



TENNESSEE HIGHER EDUCATION COMMISSION

REGULAR CALENDAR ITEM: IV.B.

MEETING DATE: August 17, 2023
SUBJECT: Financial Policies
F4.1 – Master Plans
ITEM TYPE: Action
ACTION RECOMMENDATION: Approval

BACKGROUND

THEC Financial Policies F4.1 – Master Plans addresses the authority of the Commission to make recommendations and decisions about capital investments and oversight of the state’s comprehensive strategic financial plan for higher education. Master Plans provide long range guidance for future development of the campus needed to provide quality instruction and services.

The proposed revisions clarify the types of master plan approvals. The processes for full master plan approvals and amendment approvals are retained. The master plan “update” category is removed from the definitions as they are essentially the same as a full master plan. The evaluation and approval considerations are expanded to include an emphasis on link to the institution’s strategic plan, building conditions, and infrastructure issues.

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: Financial Policies

Policy Title: Master Plans

Policy Number: F4.1

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

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

4.1.30A **Procedures.** A campus master plan, once approved in compliance with the policies and procedures of a respective governing board, must be submitted to the Commission for review and approval prior to submission to the State Building Commission. A new campus master plan confirms and updates, as appropriate, all aspects of the prior master plan and includes additional information as may be warranted by the higher education institution’s strategic plan. A new campus master plan ~~or a master plan update~~ must be completed for each institution at least once every ten (10) years.

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

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

~~A Master Plan Update includes substantive changes to various sections of the campus master plan or revisions in scope that are consistent with the~~

~~objectives and concept of the current master plan and may require the re-issuance of the complete master plan book. The approval of an Update by the Executive Director shall be reported to the Commission and may be presented for information, at the discretion of the Commission, at a following quarterly meeting.~~

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

- 1) Property acquisitions ~~or disposals~~;
 - 2) Plans for traffic, parking, or vehicular or pedestrian circulation;
 - ~~3)~~ 4) Refinement of a building program or site;
 - ~~3)4)~~ 4)5) Space needs studies;
 - ~~4)5)~~ 5)6) Studies of regional demographics or workforce development;
- or
- ~~5)6)~~ 7) Operation of auxiliary enterprises, including, but not limited to, athletics, recreation, housing, and food services.

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

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

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

- ~~1)~~ 1) Academic mission;
- ~~1)2)~~ 2)3) Strategic plan
- ~~2)3)~~ 3)4) Enrollment;
- ~~3)4)~~ 4)5) Student services;
- ~~4)5)~~ 5)6) Capital projects;
- ~~5)6)~~ 6)7) Parking;
- 7) Space needs, as defined by the Commission's Space

Allocation Guidelines, and space utilization;

~~6)8)~~ Building conditions

~~7)9)~~ Land acquisition and disposal; and

~~8)10)~~ Site, environmental, and infrastructure utility issues.

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

Approved: January 26, 1990

Revised: November 14, 2002

May 11, 2017

January 26, 2018

August 17, 2023

Applicable Statute

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

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

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

Current Applicable Policies

THEC Space Allocation Guidelines

THEC Master Plan Guidelines

ATTACHMENT B: CLEAN VERSION OF PROPOSED CHANGES

Section Title: Financial Policies

Policy Title: Master Plans

Policy Number: F4.1

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

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

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

- 1) Property acquisitions;

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

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

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

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

- 1) Academic mission;
- 2) Strategic plan
- 3) Enrollment;
- 4) Student services;
- 5) Capital projects;
- 6) Parking;
- 7) Space needs, as defined by the Commission’s Space Allocation Guidelines, and space utilization;
- 8) Building conditions
- 9) Land acquisition and disposal; and
- 10) Site, environmental, and infrastructure issues.

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

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