

**ATTACHMENT B: CLEAN VERSION OF PROPOSED CHANGES**

**Section Title:** Legal & Regulatory

**Policy Title:** Conflict of Interest Disclosure Policy for Commission Staff

**Policy Number:** LR5.2

5.2.1 **PURPOSE:** This policy addresses the conflict of interest disclosure policy for Tennessee Higher Education Commission (THEC) employees.

5.2.2 **APPLICATION:** This policy applies to all employees serving in a direct or indirect full-time, part-time, direct contract, subcontract, volunteer, or intern employment of THEC.

5.2.3 **DEFINITIONS:** “Direct interest” means any contract to provide goods or services to THEC as a result of a bid process or any other business transaction with a:

- (a) THEC staff person;
- (b) a relative of a THEC staff person;
- (c) a business in which a THEC staff person is:
  - (i) the sole proprietor;
  - (ii) a partner; or
  - (iii) the person having the controlling ownership or control of the largest numbers of outstanding shares owned by any single individual or corporation.

“Indirect interest” means any contract in which THEC staff person is interested but not directly so, but includes contracts where the THEC staff person is directly interested but is the sole supplier of goods or services.

“Relative” includes spouse, parents, siblings, or children.

“Disclosure form” means the form maintained and collected annually by Human Resources at THEC for THEC staff persons to disclose any direct or indirect interests per this policy.

5.2.4 **POLICY:** It shall be inappropriate for a THEC staff person to have a direct interest in any contract THEC has entered into for goods or services as a result of a bid process or any other business transaction with THEC. Additionally, it shall be

inappropriate for THEC staff to be indirectly interested in any such contract or business transaction unless the THEC staff member publicly acknowledges his/her interest.

THEC staff shall disclose any of the following interests:

- (a) Any indirect interest in any contract or other business transaction with THEC;
- (b) Any interest in any contract or other business transaction with any higher education institution which is coordinated by, contracted by, contracted with, or authorized by THEC; and
- (c) Any indirect interest created by a relative who has (to the extent THEC staff is aware) any contract or business transaction with THEC or with any higher education institution which is coordinated by, contracted by, contracted with, or authorized by THEC.

5.2.5 **PROCEDURE:** In the event a THEC staff person identifies any conflict covered by this policy, he/she shall immediately notify the Executive Director. The Executive Director may determine that such THEC staff person should not work on material related to such interests. Such interests shall be disclosed to THEC regardless of whether the THEC staff person is relieved of working on the matters in question.

The basic underlying principle in conflict of interest is that THEC staff should disclose any activity, investment, or interest that might reflect unfavorably upon THEC, using the disclosure form. Because of the sensitive nature of THEC's relationship with all of the postsecondary institutions, as well as the General Assembly, it is important that staff persons resolve questions of conflict of interest by disclosure. Any activity which might constitute, or be perceived to constitute, a prohibited conflict should be fully reported. Full disclosure of any situation in doubt should be made.

The conflict of interest form must be filed within thirty (30) days after the Commission's regular spring meeting, but in no case shall it be filed later than June 1. In the case of a staff person appointed to THEC staff after the spring meeting, the newly appointed staff person shall file a conflict of interest statement no later than thirty (30) days after the first Commission meeting following his/her appointment.

THEC staff shall amend their respective disclosure because of termination or acquisition of interests of which disclosure is required.

**Approved:** January 31, 1992

**Revised:** April 15, 2004; July 27, 2006; May 11, 2023





## TENNESSEE HIGHER EDUCATION COMMISSION

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**CONSENT CALENDAR ITEM:** II.C.

**MEETING DATE:** May 11, 2023

**SUBJECT:** Human Resources and Legal & Regulatory Policies  
LR5.3 – Code of Conduct Commission Staff

**ITEM TYPE:** Action

**ACTION RECOMMENDATION:** Approval

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### **BACKGROUND**

THEC Legal & Regulatory Policy 5.3 – Code of Conduct Commission Staff addresses the code of conduct applicable to all Tennessee Higher Education Commission employees.

The proposed revisions were completed in order to clarify that the policy applies to all employees, including full-time, part-time, direct contract, subcontract, volunteer, or intern employees, to improve readability, to align THEC policies with Tennessee Student Assistance Corporation (TSAC) policies, and deletes the employee acceptance so that moving forward, Human Resources will be responsible for collecting annual employee acknowledgements.

Attachment A provides a redlined version of the policy and Attachment B provides a clean version of the proposed changes.

**ATTACHMENT A: REDLINED VERSION OF PROPOSED CHANGES**

**Section Title:** Legal ~~and &~~ Regulatory Policies  
**Policy Title:** Code of Conduct Commission Staff  
**Policy Number:** LR5.3

~~Tennessee Higher Education Commission~~  
~~Code of Conduct~~

~~5.3.1~~ **PURPOSE:** ~~This policy addresses the code of conduct applicable to all Tennessee Higher Education Commission (THEC) employees.~~

~~5.3.2~~ **APPLICATION:** ~~This policy applies to all employees serving in a direct or indirect full-time, part-time, direct contract, subcontract, volunteer, or intern employment of THEC.~~

~~5.3.1~~ **POLICY:** ~~The Commission and its~~ ~~All THEC~~ employees must, at all times, comply with all applicable laws and regulations. ~~The Commission~~ ~~THEC~~ will not condone the activities of employees who achieve results through violation of the law or unethical business dealings. This includes any payments for illegal acts, indirect contributions, rebates, and bribery.

~~5.3.2~~ ~~The Commission~~ ~~THEC~~ does not permit any activity that fails to stand the closest possible public scrutiny.

~~5.3.3~~

~~5.3.4~~ All business conduct should be well above the minimum standards required by law. Accordingly, employees must ensure that their actions cannot be interpreted as being, in any way, in contravention of the laws and regulations governing ~~the Commission's~~ ~~THEC's~~ operations.

~~5.3.5~~

~~5.3.6~~ ~~5.3.3~~ Employees uncertain about the application or interpretation of any legal requirements should refer the matter to their superior, who, if necessary, should seek the advice of the ~~Associate Executive Director~~ General Counsel for Legal and Regulatory Affairs.

~~5.3.7~~ **GENERAL EMPLOYEE CONDUCT:**

~~5.3.8~~ ~~5.3.4~~ ~~The Commission~~ ~~THEC~~ expects its employees to conduct themselves in a businesslike and professional manner in carrying out the business of ~~the Commission~~ ~~THEC~~. Employees will be expected to adhere to all ~~Commission~~ ~~THEC~~

policies, especially those addressing conduct and office procedures and expectations. These shall specifically include, but not be limited to, policies regarding conflict of interest, outside employment and workplace harassment.

~~5.3.9~~ — **RELATIONSHIPS WITH CLIENTS AND SUPPLIERS:**

~~5.3.10~~ — Employees should avoid investing in or acquiring a financial interest for their own accounts in any business that has a contractual relationship with ~~the Commission~~THEC, or that provides goods or services, or both to ~~the Commission~~THEC, if such investment or

~~5.3.11~~~~5.3.5~~ interest could influence or create the impression of influencing their decisions in the performance of their duties on behalf of ~~the Commission~~THEC.

~~5.3.12~~ — **GIFTS, ENTERTAINMENT, AND FAVORS:**

~~5.3.13~~~~5.3.6~~ Employees must not accept entertainment, gifts, or personal favors that could, in any way, influence, or appear to influence, business decisions in favor of any person with whom or with which ~~the Commission~~THEC has, or is likely to have, business dealings. Similarly, employees must not accept any other preferential treatment under these circumstances because their position with ~~the Commission~~THEC might be inclined to, or be perceived to, place them under obligation.

~~5.3.14~~ — **KICKBACKS AND SECRETS:**

~~5.3.15~~~~5.3.7~~ Regarding ~~the Commission's~~THEC's business activities, employees may not receive payment or compensation of any kind, except as authorized under ~~the Commission's~~THEC's remuneration policies. In particular, ~~the Commission~~THEC strictly prohibits the acceptance of kickbacks and secrets from suppliers or others. Any breach of this rule will result in immediate termination and prosecution to the fullest extent of the law.

~~5.3.16~~ — **COMMISSION FUNDS AND OTHER ASSETS:**

~~5.3.17~~ — Employees who have access to ~~Commission~~THEC funds in any form must follow the prescribed procedures for recording, handling, and protecting money as detailed in ~~the Commission's~~THEC's instructional manuals or other explanatory materials, or both.

~~5.3.18~~ — ~~The Commission~~THEC imposes strict standards to prevent fraud and dishonesty. If employees become aware of any evidence of fraud and dishonesty, they should immediately advise their superior, the Associate Executive Director for Legal and

Regulatory Affairs, and the Executive Director so that ~~the Commission~~THEC can promptly investigate further.

~~5.3.20~~ \_\_\_\_\_

~~5.3.21~~ \_\_\_\_\_ When an employee's position requires spending ~~Commission~~THEC funds or incurring any reimbursable personal expenses, that individual must use good judgment on ~~the Commission's~~THEC's behalf to ensure that good value is received for all expenditures.

~~5.3.22~~ \_\_\_\_\_

~~5.3.23~~5.3.8 ~~Commission~~THEC funds, assets and equipment are for ~~Commission~~THEC purposes only and not for personal benefit.

~~5.3.24~~ \_\_\_\_\_ **COMMISSION RECORDS AND COMMUNICATIONS:**

~~5.3.25~~ \_\_\_\_\_ Accurate and reliable records of many kinds are necessary to meet ~~the Commission's~~THEC's legal and financial obligations and to manage the affairs of ~~the~~

~~5.3.26~~ \_\_\_\_\_

~~5.3.27~~ \_\_\_\_\_ ~~Commission~~THEC. ~~The Commission's~~THEC's books and records must reflect in an accurate and timely manner all business transactions. The employees responsible for accounting and recordkeeping must fully disclose and record all assets, liabilities, or both, and must exercise diligence in enforcing these requirements.

~~5.3.28~~ \_\_\_\_\_

~~5.3.29~~5.3.9 Employees must not make or engage in any false record or communication of any kind, whether internal or external, including but not limited to:

- False expense, attendance, production, financial, or similar reports and statements;
- False advertising, deceptive marketing practices, or other misleading representations; and
- Dealing with outside people and commissions.

Employees must take care to separate their personal roles from their ~~Commission~~THEC positions when communicating on matters not involving ~~Commission~~THEC business.

Employees must not use ~~Commission~~THEC identification, stationery, supplies, and equipment for personal or political matters.

When communicating publicly on matters that involve ~~Commission~~THEC business, employees must not presume to speak for ~~the~~THEC ~~Commission~~ on any topic, unless they are certain that the views they express are those of ~~the~~ ~~Commission~~THEC, and it is ~~the~~ ~~Commission's~~THEC's desire that such views be publicly disseminated.

When dealing with anyone outside ~~the~~ ~~Commission~~THEC, including public officials, employees must take care not to compromise the integrity or damage the reputation of either ~~the~~ ~~Commission~~THEC, or any outside individual, business, or government body.

~~5.3.30~~ — **PROMPT COMMUNICATIONS:**

~~5.3.31~~~~5.3.10~~ In all matters relevant to customers, suppliers, government authorities, the public, and others in ~~the~~ ~~Commission~~THEC, all employees must make every effort to achieve complete, accurate, and timely communications—responding promptly and courteously to all proper requests for information and to all complaints.

~~5.3.32~~ — **PRIVACY AND CONFIDENTIALITY:**

~~5.3.33~~~~5.3.11~~ When handling financial and personal information about customers or others with whom ~~the~~ ~~Commission~~THEC has dealings, staff should observe the following principles:

1. Collect, use, and retain only the personal information necessary for ~~the~~ ~~Commission's~~THEC's business. Whenever possible, obtain any relevant information directly from the person concerned. Use only reputable and reliable sources to supplement this information.
2. Retain information only for as long as necessary or as required by law. Protect the physical security of this information.
3. Limit internal access to personal information to those with a legitimate business reason for seeking that information. Use only personal information for the purposes for which it was originally obtained. Obtain the consent of the person concerned before externally disclosing any personal information, unless legal process or contractual obligation provides otherwise.

**Employee Acceptance**

My signature below provides evidence that I have read, understand, and agree to abide by the Tennessee Higher Education Commission Employee Code of Conduct.

\_\_\_\_\_  
Signature

\_\_\_\_\_

\_\_\_\_\_  
Printed Name

**Approved:** \_\_\_\_\_ July 27, 2006

**Revised:** May 11, 2023

**ATTACHMENT B: CLEAN VERSION OF PROPOSED CHANGES**

**Section Title:** Legal & Regulatory Policies

**Policy Title:** Code of Conduct Commission Staff

**Policy Number:** LR5.3

- 5.3.1 **PURPOSE:** This policy addresses the code of conduct applicable to all Tennessee Higher Education Commission (THEC) employees.
- 5.3.2 **APPLICATION:** This policy applies to all employees serving in a direct or indirect full-time, part-time, direct contract, subcontract, volunteer, or intern employment of THEC.
- 5.3.3 **POLICY:** All THEC employees must, at all times, comply with all applicable laws and regulations. THEC will not condone the activities of employees who achieve results through violation of the law or unethical business dealings. This includes any payments for illegal acts, indirect contributions, rebates, and bribery. THEC does not permit any activity that fails to stand the closest possible public scrutiny. All business conduct should be well above the minimum standards required by law. Accordingly, employees must ensure that their actions cannot be interpreted as being, in any way, in contravention of the laws and regulations governing THEC’s operations. Employees uncertain about the application or interpretation of any legal requirements should refer the matter to their superior, who, if necessary, should seek the advice of the General Counsel for Legal and Regulatory Affairs.
- 5.3.4 **GENERAL EMPLOYEE CONDUCT:** THEC expects its employees to conduct themselves in a businesslike and professional manner in carrying out the business of THEC. Employees will be expected to adhere to all THEC policies, especially those addressing conduct and office procedures and expectations. These shall specifically include, but not be limited to, policies regarding conflict of interest, outside employment and workplace harassment.
- 5.3.5 **RELATIONSHIPS WITH CLIENTS AND SUPPLIERS:** Employees should avoid investing in or acquiring a financial interest for their own accounts in any business that has a contractual relationship with THEC, or that provides goods or services, or both to THEC, if such investment or interest could influence or create the

impression of influencing their decisions in the performance of their duties on behalf of THEC.

- 5.3.6 **GIFTS, ENTERTAINMENT, AND FAVORS:** Employees must not accept entertainment, gifts, or personal favors that could, in any way, influence, or appear to influence, business decisions in favor of any person with whom or with which THEC has, or is likely to have, business dealings. Similarly, employees must not accept any other preferential treatment under these circumstances because their position with THEC might be inclined to, or be perceived to, place them under obligation.
- 5.3.7 **KICKBACKS AND SECRETS:** Regarding THEC's business activities, employees may not receive payment or compensation of any kind, except as authorized under THEC's remuneration policies. In particular, THEC strictly prohibits the acceptance of kickbacks and secrets from suppliers or others. Any breach of this rule will result in immediate termination and prosecution to the fullest extent of the law.
- 5.3.8 **COMMISSION FUNDS AND OTHER ASSETS:** Employees who have access to THEC funds in any form must follow the prescribed procedures for recording, handling, and protecting money as detailed in THEC's instructional manuals or other explanatory materials, or both.

THEC imposes strict standards to prevent fraud and dishonesty. If employees become aware of any evidence of fraud and dishonesty, they should immediately advise their superior, the Associate Executive Director for Legal and Regulatory Affairs, and the Executive Director so that THEC can promptly investigate further.

When an employee's position requires spending THEC funds or incurring any reimbursable personal expenses, that individual must use good judgment on THEC's behalf to ensure that good value is received for all expenditures.

THEC funds, assets and equipment are for THEC purposes only and not for personal benefit.

- 5.3.9 **COMMISSION RECORDS AND COMMUNICATIONS:** Accurate and reliable records of many kinds are necessary to meet THEC's legal and financial obligations and to manage the affairs of THEC. THEC's books and records must reflect in an accurate and timely manner all business transactions. The employees responsible for accounting and recordkeeping must fully disclose and record all assets, liabilities, or both, and must exercise diligence in enforcing these requirements.



Employees must not make or engage in any false record or communication of any kind, whether internal or external, including but not limited to:

- False expense, attendance, production, financial, or similar reports and statements;
- False advertising, deceptive marketing practices, or other misleading representations; and
- Dealing with outside people and commissions.

Employees must take care to separate their personal roles from their THEC positions when communicating on matters not involving THEC business. Employees must not use THEC identification, stationery, supplies, and equipment for personal or political matters.

When communicating publicly on matters that involve THEC business, employees must not presume to speak for THEC on any topic, unless they are certain that the views they express are those of THEC, and it is THEC's desire that such views be publicly disseminated.

When dealing with anyone outside THEC, including public officials, employees must take care not to compromise the integrity or damage the reputation of either THEC, or any outside individual, business, or government body.

5.3.10 **PROMPT COMMUNICATIONS:** In all matters relevant to customers, suppliers, government authorities, the public, and others in THEC, all employees must make every effort to achieve complete, accurate, and timely communications—responding promptly and courteously to all proper requests for information and to all complaints.

5.3.11 **PRIVACY AND CONFIDENTIALITY:** When handling financial and personal information about customers or others with whom THEC has dealings, staff should observe the following principles:

1. Collect, use, and retain only the personal information necessary for THEC's business. Whenever possible, obtain any relevant information directly from the person concerned. Use only reputable and reliable sources to supplement this information.

2. Retain information only for as long as necessary or as required by law. Protect the physical security of this information.
3. Limit internal access to personal information to those with a legitimate business reason for seeking that information. Use only personal information for the purposes for which it was originally obtained. Obtain the consent of the person concerned before externally disclosing any personal information, unless legal process or contractual obligation provides otherwise.

**Approved:** July 27, 2006

**Revised:** May 11, 2023



# TENNESSEE HIGHER EDUCATION COMMISSION

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## REGULAR CALENDAR ITEM: I.

**MEETING DATE:** May 11, 2023  
**SUBJECT:** 2023-24 Binding Tuition and Fee Ranges  
**ITEM TYPE:** Action

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### BACKGROUND

Since 2010, the Complete College Tennessee Act has required the Commission to make student fee and state appropriation recommendations concurrently. The FOCUS Act expanded THEC's authority on student fee levels, requiring that the Commission issue binding tuition and fee ranges each year. These ranges only apply to Tennessee resident, undergraduate students.

### POLICY CONSIDERATIONS

In November 2022, the Commission approved a 0 to 3 percent guiding tuition range and tuition and fee range for 2023-24, in partnership with a combined operating and salary increase request of \$150 million (informed by assumptions of 6.3 percent inflation and flat enrollment). This recommendation ensured that most institutions could maintain the same total revenue per full-time student as in 2022-23 while continuing to center affordability for Tennesseans in alignment with previous Commission actions.

State appropriations for formula units totaled \$111.7 million for operating, inflationary, and partially funded salary increases. Given the difference between the Commission's appropriation request and the actual 2023-24 budget, THEC staff have identified three binding tuition range options:

#### **Option #1: Set binding tuition and tuition and fee ranges with maximum increases of 5.5 percent**

The Commission can expand the ranges to 0 to 5.5 percent to allow institutions the additional flexibility needed to fully recoup the unaccounted for \$38 million needed for operating increases. This action would provide most institutions the opportunity to maintain inflation-adjusted revenue per FTE in 2023-24.

#### **Option #2: Set binding tuition and tuition and fee ranges with maximum increases of 3.0 percent**

The Commission can make binding the 0 to 3.0 percent ranges set in November. This action would cause all institutions to receive lower inflation-adjusted revenue per FTE in 2023-24, despite one of the largest state investments on record, requiring institutions to implement varying levels of cost reduction measures.

#### **Option #3: Set binding tuition and tuition and fee ranges with maximum increases between 3.0 percent and 5.5 percent**

The Commission can establish maximum increases between 3.0 and 5.5 percent for institutions, creating a middle-ground between fully recouping and fully forgoing the \$38 million needed for operating increases. This would provide institutions the opportunity to maintain inflation-adjusted revenue per FTE in 2023-24 while requiring others to cut costs.

## TENNESSEE'S TUITION AND FEE PROFILE

Tennessee's public higher education tuition and fee levels continue to be aligned with the average regional peer across member states of the Southern Regional Education Board. Over the last seven years, average annual tuition increases have been below 2.0 percent, while state appropriations have increased an average of 7.3 percent per year. The average annual full-time tuition and mandatory fees for 2022-23 is \$9,923 at universities, \$4,638 at community colleges, and \$4,008 at the colleges of applied technology.

Tennessee's financial aid resources continue to be among the highest in the nation, according to the National Association of State Student Grant Aid Programs. In 2020-21, Tennessee had the ninth largest overall financial aid program and the sixth largest program per capita. The most recent federal data show that due to robust state investments in operating and financial aid, Tennessee's associate degree graduates have some of the lowest debt in the nation. Tennessee ranks ninth and 23rd in the nation for average net price (i.e., total cost of attendance less all financial aid) at two- and four-year colleges, respectively. Tennessee higher education is more affordable relative to other states when factoring in federal, state, and institutional financial aid.

## BINDING TUITION AND FEE RANGES

On April 20, the 113th General Assembly passed the 2023-24 General Appropriations Act, including total funding to formula units of \$111.7 million for operating and inflationary funding, and partial funding for a five percent salary increase. This is the second largest state investment made to the formula units, following last year's historic investment of \$137 million.

However, the total funding amount trails the Commission approved request by \$38 million. Unlike other state-funded entities, higher education salary increases rely on additional revenue to be generated by institutions through tuition increases, cost reductions, or a combination of the two. To make the salary increase whole and meet the same salary policy applied to all other state employees, institutions will need to fund a \$46 million balance—much, but not all, of which may be met with remaining operating funds. However, with the critical influence of record high inflation, institutions may need flexibility to address the remaining financial needs. (See Attachment II for additional information.)

Increasing tuition revenue is the primary strategy for institutions to address funding gaps. When funding gaps remain, institutions may turn to varying cost reduction strategies that utilize close consideration of services and programs not tied to mission. Common ways institutions cut expenditures include hiring freezes and/or greater reliance on contingent faculty, reduction in student support services, non-personnel related operating reductions (e.g., reductions in institutionally funded scholarships and wrap-around retention and completion services), and deferment of needed capital investments. Ultimately, reductions require each institution to examine their strategic plan and recenter on essential costs.

Attachment I shows the 2023-24 maintenance and mandatory fee increase scenarios at maximum increases of 3.0, 4.25, and 5.5 percent for each university and community college, and for the TCAT system. A one percent increase in tuition would generate an estimated \$16 million in additional revenue. To fully address the funding gap between the THEC request and the state budget, institutions would need 2.5 percent of additional tuition flexibility added to the previous range, resulting in a new range of 0 to 5.5 percent.

Each percentage point increase in tuition and fees results in an average annual increase of \$99 for the universities, \$46 for the community colleges, and \$40 for the TCATs. Therefore, a 5.5 percent increase would result in an average tuition and fee level of \$10,468 at the universities (\$546 per full-pay student), \$4,893 at the community colleges (\$255 per full-pay student), and \$4,228 at the TCATs (\$220 per full-pay student). (See Attachment I for total change for each maximum increase by institution.)

Attachment II details the unfunded balances of the five percent salary increase at each university and community college, and for the TCAT system once operating increases and the state-funded portion of the salary increase are considered. Several institutions are unable to meet the minimum additional revenue necessary for the institutional portion of the five percent salary increase based on state funding alone.

## **SUMMARY**

In November, the Commission approved a 0 to 3.0 percent increase in the tuition range and the tuition and fee range, in alignment with a state request of \$150 million. The state provided a near historic increase of \$111.7 million—with an implicit expectation that institutions fund the five percent salary policy balance on their own using remaining operating funds, tuition increases, or cost reductions. In addition, institutions continue to be burdened by the effects of record high inflation and uncertain enrollment projections, suggesting the need for additional flexibility in the tuition ranges. To allow institutions to meet the five percent salary increase and to provide the flexibility needed to fully maintain last year's total revenue per full-time student, the tuition and tuition and fee binding ranges would need to increase from the guiding range of 0 to 3.0 percent to an expanded range 0 to 5.5 percent.

## Attachment I 2023-24 Maintenance and Mandatory Fee Increase Scenarios

Institutions	2022-23		2023-24 Maintenance and Mandatory Fee Increase Scenarios					
	Maintenance Fees	Mandatory Fees	= 3.0%		= 4.25%		= 5.5%	
			Increase	Change	Increase	Change	Increase	Change
Austin Peay	\$7,146	\$1,615	\$9,024	\$263	\$9,133	\$372	\$9,243	\$482
East Tennessee	7,722	1,952	9,964	290	10,085	411	10,206	532
Middle Tennessee	7,704	1,888	9,880	288	10,000	408	10,120	528
Tennessee State	7,128	1,207	8,585	250	8,689	354	8,793	458
Tennessee Tech (Admitted Prior to Fall 2020)	8,196	1,282	9,762	284	9,881	403	9,999	521
Tennessee Tech (Fall 2020 and Later) <sup>1</sup>	9,240	1,282	10,838	316	10,969	447	11,101	579
University of Memphis (Non-Guaranteed)	8,352	1,704	10,358	302	10,483	427	10,609	553
University of Memphis (Guaranteed) <sup>2</sup>	8,352	1,704	10,358	302	10,483	427	10,609	553
Chattanooga	\$4,326	\$326	\$4,792	\$140	\$4,850	\$198	\$4,908	\$256
Cleveland	4,326	306	4,771	139	4,829	197	4,887	255
Columbia	4,326	340	4,806	140	4,864	198	4,923	257
Dyersburg	4,326	306	4,771	139	4,829	197	4,887	255
Jackson	4,326	292	4,757	139	4,814	196	4,872	254
Motlow	4,326	312	4,777	139	4,835	197	4,893	255
Nashville	4,326	268	4,732	138	4,789	195	4,847	253
Northeast	4,326	318	4,783	139	4,841	197	4,899	255
Pellissippi	4,326	352	4,678	140	4,877	199	4,935	257
Roane	4,326	310	4,775	139	4,833	197	4,891	255
Southwest	4,326	326	4,792	140	4,850	198	4,908	256
Volunteer	4,326	300	4,765	139	4,823	197	4,880	254
Walters	4,326	295	4,760	139	4,817	196	4,875	254
UT Chattanooga (Soar in Four) <sup>3</sup>	\$7,992	\$1,856	\$10,143	\$295	\$10,267	\$419	\$10,390	\$542
UT Chattanooga (Returning)	7,200	1,856	9,328	272	9,441	385	9,554	498
UT Knoxville	11,332	1,912	13,641	397	13,807	563	13,972	728
UT Martin	8,378	1,534	10,209	297	10,333	421	10,457	545
UT Southern <sup>4</sup>	9,000	1,200	10,506	306	10,634	434	10,761	561
TN Colleges of Applied Tech	\$3,759	\$249	\$4,128	\$120	\$4,178	\$170	\$4,228	\$220
<b>University Average <sup>5</sup></b>	<b>\$8,308</b>	<b>\$1,615</b>	<b>\$10,220</b>	<b>\$298</b>	<b>\$10,344</b>	<b>\$422</b>	<b>\$10,468</b>	<b>\$546</b>
<b>Community College Average</b>	<b>\$4,326</b>	<b>\$312</b>	<b>\$4,777</b>	<b>\$139</b>	<b>\$4,835</b>	<b>\$197</b>	<b>\$4,893</b>	<b>\$255</b>

1 - Full-time students admitted in Fall 2020 or later at Tennessee Technological University pay a flat rate for 15 credit hours per semester, regardless of the number of hours taken. Full-time students admitted prior to Fall 2020 and all part-time students are charged a per credit hour rate for the first 12 credit hours and a discounted per credit hour rate for additional hours.

2 - Since 2019-20, all incoming first-time, full-time freshmen at the University of Memphis are eligible to enroll in a "guaranteed tuition plan", which guarantees the entering fall semester tuition rate for eight consecutive regular semesters if the student takes at least 12 credit hours per semester.

3 - Since 2019-20, all first-time, full-time students enrolled at UT Chattanooga pay a flat rate for 15 credit hours per semester, regardless of how many hours are taken.

4 - UT Southern was acquired by the UT system in July 2021. While UT Southern is not currently included in the outcomes-based funding formula during the data standardization process, the university is included in the binding tuition and tuition and fee ranges.

5 - This average incorporates weighted tuition rates for Tennessee Tech, University of Memphis and UT Chattanooga students to reflect differentiated tuition levels.

## Attachment II

### 2023-24 Legislative Action - 5.0% Salary Increase

	A	B	C	= (A + B) - C
	Operating Increase	State Portion of Salary Increase <sup>1</sup>	Full Salary Increase Cost	Remaining Available for Operating
<b>Locally Governed Institutions</b>				
Austin Peay	\$4,072,100	\$2,683,000	\$4,878,500	\$1,876,600
East Tennessee	3,207,100	4,406,500	8,012,000	(398,400)
Middle Tennessee	3,017,900	6,095,000	11,081,500	(1,968,600)
Tennessee State	1,693,500	2,779,500	5,054,000	(581,000)
Tennessee Tech	2,537,000	2,920,000	5,309,000	148,000
University of Memphis	6,302,900	7,450,000	13,545,000	207,900
<i>subtotal</i>	\$20,830,500	\$26,334,000	47,880,000	(\$715,500)
<b>Community Colleges <sup>2</sup></b>				
Chattanooga	\$1,126,800	\$1,530,000	\$2,295,000	\$361,800
Cleveland	869,800	579,000	868,500	580,300
Columbia	422,100	794,500	1,192,000	24,600
Dyersburg	687,800	522,500	783,500	426,800
Jackson	471,400	623,500	935,000	159,900
Motlow	193,900	984,000	1,476,000	(298,100)
Nashville	572,500	1,135,000	1,702,500	5,000
Northeast	202,900	974,000	1,461,000	(284,100)
Pellissippi	324,200	1,847,500	2,771,500	(599,800)
Roane	214,000	1,145,000	1,717,500	(358,500)
Southwest	380,400	1,495,000	2,242,500	(367,100)
Volunteer	536,600	1,248,500	1,872,500	(87,400)
Walters	1,777,200	1,110,500	1,666,000	1,221,700
<i>subtotal</i>	\$7,779,600	\$13,989,000	\$20,983,500	\$785,100
<b>UT Universities <sup>3</sup></b>				
UT Chattanooga	\$1,953,400	\$3,523,500	\$6,406,500	(\$929,600)
UT Knoxville	13,107,500	14,615,500	26,574,000	1,149,000
UT Martin	2,032,700	1,763,000	3,205,000	590,700
UT Southern	43,600	248,500	452,000	(159,900)
<i>subtotal</i>	\$17,137,200	\$20,150,500	\$36,637,500	\$650,200
TN Colleges of Applied Tech	\$2,154,200	\$3,571,000	\$4,464,000	\$1,261,200
<b>Total Academic Units</b>	<b>\$47,901,500</b>	<b>\$64,044,500</b>	<b>\$109,965,000</b>	<b>\$1,981,000</b>

1 - Salary increases for formula units are partially covered by state appropriations. The state provides 55% of funding for salary increases at the universities, 67% at community colleges, and 80% at the TN Colleges of Applied Tech.

2 - Legislative action is for the community college sector as a whole. Institutional detail displayed here is estimated and for informational purposes only.

3 - While UT Southern is not currently included in the outcomes-based funding formula during the data standardization process, the university is included in the binding tuition and tuition and fee ranges.

Note: This attachment does not include assumptions for the effects of other real, non-personnel inflationary cost-drivers on institutions.



## TENNESSEE HIGHER EDUCATION COMMISSION

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### REGULAR CALENDAR ITEM: II.

**MEETING DATE:** May 11, 2023

**SUBJECT:** University of Tennessee, Knoxville Master Plan

**ITEM TYPE:** Action

**ACTION RECOMMENDATION:** Approval

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### BACKGROUND

Campus master plans are an essential element of higher education public policy. Master plans provide an opportunity for long-range planning that incorporates the institution's needs and ambitions, while also providing the public and state government a sense for how the institution might evolve over time. Whether the acquisition of strategic property, the need for and efficient use of facilities, or an analysis of how the campus footprint meshes with the surrounding community, master plans provide a method of anticipating and preparing for the future needs of the campus and the students it serves. THEC requires institutions to produce a master plan every ten years that addresses short-, mid-, and long-term needs of the campus with respect to building and land use, open space, vehicular circulation and parking, and land acquisition opportunities.

### MASTER PLAN SUMMARY

The University of Tennessee, Knoxville (UT Knoxville) Master Plan provides a vision for the dynamic physical transformation of the institution's Knoxville- and Tullahoma-based campuses. The development of the Master Plan was informed by the University's three-fold mission, strategic vision, and robust campus engagement. Its goals include providing high quality educational opportunities for learners at all stages; creating a more just and sustainable world through research, scholarship, and creative work; and supporting local, state, and national communities through the University's land grant mission. The plan was guided by five planning principles:

- **CONNECTIVITY:** Support the land-grant mission by providing strong internal and external campus connections.
- **VOLUNTEER EXPERIENCE:** Create a welcoming, vibrant, and mixed-use campus setting.
- **INTERDISCIPLINARITY & RESEARCH:** Create interdisciplinary research communities supported by core facilities that catalyze innovation and leverage partnerships.
- **SUSTAINABILITY & NATURAL SYSTEMS:** Prioritize resource conservation and environmental practices that promote an equitable campus and mitigate the social impacts of climate change.
- **GROWTH:** Support growth to fulfill the UT Knoxville mission and vision and transform the campus.

The planning framework and recommendations are organized around three key strategies to implement the five planning principles and support the overall Volunteer experience:



- **INTERDISCIPLINARY HUBS:** Create interdisciplinary learning and research communities supported by shared facilities that catalyze innovation.
- **STUDENT LIFE CLUSTERS:** Create welcoming, vibrant, and mixed-use campus settings supporting student success and wellness.
- **CAMPUS CONNECTIONS:** Strengthen connectivity between campus hubs, to the river, and downtown Knoxville through a cohesive network of landscapes and gateways. Leverage the UT Research Park at Cherokee Farm as a centerpiece for innovation and increased partnerships throughout greater Knoxville and Tennessee.

Since the 2011 Long Range Master Plan, the University has completed over 40 projects and constructed 4.3 million gross square feet (GSF) of new space. Of the 4.3 million GSF, 3 million GSF was non-residential space supporting music, engineering, science, research, student life and wellness. For the 2023 Master Plan, the University aims to enroll approximately 46,000 traditional and online students by 2030, an increase of 14,500 students from Fall 2021. Projections for Fall 2030 include increases of 35% (2,155) in-person graduate and 25% (6,200) in-person undergraduate growth and significant growth across online graduate and undergraduate students. While growth is anticipated in every college, most of the growth is forecasted in the Haslam College of Business, the Herbert College of Agriculture, the College of Nursing, and the Tickle College of Engineering. Key areas driving space needs include the expansion of research activity, growth in residential student population, campus-wide need for collaboration, study and recreation space, and STEM instructional labs and maker spaces.

Renewal of campus facilities is also a key space driver. Outdated facilities limit programs and negatively impact the student and faculty experience. Currently, 265,000 GSF are scheduled or identified for demolition related to funded or in-construction projects. Based on Facility Condition Assessments, 4.2 million GSF of space, or 25% of space overall is identified as in poor condition. Upgrading and renovating existing space is critical to providing high quality, functional spaces and addressing space needs.

The master plan provides a long-term vision for the physical campus identifying renovation, new development, open space, and infrastructure projects. In the 10-year horizon, the plan identifies 2.9 million GSF of renewal through major renovation and demolition that addresses more than half of the 4.2 million poor condition space on campus. 3.3 million GSF of non-residential space is planned to support modern instruction, STEM and research growth, and the overall student experience. This new development provides infill throughout campus strengthening key adjacencies like the arts and humanities. Additionally, the planning accommodates 1 million GSF of housing to meet immediate needs for students.

In the near term, five interdisciplinary academic and research buildings renew aging facilities and address space deficiencies in the basic, behavioral, and health sciences, humanities, arts and architecture on the Hill and at interdisciplinary learning hubs.

1. Chemistry Building (Panhellenic Site)
2. Interdisciplinary Classroom/Humanities Building
3. Interdisciplinary Health, Research & Clinic (Jessie Harris Site)
4. Interdisciplinary Research (Dabney-Buehler Site)
5. Interdisciplinary Academic Building (Temple Site)

Immediate housing needs are addressed with construction and leasing of 5,000 beds and additional capacity for Greek and affinity housing along Caledonia Avenue. Athletics facility renewal and expansion competitively position UT Knoxville for the future and enhance the spectator experience. The proposed UT

Drive Garage achieves 1,000 additional parking spaces. A new innovation and research building is also planned at UTSI.

Finally, the University is in a period of transformational growth, fueled by increasing student enrollment, robust academic programs, and research expansion. In Knoxville, the institution's campuses are bordered by the Tennessee River and its tributaries, bisected by train yards, and bounded to the north by the Cumberland Avenue corridor. Land for expansion is limited. Partnerships within greater Knoxville, particularly downtown, are an opportunity to support the campus' strategic goals and stewardship of land within the campus core. The master plan defines its Knoxville-based boundary by identifying a circular zone of influence with a radius of 1.5 miles centered on Andy Holt and UT Drives. This approach positions the University to consider the strategic acquisition of properties that support partnerships and collaborative initiatives aligned with its mission and strategic plan. While the Ft. Sanders neighborhood to the north and Maplehurst Park to the east of campus do fall within the proposed radius, the University does not intend to acquire historic houses in these districts.

## **RECOMMENDATION**

The 2023 Master Plan is a comprehensive 10-year plan, within a long-term vision of campus development. The plan includes analysis of space needs, enrollment, site considerations, facility conditions and renewal plans, land acquisition, infrastructure, student life/services, and implementation and capital plan. THEC staff recommends it for approval.



THE UNIVERSITY OF  
**TENNESSEE**  
KNOXVILLE



# Master Plan THEC Meeting

May 11, 2023

AYERS  
SAINT  
GROSS



# A Commitment to serve all Tennesseans as a land grant University.

## CONNECTIVITY

Support the land-grant mission by providing strong internal and external campus connections.

## INTERDISCIPLINARITY & RESEARCH

Create interdisciplinary research communities supported by core facilities that catalyze innovation and leverage partnerships.

## SUSTAINABILITY & NATURAL SYSTEMS

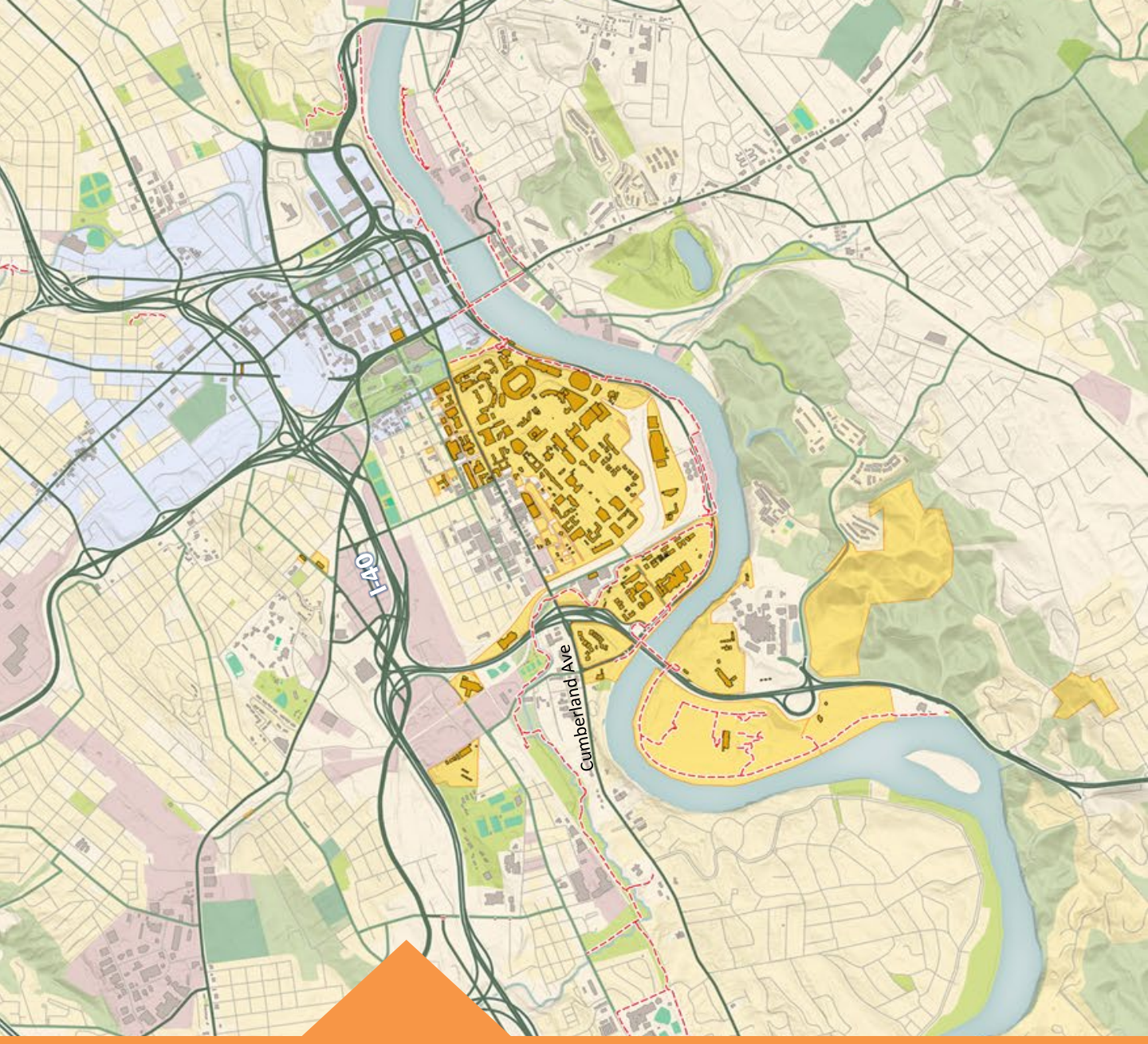
Prioritize resource conservation and environmental practices that promote an equitable campus and mitigate the social impacts of climate change.

## GROWTH

Support growth to fulfill the UTK mission and transform the campus.

## VOLUNTEER EXPERIENCE

Create a welcoming, vibrant and mixed-use campus setting.



# Space Drivers: Growth and Renewal

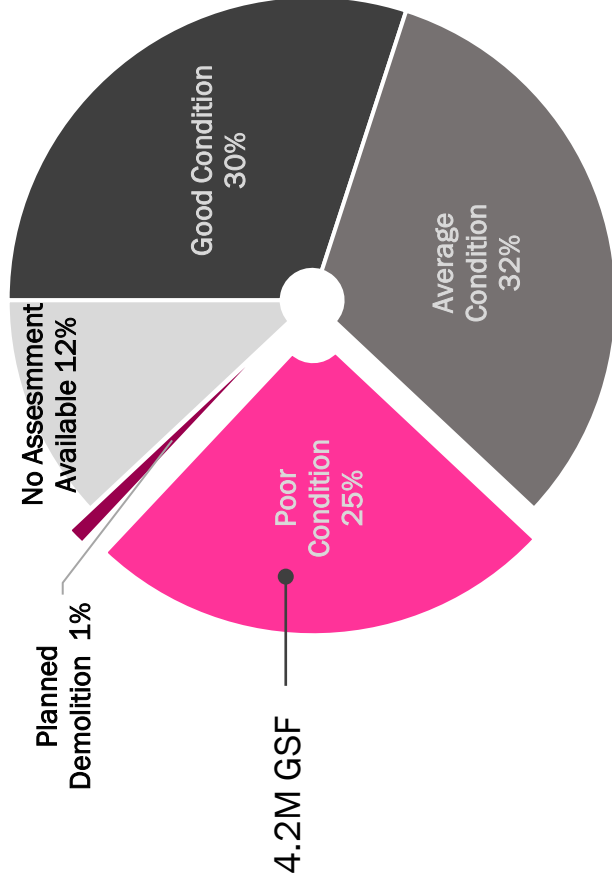
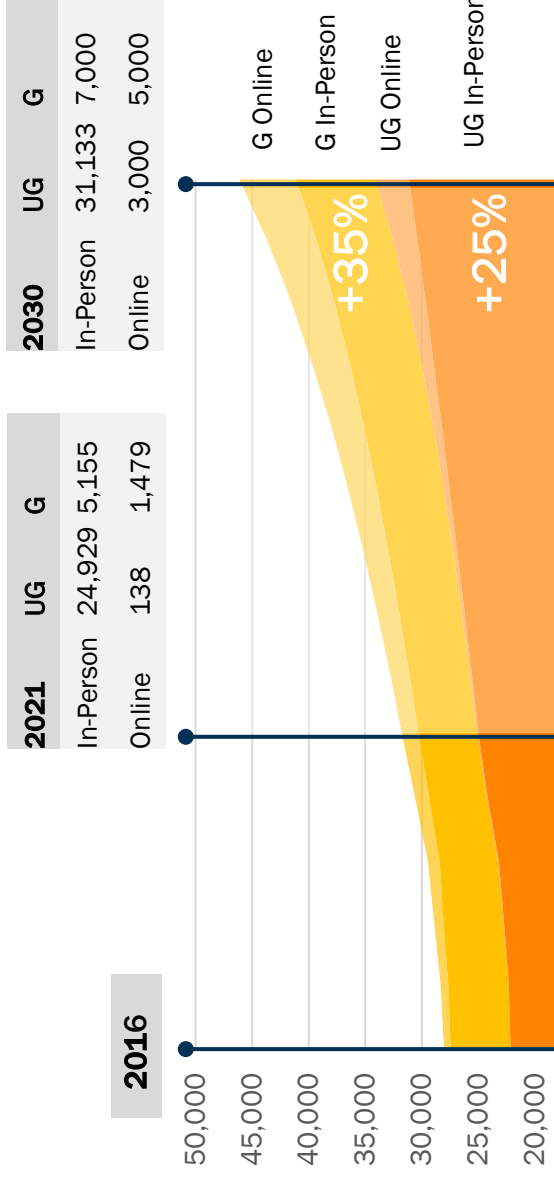
## Key programs driving growth

- Student housing demand
- Collaboration, study, and recreation space
- STEM instructional labs and maker spaces
- Haslam College of Business expansion
- Research

## Facility condition and program alignment

- Outdated facilities limit programs and impact student experience
- 265,000 GSF of demolition related to funded or in construction projects
- 4.2m GSF of space in poor condition

## Enrollments



# Space Findings

## Student Housing

5,000 beds (new and replacement) needed through 2030

NASF quantities are rounded individually to the nearest 100

Percentages represent the surplus/need as a percentage of the existing space

Legend
SURPLUS
IN BALANCE
NEED

## Fall 2021 (30,084 in-person enrollment)

## Fall 2030 (38,133 in-person enrollment)

Academic, Research, Office	Existing	Modeled	Difference	%	Existing + Planned Construction	Modeled	Difference	%
I - Classrooms	360,700	344,100	16,600	5%	427,700	434,700	(7,000)	-2%
II - Lab / Studio	289,600	237,600	52,000	18%	336,500	312,900	23,600	7%
III - Open Lab	95,500	146,100	(50,600)	-53%	123,200	179,100	(55,900)	-45%
IV - Research	598,500	646,800	(48,300)	-8%	654,300	980,700	(326,400)	-50%
V - Office	1,434,000	1,062,490	371,500	26%	1,492,100	1,486,160	5,940	0%
VI - Library	350,700	281,400	69,300	20%	350,400	291,600	58,800	17%
VII - Phys Ed	265,700	322,100	(56,400)	-21%	265,700	394,900	(129,200)	-49%

Equiv FICM

1xx

210, 215

220, 225

250, 255

3xx

4xx

520, 523, 525

Other Campus Space	Existing	Modeled	Difference	%	Existing + Planned Construction	Modeled	Difference	%
Assembly, Exhibit & Event Space	183,500	214,400	(30,900)	-17%	183,600	262,900	(79,300)	-43%
Student-Centered Space	93,000	131,800	(38,800)	-42%	117,300	161,500	(44,200)	-38%
Dining Space	209,000	175,700	33,300	16%	210,200	215,400	(5,200)	-2%
Intercollegiate Athletics	620,700	620,700	0	0%	620,700	820,000	(199,300)	-32%
Student Health Care Facilities	14,800	15,900	(1,100)	-7%	14,800	19,300	(4,500)	-30%
Other Academic Space	135,300	146,400	(11,100)	-8%	137,600	193,200	(55,600)	-40%
Other Administrative Space	314,900	313,700	1,200	0%	314,900	359,000	(44,100)	-14%
Vivaria + Greenhouse	140,100	160,000	(19,900)	-14%	140,100	250,000	(109,900)	-78%
Clinic Space	30,000	30,000	0	0%	30,000	30,000	0	0%
Veterinary Clinic	75,800	75,800	0	0%	75,800	75,800	0	0%
Physical Plant	359,500	384,000	(24,500)	-7%	361,400	390,100	(28,700)	-8%
<b>Institution Total</b>	<b>5,571,200</b>	<b>5,308,990</b>	<b>262,200</b>	<b>4%</b>	<b>5,856,300</b>	<b>6,857,260</b>	<b>(1,000,960)</b>	<b>-17%</b>



# Campus Boundary



## Legend

- Proposed 2023 Institutional zone



**Key strategies to  
support the volunteer  
experience**

**Interdisciplinary  
Hubs**

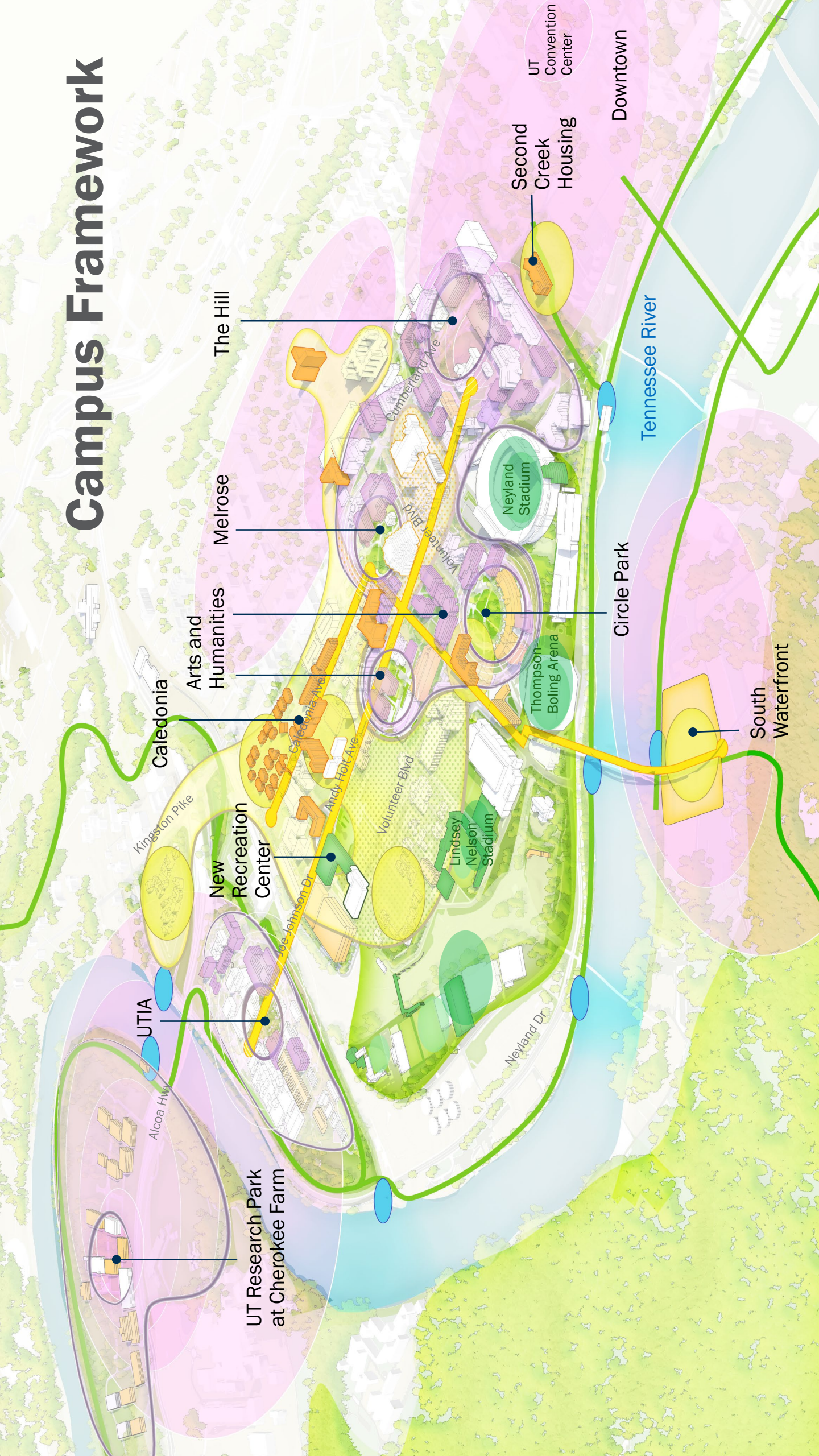
**Student Life  
Clusters**

**Campus  
Connections**





# Campus Framework





# 0-5 years

## Near Term

### Building Projects - State Funds

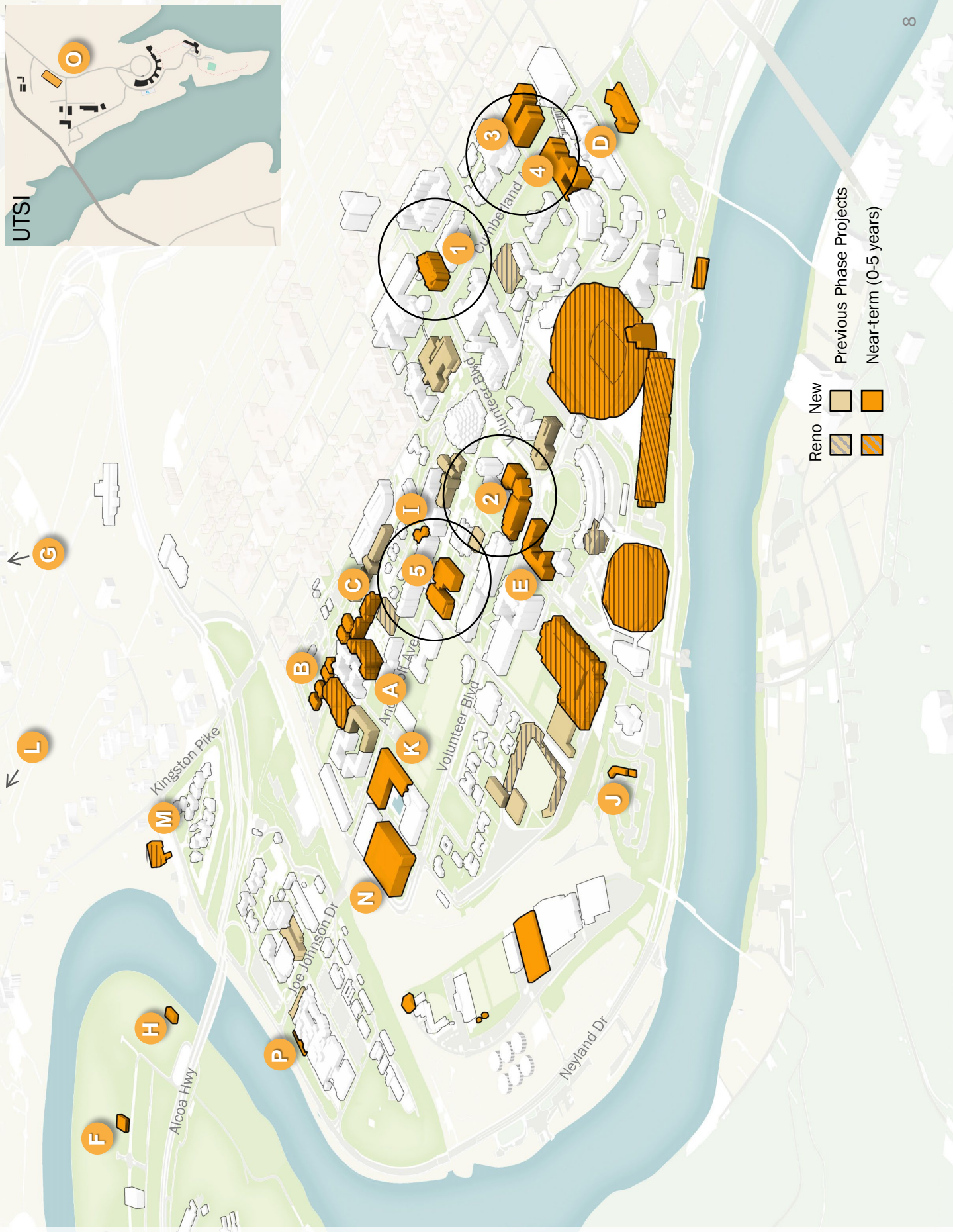
- 1 Chemistry Building (Panhellenic Site)
- 2 Interdisciplinary Classroom/Humanities Building
- 3 Interdisciplinary Health, Research & Clinic (Jessie Harris Site)
- 4 Interdisciplinary Research (Dabney-Buehler Site)
- 5 Interdisciplinary Academic Building (Temple Site)

### Building Projects - Housing Auxiliary Funds

- A Carrick Renovation or Replacement
- B Greek Housing Expansion
- C Reese Renovation or Replacement
- D Second Creek Student Housing (potential partnership with City of Knoxville)
- E Volunteer Blvd and Lake Loudoun Blvd Residence Hall

### Building Projects - E & G Residual and Donor Funds

- F Computing and Data Building
- G Concord Property  
Facilities Services  
Facility Services Surplus and Storage  
Fleet Management  
Public Safety Building
- H Cultural and Recreation Center - Cherokee Farm
- I Frieson Black Cultural Center Expansion
- J Grounds Operations Support Building
- K TRECS (Tennessee Recreation Center for Students) Expansion
- L Sutherland Support Building
- M UT Culinary Institute & Creamery Site Redevelopment
- N UT Drive Garage
- O UTSI Innovation Building #1
- P Veterinary Medical Center - Small Animal Hospital Renovation



- |      |     |  |                         |
|------|-----|--|-------------------------|
| Reno | New |  | Previous Phase Projects |
|      |     |  | Near-term (0-5 years)   |

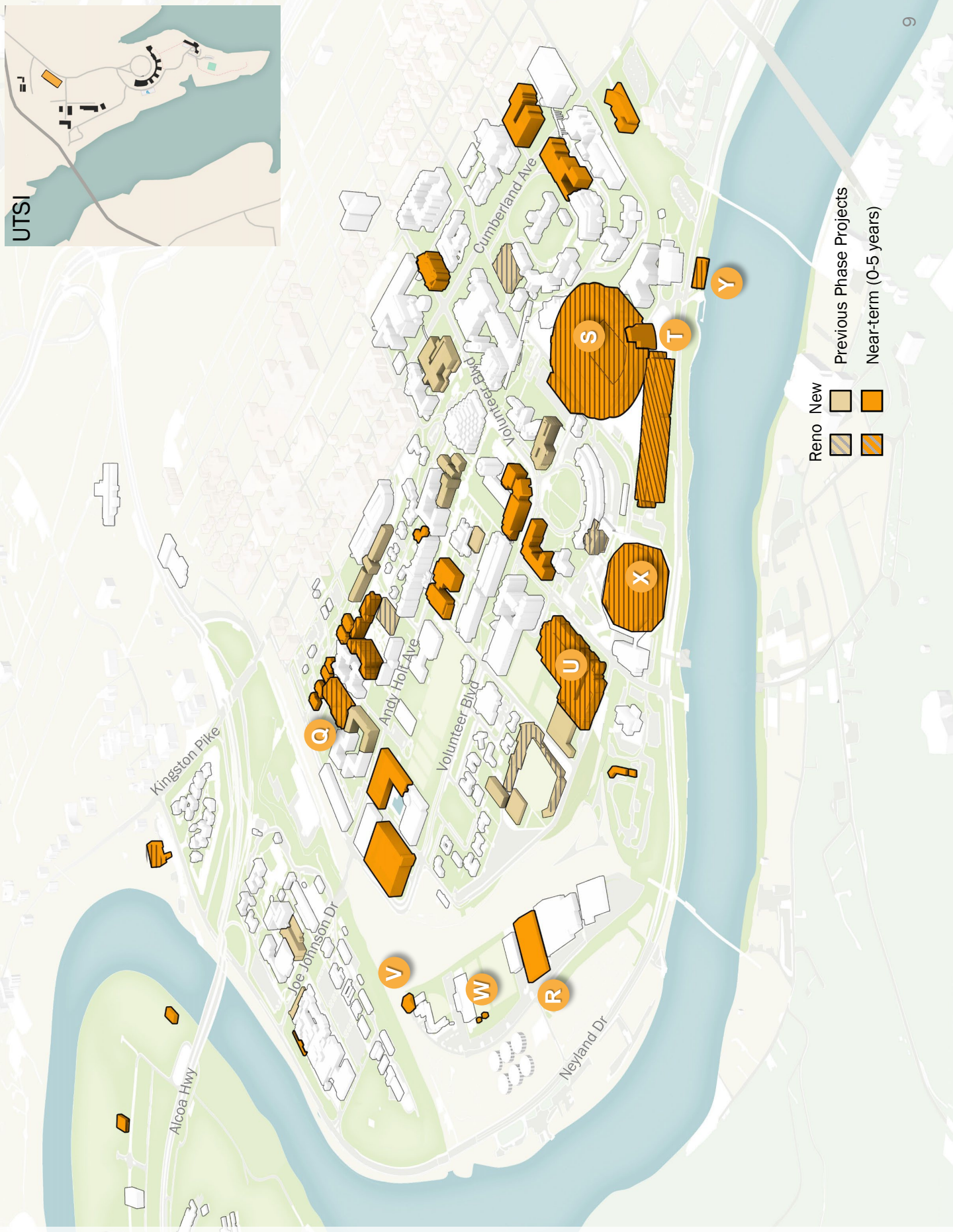


# 0-5 years

## Near Term

### Building Projects - Athletics Auxiliary Funds

- Q Goodfriend Tennis Center Renovation
- R Indoor Track Practice Facility
- S Neyland Stadium East Renovation
- T Neyland Stadium Hotel and G10 redevelopment
- U Neyland Thomson Sports Center Renovation
- V Sherri Parker Lee Softball Stadium Expansion
- W Soccer Coaches' Office Building
- X Thompson-Boling Arena - River Club
- Y Wayne G Basler Boathouse Improvements and Addition



<b>Reno</b>	<b>New</b>		
		Previous Phase Projects	Near-term (0-5 years)



# 5-10 years

## Mid Term

### Building Projects – State Funds

- 1 Academic Building (Circle Park Site)
- 2 Art & Architecture Building Renovation
- 3 College of Veterinary Medicine Research Space and Expansion
- 4 Communications and Student Services Building Renovation and Addition
- 5 Interdisciplinary Academic, Research Learning Commons Building (Racheff Site)
- 6 Interdisciplinary Instructional Building (Walters Site)
- 7 Morgan Hall Building Addition and Renovation
- 8 UTSI Main Academic Building Renovation
- 9 UTSI Research Lab Building
- 10 UTSI TALon Lab Building Addition

### Building Projects – Housing Auxiliary Funds

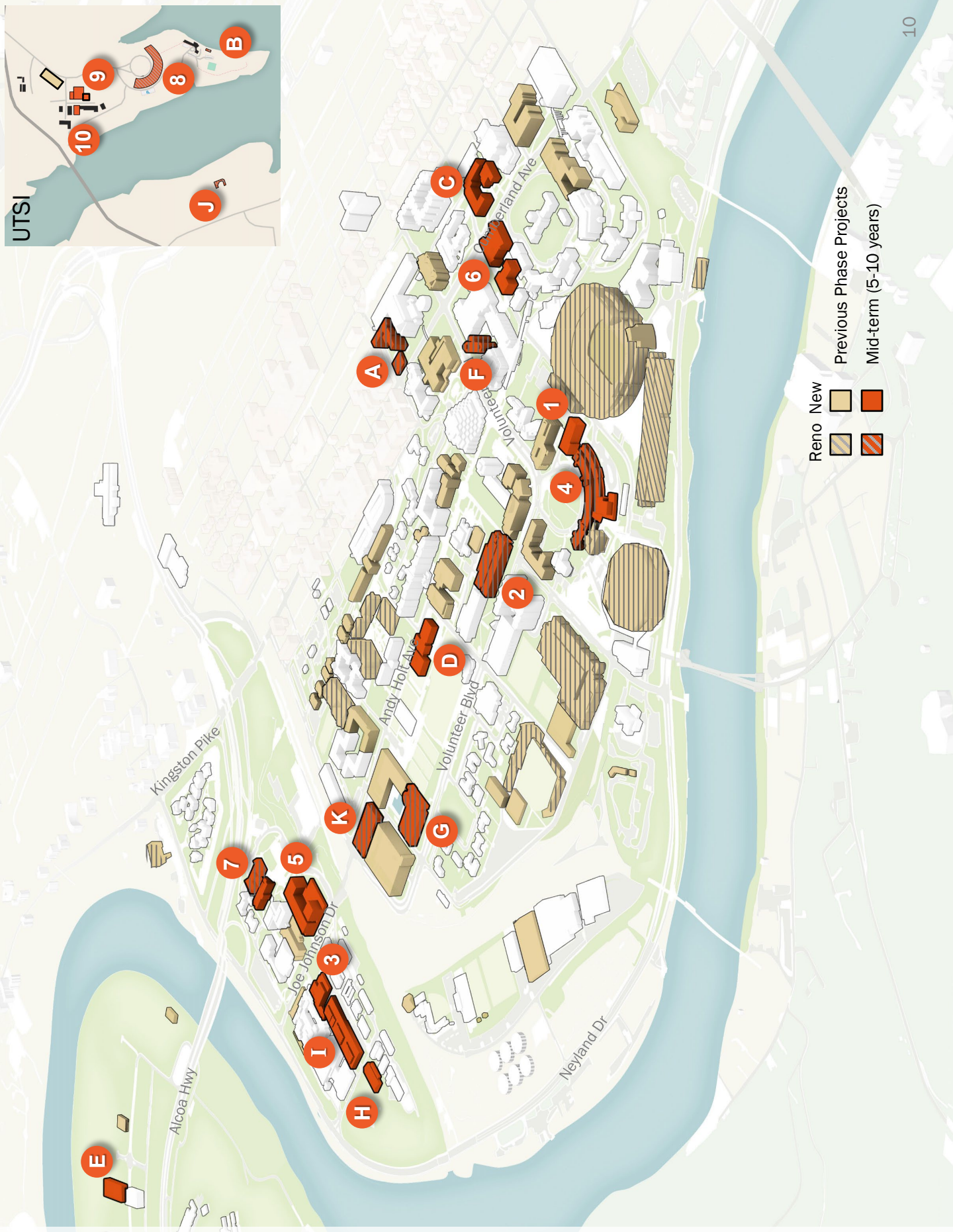
- A Clement Hall Redevelopment
- B UTSI Dormitory Building Renovation

### Building Projects - E & G Residual and Donor Funds

- C Hoskins Renovation and Addition
- D HPER / ROTC New Building
- E Research Building at UT Research Park at Cherokee Farm
- F Stokely Management Renovation for Interdisciplinary Research and Office
- G TRECS Renovation
- H UTIA Garden Education and Discovery Center
- I UTIA Parking Garage with Greenhouses
- J UTSI C-Star Building Renovation

### Building Projects – Athletics Auxiliary Funds

- K Allan Jones Aquatic Center Renovations and Addition



**Reno** **New**

Previous Phase Projects  
Mid-term (5-10 years)



# 10+ years

## Long Term

### Building Projects – State Funds

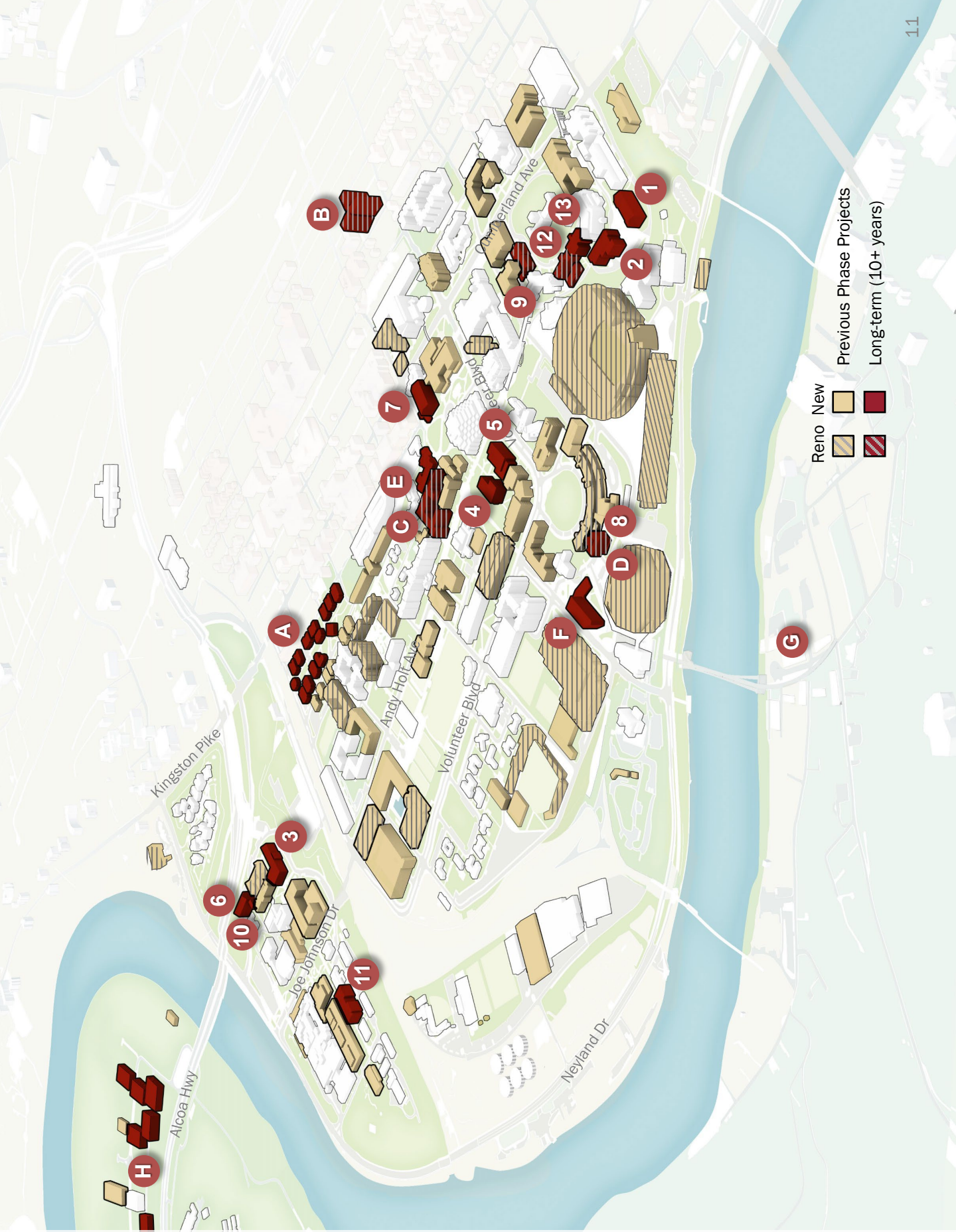
- 1 Academic and Research Building (Ferris Site)
- 2 Academic and Research Building (Perkins Site)
- 3 Academic and Research Building (UTIA NE Site)
- 4 Academic Building (HSS replacement)
- 5 Academic Building (McClung Tower Replacement)
- 6 Academic Building (UTIA McCord Site)
- 7 Academic Building Site and Garage (Massey Site)
- 8 Andy Holt Tower Building Renovation
- 9 Austin Peay Building Renovation
- 10 Crops Genetics Laboratory Renovation
- 11 Food Safety Building Renovation
- 12 Interdisciplinary Research Building (UTIA South Site)
- 13 Nielsen Physics Renovation and Addition

### Building Projects – Housing Auxiliary Funds

- A Housing Village
- B Laurel Residence Hall Redevelopment
- C Hess Residence Hall Redevelopment

### Building Projects - E & G Residual and Donor Funds

- D Andy Holt Tower Garage Replacement
- E International House Redevelopment
- F Mixed Use Building Site - Pedestrian Bridge Landing
- G South Waterfront Partnerships
- H Research Buildings at UT Research Park at Cherokee Farm







## **10-year Outcomes**

**2.9M GSF** of renewal through major renovation and demolition

**3.3M GSF** of non-residential space supports modern instruction, STEM and research growth, the student experience and strengthens arts and humanities adjacencies

**1M GSF** of housing to meet immediate needs





## TENNESSEE HIGHER EDUCATION COMMISSION

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### REGULAR CALENDAR ITEM: III.

**MEETING DATE:** May 11, 2023

**SUBJECT:** University of Tennessee, Chattanooga Master Plan

**ITEM TYPE:** Action

**ACTION RECOMMENDATION:** Approval

---

### BACKGROUND

Campus master plans are an essential element of higher education public policy. Master plans provide an opportunity for long-range planning that incorporates the institution's needs and ambitions, while also providing the public and state government a sense for how the institution might evolve over time. Whether the acquisition of strategic property, the need for and efficient use of facilities, or an analysis of how the campus footprint meshes with the surrounding community, master plans provide a method of anticipating and preparing for the future needs of the campus and the students it serves. THEC requires institutions to produce a master plan every ten years that addresses short-, mid-, and long-term needs of the campus with respect to building and land use, open space, vehicular circulation and parking, and land acquisition opportunities

### MASTER PLAN SUMMARY

The purpose of the University of Tennessee, Chattanooga (UTC) Master Plan is to craft a future campus vision that aligns with the strategic direction of the University and creates a guide for physical development over time. The Master Plan establishes a basis for informed decision-making, while strengthening relationships across the campus and within the community and providing tools to track implementation.

Grounded in THEC requirements for master planning, the plan identifies short-, mid-, and long-term physical improvements needed to support student retention, student success, and statewide higher education goals and policies. Based on post-pandemic space analytics, and extensive stakeholder engagement, the Master Plan proposes targeted changes to facilities, open space, vehicular circulation and parking, utilities, land acquisition, and partnership opportunities. Recommendations include prioritized feedback from visioning workshops and focus groups, as well as professional assessment of existing facilities and campus infrastructure to provide a data-informed flexible framework that can adapt to unanticipated needs over the next decade.

The CMP furthers the University's long-standing institutional mission and its corresponding vision for the physical campus environment. It also supports its Carnegie Classification for Community Engagement.

The goals and objectives of the UTC Master Plan include the following:

- Provide equity in amenities and experience between north and south campus including dining, recreation, study, and gathering spaces.
- Complete north-south pedestrian connections to anchor and connect major student and academic programs, including Douglas and Palmetto Streets.

- Increase the number of beds on campus by 890 to align with current demand as well as projected enrollment increase to 12,760 full-time enrollment (FTE).
- Incorporate 180,037 ASF flexible and interdisciplinary lab space into new buildings and major renovations for both instruction and research.
- Address projected future space needs of 677,612 ASF within UTC's existing campus property with a focus on flexibility, optimization, infill, and density.

UTC has a strong regional presence, with on-ground enrollment for Fall 2022 of over 10,000 FTE students. Planned enrollment growth to 12,760 FTE over the ten-year life of the Master Plan is based on the past decade's pattern of enrollment as well as proposed new academic programs, including Business-Related Online Program, Cybersecurity, Health-Related Program Expansion, Integrated Studies Realignment, Master's Degree in Management, Social Sciences Online Program, STEM Online Program and Community Partner Program. Projections were first developed for each department, then combined to create the overall total by college, and for the entire institution. For those departments with a decrease in enrollment, projects were developed on a per-department basis, with consideration of flexible use of classrooms/labs, and offices and other academic facilities. Enrollment projections previously developed through the Office of the Provost were also incorporated into the CMP projections.

## **PRIORITY PROJECTS**

Priority projects build on the implementation of the 2012 Master Plan, including the following: Lupton Hall Renovation, Holt Hall Renovation, 540 McCallie (former State Office Building), Guerry Hall Renovation, and West Campus Housing. Projects that are funded and underway include: Health Sciences Building Phase 1, McKenzie Arena Addition, Renovation of the University Center, and New Residence Hall.

Proposed projects for the campus include the following:

- Innovation & Advanced Manufacturing Application Center (I&AMAC) Labs
- Fletcher Hall Addition and Partial Renovation
- Multi-Disciplinary Research Buildings
- Health Sciences Expansion
- Enterprise South Center Education/Incubator & Research Facility
- Multi-Purpose Parking Garage, Central Plant and STEM Outreach
- Dining Hall Facility Replacement
- South Campus Recreation Facility
- Former Crossroads Dining Space Repurposing
- Mapp Building Renovation
- Rowing Center and Boathouse
- Boling and Lockmiller Housing Replacement

As a compact urban campus, development sites are generally located around the campus perimeter on surface parking lots or former building sites. These locations enable UTC to operate efficiently, improve pedestrian safety and security, enhance campus branding, establish new campus gateways, and better connect with the City. In addition, strategic acquisition opportunities within and around campus further enhance the cohesiveness of the UTC boundary. Small parcels along McCallie Avenue can consolidate the University's identity, while larger parcels to the north provide strategic locations for partnership and program expansion, displaced parking, an enhanced campus connection to the Riverwalk and Scrappy Moore Field, and a cohesive campus identity. Parcels adjacent to the UTC Sports Complex allow future



growth of health science and clinical partnerships, Athletics and Recreation facility expansion, and recreation space that provides a buffer between the Sports Complex and the Fort Wood Historic District.

## **RECOMMENDATION**

The UTC Master Plan is a comprehensive 10-year plan, with analysis of space needs, enrollment, site considerations, facility conditions and renewal plans, land acquisition, infrastructure, student life/services, and implementation and capital plan. THEC staff recommends it for approval.

# THE UNIVERSITY OF TENNESSEE **CHATTANOOGA**

## CAMPUS MASTER PLAN



THEC COMMISSION  
MAY 11, 2023





# 2031 CAMPUS PLANNING GOALS

01

**Provide equity in amenities and experience between north and south campus** - including dining, recreation, study and gathering

02

**Complete north-south pedestrian connections to anchor and connect major student and academic programs**, including Douglas and Palmetto Streets

03

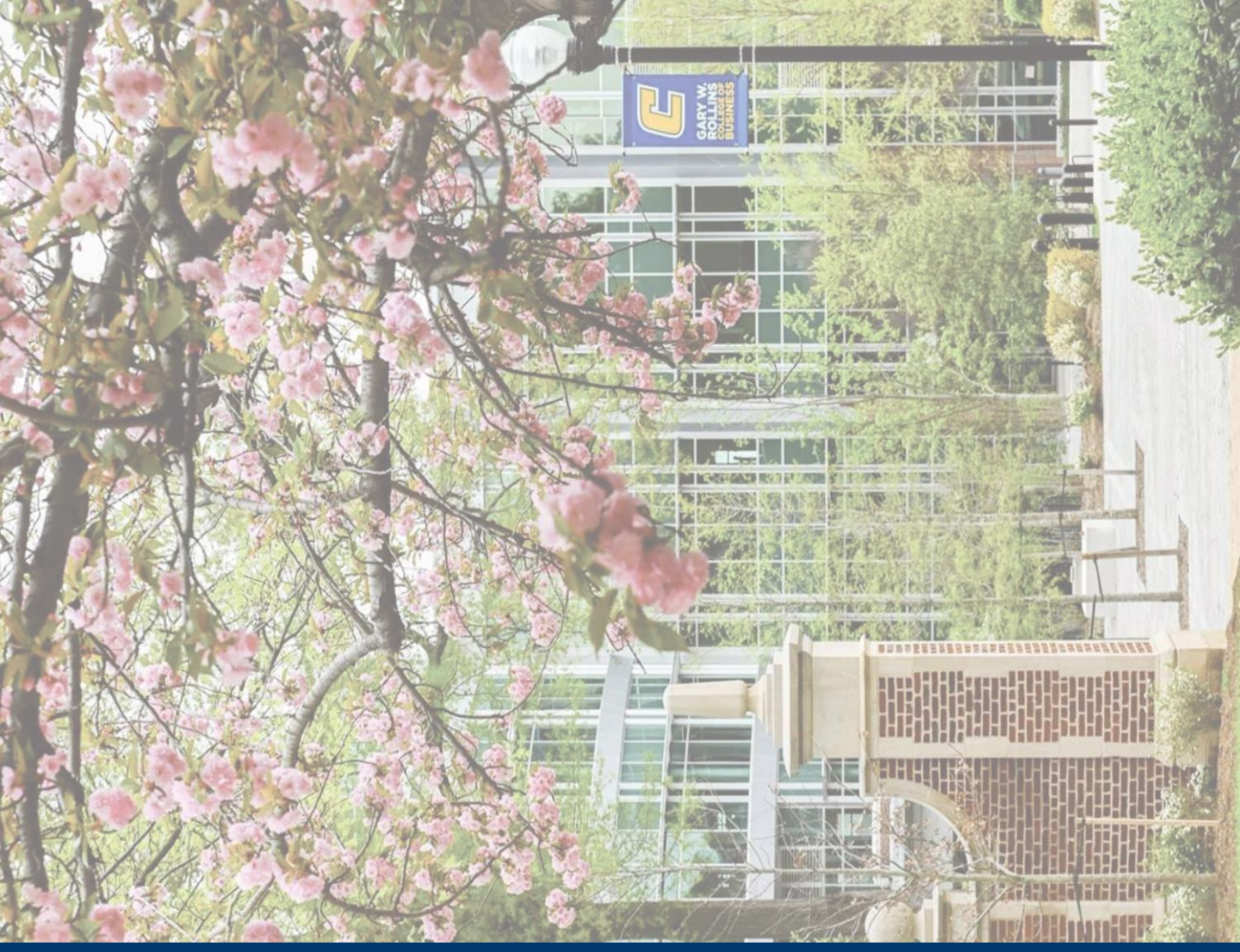
**Increase the number of beds on campus by 890** to align with current demand as well as projected enrollment increase to 12,760 FTE

04

**Incorporate 180,037 ASF flexible and interdisciplinary lab space** into new buildings and major renovations for both instruction and research

05

**Address projected future needs of 677,612 ASF within UTC's existing campus property** with a focus on flexibility, optimization, infill and density

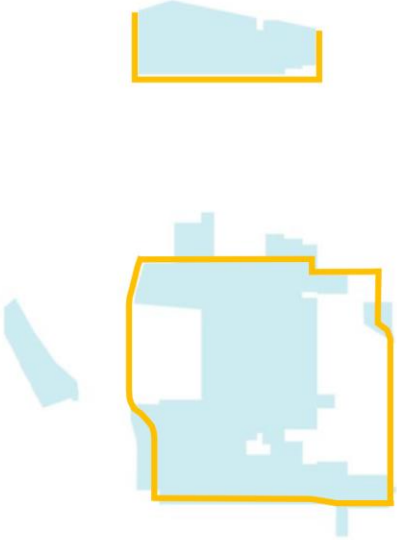




# PHYSICAL PLANNING THEMES TO ACCOMPLISH GOALS

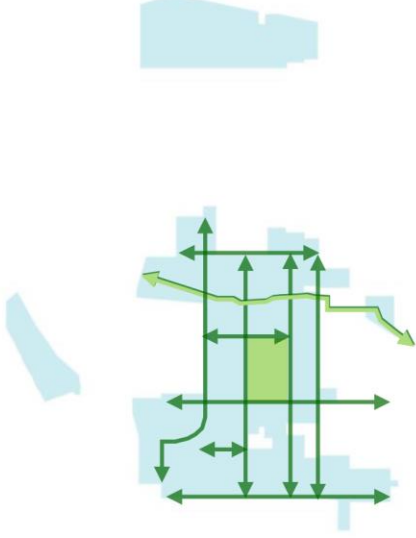
## DEFINE CAMPUS BOUNDARY

Establish a strong UTC identity along Houston, Third, Palmetto, and ML King. Minimize disruption to Fort Wood Historic District.



## EXPAND QUALITIES OF THE CAMPUS CORE

Enhance physical and visual connections to Chamberlain Field. Partner with the City and Community to improve the planting, security, and multimodal character of Houston, Douglas, the Greenway, Palmetto, McCallie, Oak, Vine, and Alumni so they represent the campus brand.



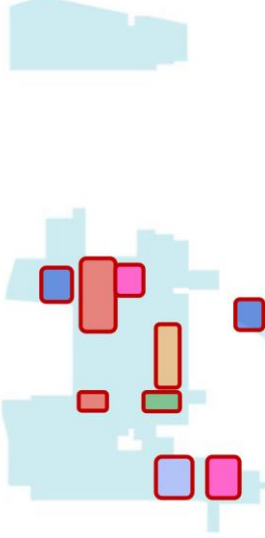
## UPGRADE FACILITY CONDITIONS

Renovate older facilities to meet post-pandemic expectations and program targets. Repurpose underperforming facilities. Replace where there is no ROI for renewal.



## SHOWCASE ACADEMIC CENTERS

Locate new facilities and renovate existing facilities within a 5-minute walk to optimize program adjacencies and sense of “home base.” Promote collaboration between centers.



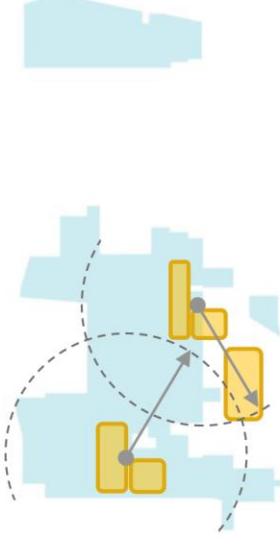
## INTEGRATE SPACE & FLEXIBILITY FOR PARTNERS

Leverage southwest parcels, new Health Science District, and existing available built space to invite partners to campus (Include pilot projects Downtown, at Enterprise South, in State Buildings, and Fletcher Hall Addition).

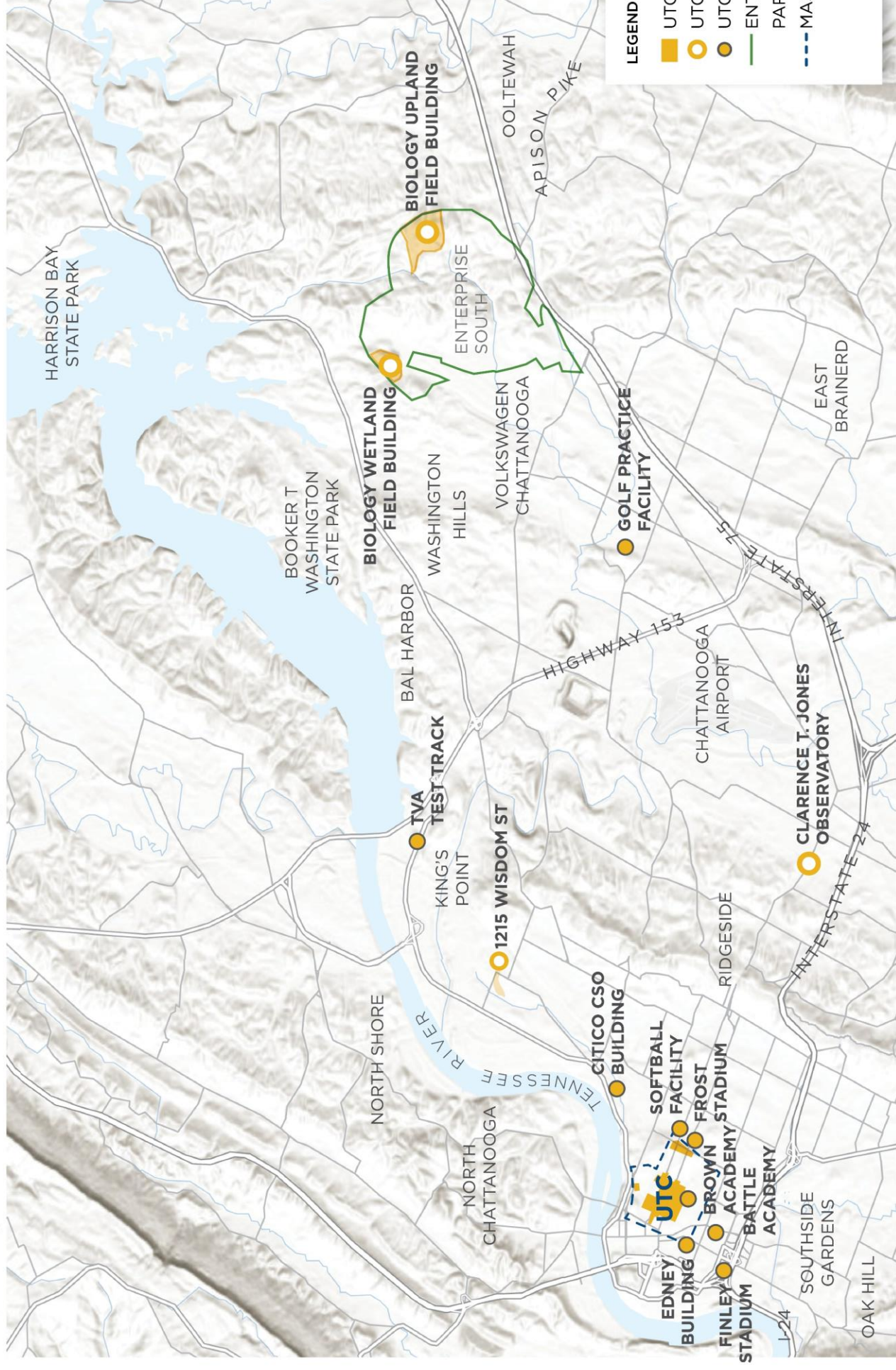


## ENHANCE RESIDENTIAL HUBS

Provide access to amenities within a 5-minute walk. Enhance pedestrian comfort, safety, and wayfinding.



# UTC PLANNING CONTEXT

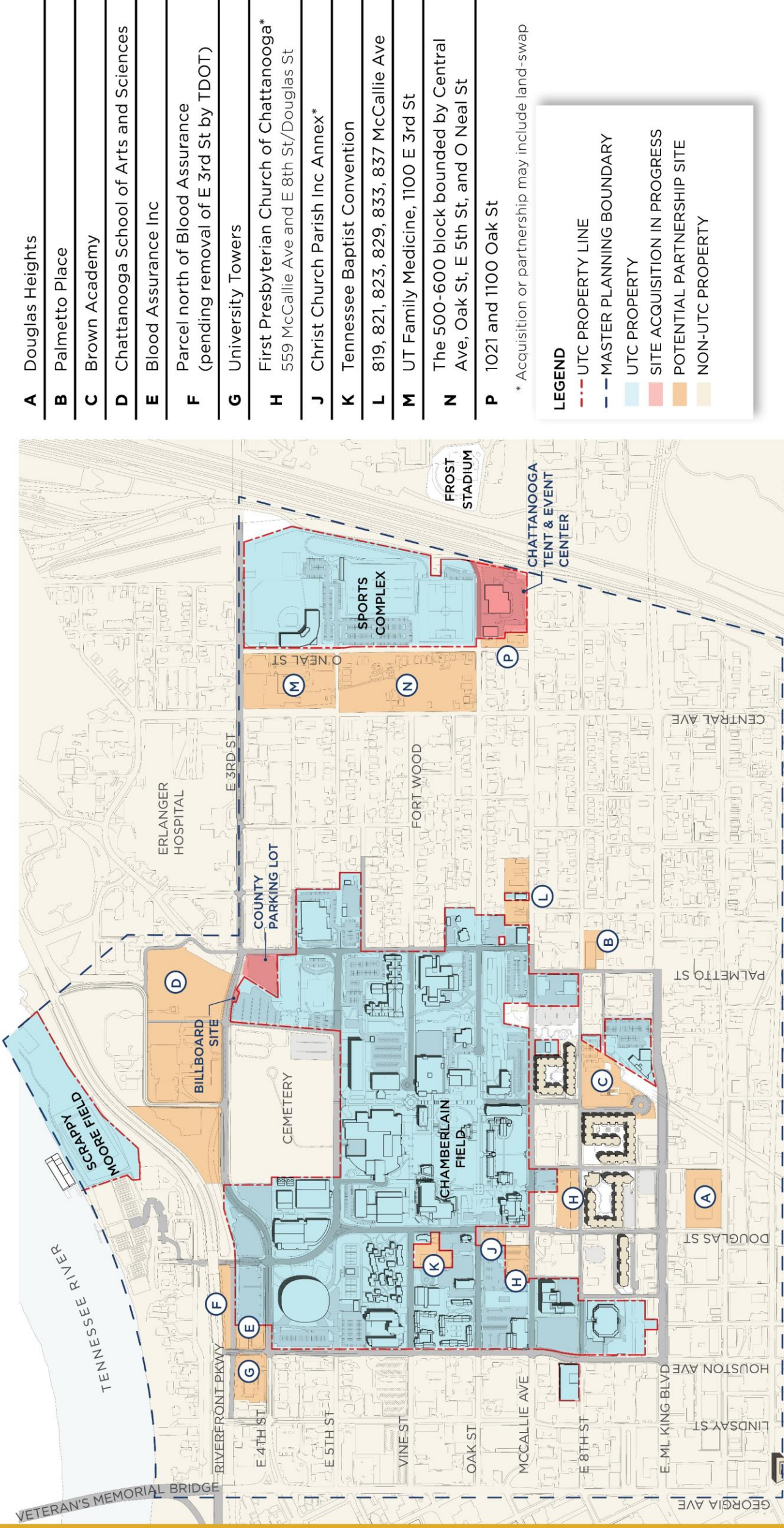


**LEGEND**

- UTC MAIN CAMPUS
- UTC PROPERTY
- UTC LEASED PROPERTY
- ENTERPRISE SOUTH NATURE PARK
- MASTER PLANNING BOUNDARY



# PLANNING BOUNDARY + POTENTIAL PARTNERSHIPS



- A** Douglas Heights
- B** Palmetto Place
- C** Brown Academy
- D** Chattanooga School of Arts and Sciences
- E** Blood Assurance Inc
- F** Parcel north of Blood Assurance (pending removal of E 3rd St by TDOT)
- G** University Towers
- H** First Presbyterian Church of Chattanooga\* 559 McCallie Ave and E 8th St/Douglas St
- J** Christ Church Parish Inc Annex\*
- K** Tennessee Baptist Convention
- L** 819, 821, 823, 829, 833, 837 McCallie Ave
- M** UT Family Medicine, 1100 E 3rd St
- N** The 500-600 block bounded by Central Ave, Oak St, E 5th St, and O Neal St
- P** 1021 and 1100 Oak St

\* Acquisition or partnership may include land-swap

**LEGEND**

- UTC PROPERTY LINE
- MASTER PLANNING BOUNDARY
- UTC PROPERTY
- SITE ACQUISITION IN PROGRESS
- POTENTIAL PARTNERSHIP SITE
- NON-UTC PROPERTY

# PROJECTED SPACE NEEDS

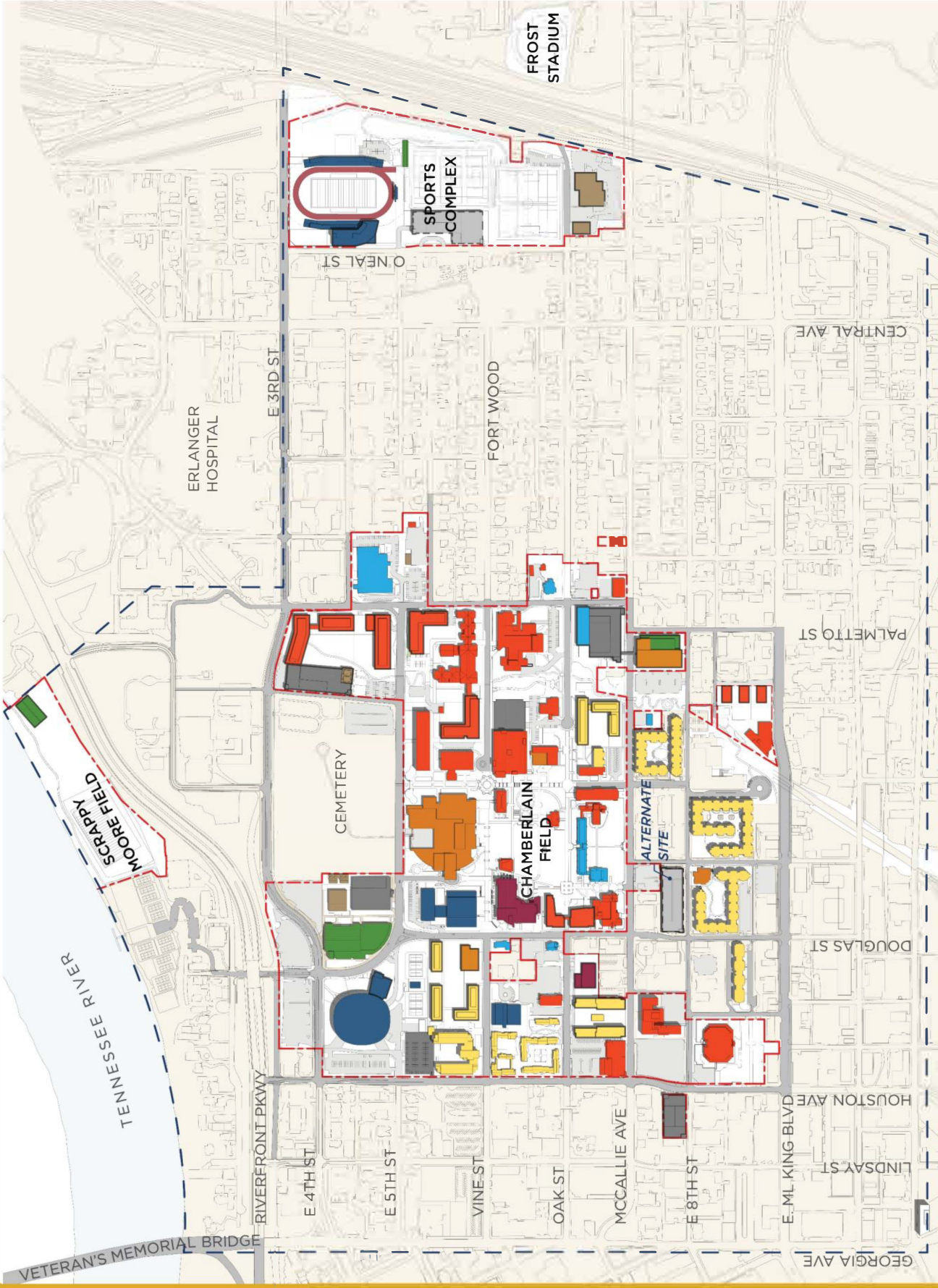
Space Type	Existing ASF	Proposed Space Needs Model				
		Current		Projected		
		Calculated ASF Need	Difference from Existing	Calculated ASF Need		
100	Classrooms	157,090	87,575	69,515	142,159	14,931
210	Teaching Labs	162,247	159,456	2,791	202,415	(40,168)
220	Open Labs	63,552	57,610	5,942	66,477	(2,925)
250	Research Labs	45,017	144,672	(99,655)	184,886	(139,869)
300	Offices	418,034	313,185	104,849	364,953	53,081
400	Library Space	86,614	94,178	(7,564)	104,827	(18,213)
500	Special Use Facilities	73,248	96,125	(22,877)	116,195	(42,947)
520	Athletics Space	78,826	78,826	0	78,826	0
520	Student Recreation Space	93,656	93,656	0	135,175	(41,519)
600	Other General Use Space	150	0	150	150	0
610	Assembly Facilities	50,076	43,071	7,005	45,874	4,202
620	Exhibition Space	10,306	8,769	1,537	10,170	136
630	Food Facilities	59,452	59,452	0	75,698	(16,246)
650	Lounge Space	18,030	22,473	(4,443)	22,254	(4,224)
660	Merchandising Space	20,656	12,665	7,991	16,169	4,487
670	Recreation	5,164	5,164	0	9,664	(4,500)
680	Meeting Rooms	39,298	35,238	4,060	57,476	(18,178)
700	Support Facilities	48,836	84,935	(36,099)	112,347	(63,511)
800	Health Care Facilities	5,784	7,358	(1,574)	9,315	(3,531)
900	Residential Space	469,670	469,670	0	751,451	(281,781)
	Unused	16,941	0	16,941	0	16,941
<b>Totals - By Space Type</b>		1,922,647	1,874,078	48,569	2,506,481	(583,834)
					<b>Total Surpluses</b>	93,778
					<b>Total Deficits</b>	(677,612)
					<b>Gross Square Feet (Deficit)</b>	(1,129,353)

## Summary Findings and Planning Drivers

- Significant gaps in Labs and Special Use space for:
  - Instruction
  - Undergraduate applied and project-based learning
  - Interdisciplinary collaboration
  - Externally funded research
- Significant opportunity to reduce, resize, and reflect post pandemic environments for:
  - Classrooms
  - Offices
- Significant need for Student Housing that is affordable and replaces outdated facilities with no ROI
- As enrollment grows, gaps in student life and support space become significant:
  - Affordable Student Housing to replace aging facilities with no ROI
  - Student Recreation Space for physical and mental wellbeing
  - Meeting and Conferencing for interaction and belonging
  - Maintenance and Operations support for an expanded campus



# 2031 CAMPUS VISION PLAN



Proposed facility and campus improvements assume:

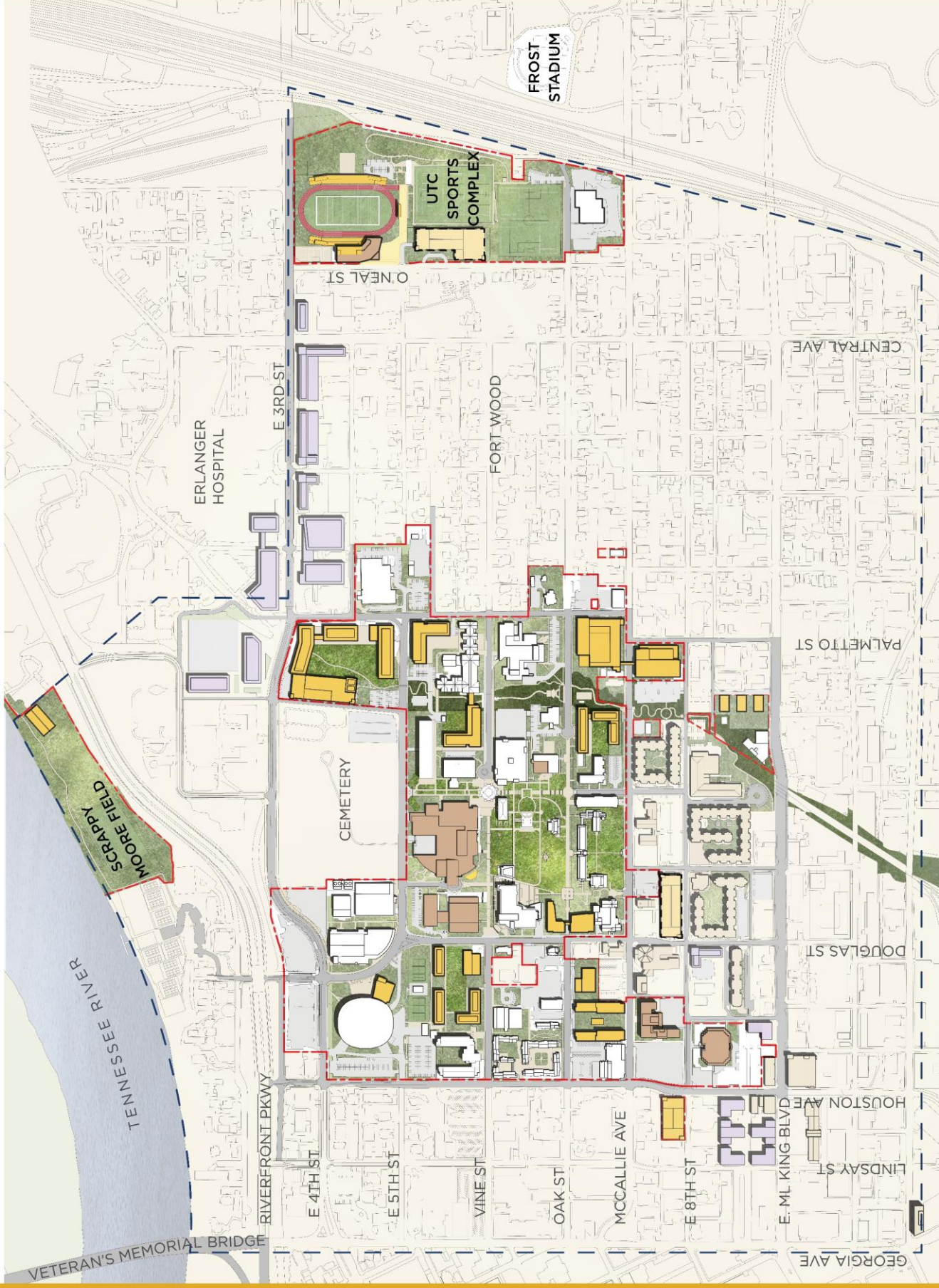
- Partnerships continue and grow
- Current priority projects are funded, designed, and constructed
- Aging facilities are revitalized
- Planned demolitions occur
- Lockmiller I & II are replaced
- Structured parking replaces surface parking located in proposed development sites

**LEGEND**

- - - UTC PROPERTY LINE
- - - MASTER PLANNING BOUNDARY
- ACADEMIC/RESEARCH
- OFFICE/WORKSPACE
- STUDY SPACE
- STUDENT LIFE/GENERAL USE
- ATHLETICS
- RECREATION
- CAMPUS FACILITIES & SUPPORT
- RESIDENTIAL
- PARKING GARAGE



# 2031 CAMPUS VISION PLAN





## TENNESSEE HIGHER EDUCATION COMMISSION

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**REGULAR CALENDAR ITEM: IV.**

**MEETING DATE:** May 11, 2023

**SUBJECT:** Ford BlueOval City Presentation

**ITEM TYPE:** Information

**ACTION RECOMMENDATION:** N/A

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### **BACKGROUND**

Ford plans to make the largest-ever U.S. investment in electric vehicles at one time by any automotive manufacturer. As part of this plan, the all-new \$5.6 billion BlueOval City campus in Stanton, Tennessee, located in Haywood County, will create approximately 6,000 new jobs and reimagine how vehicles and batteries are manufactured. BlueOval City will become a vertically integrated ecosystem for Ford to assemble an expanded lineup of electric F-Series vehicles and will include a BlueOval SK battery plant, key suppliers, and recycling. Ford's new Tennessee assembly plant is designed to be carbon neutral with zero waste to landfill once fully operational.

### **PRESENTATION**

The Commission will hear information from a representative of Ford BlueOval City about how it will impact Tennessee and how postsecondary education can help prepare upcoming workforce needs.



## TENNESSEE HIGHER EDUCATION COMMISSION

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**REGULAR CALENDAR ITEM:** V.

**MEETING DATE:** May 11, 2023

**SUBJECT:** Executive Director Search Discussion

**ITEM TYPE:** Action and/or Information

**ACTION RECOMMENDATION:** N/A

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### **BACKGROUND**

At the December 12, 2022, special called meeting, the following commission members were appointed to the Executive Director Search Committee: Secretary Tre Hargett, Commissioner Andrew Kingsolver, Commissioner Pam Koban, Commissioner Jimmy Matlock, Commissioner Tara Scarlett, and Commissioner Vernon Stafford, Jr. In addition, the following higher education officials agreed to serve on the Executive Director Search Committee in an advisory, nonvoting capacity: Dr. Russ Deaton, Dr. Brian Noland, and Dr. Keith Carver. At the January 27, 2023, commission meeting, the Commission voted to adopt the Executive Director Search Committee's recommendation for the Executive Director job description and search process.

### **PRESENTATION**

The Commission will be presented with an update regarding the Executive Director search.



## TENNESSEE HIGHER EDUCATION COMMISSION

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**REGULAR CALENDAR ITEM: VI.**

**MEETING DATE:** May 11, 2023

**SUBJECT:** Legislative Update

**ITEM TYPE:** Information

**ACTION RECOMMENDATION:** N/A

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### **PRESENTATION**

Mr. Lou Hanneman, Chief of Staff, will present the Commission with an update on key legislation passed during the 113th General Assembly pertinent to THEC and the higher education landscape.



## TENNESSEE HIGHER EDUCATION COMMISSION

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**REGULAR CALENDAR ITEM: VII.**

**MEETING DATE:** May 11, 2023

**SUBJECT:** Audit Committee Update

**ITEM TYPE:** Informational

**ACTION RECOMMENDATION:** N/A

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### **PRESENTATION**

Audit Committee Chairwoman Pam Koban will provide the biannual audit committee update highlighting the most recent audit committee reviews and findings.