MINUTES
TENNESSEE BOARD OF REGENTS
REGULAR SESSION

December 11, 2014

The Tennessee Board of Regents met in regular session on December 11, 2014. The meeting was held at the TBR central office located in Nashville, Tennessee. Vice Chair Emily Reynolds presided over the meeting and called the meeting to order. At the instruction of the Vice Chair, Ms. Mary Moody, General Counsel and Board Secretary, called the roll. The following members were present:

Mr. Greg Duckett
Mr. Darrell Freeman
Mr. Tom Griscom
Ms. Fran Marcum
Dr. Barbara Prescott
Ms. Rebecca Reeves
Ms. Emily Reynolds
Mr. Howard Roddy
Ms. Leigh Shockey
Mr. J. Parker Smith
Mr. Johnny Stites
Mr. Bob Thomas
Mrs. Danni Varlan
Ms. Dotty Webb

A quorum was present. Members not available to attend the meeting were Governor Bill Haslam and Commissioners Kevin Huffman, Julius Johnson and THEC Executive Director Rich Rhoda.

I. Special Presentations

Roane State Community College Classroom Under the Sea – President Chris Whaley gave brief remarks and introduced biology professor Mr. Bruce Cantrell and adjunct professor Ms. Jessica Fain, instructors for the Roane State and Marine Resources Development Foundation Classroom Under the Sea project. Mr. Cantrell and Ms. Faine joined the meeting via Skype. The project instructors lived underwater for 73 days in Jules’ Undersea Lodge. All Classroom Under the Sea episodes were made possible through the generous support of Diversity in Aquatics, the project’s official sponsor. Work performed during this project may be viewed at the link below. At the end of the presentation, members had an opportunity to ask questions about the project. Vice Chair Reynolds thanked President Whaley, Mr. Cantrell and Ms. Fain for their involvement and the extraordinary work that they do. http://www.roanestate.edu/classroomunderthesea/.
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Recognition of Regents’ Service to the Board – The Board recognized two regents whose families have contributed a total of 50 years of combined service to the Tennessee Board of Regents. The Board recognized the contributions of Regent Jonas Kisber, who was appointed to fill the seat of his late wife, Jane Kisber, in 2001. Together, the Kisbers served the Board for a total of 26 years. In addition, the Board recognized Regent John M. Farris, whose service on the Board combined with his father, William W. Farris, total 24 years.

Vice Chair Reynolds called on Regent Marcum to present the resolution of appreciation for Regent Jonas Kisber, and at the conclusion of the reading, she moved to adopt the resolution. With a unanimous second by the members, the motion was approved. Regents Thomas, Marcum and Reynolds, along with Vice Chancellor King, provided additional comments of appreciation for Regent Kisber. Regent Kisber then addressed the Board and expressed his appreciation for the recognition. The Honorable Matt Kisber, former State Representative and Commissioner of Economic, Community and Development, was in the audience supporting the celebration of his parents’ 26 years of service to the Tennessee Board of Regents. A copy of the resolution is attached to the official copy of the Minutes as Appendix A.

Next, Vice Chair Reynolds recognized a second family of long standing service to the Tennessee Board of Regents. She called on Regent Duckett to present the resolution of appreciation for Regent John M. Farris. Regent Duckett moved to approve the resolution with Regent Thomas providing a second. The motion passed. Vice Chair Reynolds reported that Regent Farris was not able to attend due to a scheduling conflict. Regent Thomas expressed his appreciation and friendship throughout the years with the Farris family. Regent Varlan expressed her gratitude to Regent Farris for being a mentor and role model when she was first appointed. President Nate Essex offered words of appreciation for the tremendous support the Farris family has given, and continues to give, to Southwest Tennessee Community College. When notified of this award, Regent Farris expressed to Vice Chair Reynolds his appreciation for this recognition, expressed his apology for not being able to be at the meeting in person and said he would share this with his siblings. A copy of the resolution is attached to the official copy of the Minutes as Appendix B.

Minutes – Consent Agenda

Minutes of the September 26, 2014, regular session Board meeting and minutes of the November 25, 2014, special called session were sent to all Board members for review prior to the quarterly Board meeting. A correction was noted on page 4 of the September 26, 2014, minutes the first paragraph should reflect that it was Director Dwight Murphy and not Director Mark Powers who gave the directors report. It was also noted to add further clarification concerning enrollment at the four year institutions in President Glover’s report. Regent Thomas moved to adopt the minutes as corrected. Regent Stites provided a second. The motion passed.

II. REPORT OF INTERIM ACTION

Vice Chair Reynolds called upon Chancellor Morgan who presented to the Board for approval the Report of Interim Action. The report serves as a record of business transacted by the Office of the
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Chancellor since the previous meeting of the Board. Chancellor Morgan reported that the
distributed report failed to include the reclassification of Renee Stewart to Associate Vice
Chancellor and further requested approval of the report. Regent Griscom moved to accept the
report. Regent Roddy provided a second to the motion. The motion passed. A copy of the Report
is attached to the official copy of the Minutes as Appendix C.

III. REPORT OF THE COMMITTEES

Next, the Board considered approval of the November 18, 2014, minutes of the special called
meeting of the Personnel and Compensation Committee and the minutes of the November 25,
2014, meeting of the Audit Committee and the November 25, 2014, minutes of the Ad Hoc
Committee on Committees. Copies of the minutes were provided to all members. Regent Griscom
moved for adoption of the minutes. A second was provided by Regent Marcum. The motion
carried. A copy of the minutes from the special called meeting of the Personnel and Compensation
Committee is attached to the official copy of the Minutes as Appendix D. A copy of the minutes
from the Audit Committee meeting is attached to the official copy of the Minutes as Appendix E.
A copy of the minutes from the Ad Hoc Committee on Committees is attached to the official copy
of the Minutes as Appendix F.

IV. REPORT OF THE REGENTS AWARD FOR EXCELLENCE IN PHILANTHROPY

Vice Chairman Reynolds called on Regent Marcum for the report of the Regents Award for
Excellence in Philanthropy. The recent recipient of the Regents Award for Excellence in
Philanthropy was given to West Tennessee Healthcare. Vice President and Chief Operating Officer
James Ross accepted the award on behalf of West Tennessee Healthcare at a recent event hosted
by Dyersburg State Community College. Assisting with the award presentation on May 10, 2014,
was Regent John Farris. West Tennessee Healthcare is a public, not-for-profit healthcare system.
It is listed as one of the top 10 largest public, not-for-profit healthcare systems in the United States.
Dyersburg State has had the pleasure of working with West Tennessee Healthcare/Jackson-
Madison County General Hospital for over 25 years. West Tennessee Healthcare has played an
indispensable role in the development of Dyersburg State’s very successful nursing program. The
associate degree nursing program began in 1980 and graduated its first class in 1982. The program
has graduated 1,269 students since its inception and currently admits 114 students each year. In
2013, 19 graduates were employed by West Tennessee Healthcare. Dyersburg State is proud to
report that 97% of the 149 graduates of the LPN-RN Fast Track program passed the licensure exam
on the first attempt and have been employed immediately upon graduation in the healthcare field.
Since its first financial gift, Jackson-Madison County General Hospital / West Tennessee
Healthcare has now given more than $476,000 since November 2013. West Tennessee Healthcare
continues to be a clinical site for DSCC nursing and Health Information Technology students.
West Tennessee Healthcare is also a true community partner. In the last year it has provided 245
free health screening events and health fairs in the West Tennessee area, serving more than 51,000
people. During the last 10 years, approximately $1.3 million in nursing scholarships has been
given by West Tennessee Healthcare to students attending Dyersburg State, Jackson State, Union
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University, UT-Martin, University of Memphis, Southwest Tennessee Community College and 
Tennessee Colleges of Applied Technology. And to enhance health-care related educational 
programs, West Tennessee Healthcare has contributed more than $2 million to many of these same 
institutions to help with nursing programs, additional instructors, additional equipment, and 
physical plant needs. Dyersburg State has recognized this support by naming the nursing 
simulation lab in the Glover Building in honor of West Tennessee Healthcare. At the conclusion 
of Regent Marcum’s report, President Bowyer provided additional comments of appreciation 
toward West Tennessee Healthcare.

V. REPORT OF THE CHANCELLOR

Chancellor Morgan began his report with a brief summary of TBR’s involvement at a recent White 
House Summit on higher education. Vice Chancellor Tristan Denley attended and led one of the 
sessions. Then he briefed the members on other items of national interest concerning a 
collaborative effort on an op-ed article written with Nancy Zimpher, Chair of National Association 
of System Heads concerning education standards.

The next portion of Chancellor Morgan’s report was presented by Dr. Ken Lovett from the Office 
of Community Colleges on Administrative Efficiency Scope of Work. This report was a follow 
up report from the presentation given at the June 2014 meeting on the Business Process Model 
project. As part of the BPM implementation and efficiency assessment, surveys conducted were 
specific to five functional areas at each of the 13 community colleges: Finance, Financial Aid, 
Human Resources/Payroll, Student Enrollment(Admissions and Records), and Student Accounts 
Receiveable. Dr. Lovett stated that there is potential efficiency impact savings of $2.8 million for 
the System. The impact varies by process and by institution. This assessment leads to a larger 
efficiency study to be conducted by the Huron Consulting Group to look at larger gains of 
efficiencies across the system such as service consolidation, regionalization or centers of 
excellence. Dr. Warren Nichols addressed the Board and provided details of the 10 week study to 
be conducted by Huron Consulting Group. A report will be provided to the members as soon as 
the study is completed.

Next, Vice Chancellor Wendy Thompson gave a brief summary about the completion agenda for 
TBR. She introduced Vice Chancellor Tristan Denley to report on the 2015-2025 strategic plan 
process for TBR. The members received the Strategic Plan Key Priorities for 2015 – 2025 that 
include the four primary areas of focus: access, student success, quality, and resourcefulness and 
efficiency. At the March 2015 meeting, members will be provided with a set of metrics on how 
these areas will be measured. Regent Griscom moved to adopt the strategic key priorities. Regent 
Freeman seconded the motion. The motion carried. A copy of the strategic priorities is attached 
to the official copy of the Minutes as Appendix G.

At the conclusion of Chancellor Morgan’s report, he recognized and introduced the TCAT 
Leadership Academy.
VI. REPORTS OF PRESIDENTS AND DIRECTORS

Vice Chair Reynolds called on President Wise for the report from the two year institutions. He reported on three campus programs targeted to take the cost efficiencies found at their institutions and reinvest in student success programs to help meet the completion goal. Jackson State revamped the student orientation program, Cleveland State developed a first year seminar program, and Walters State started a faculty feedback program. All three campuses have seen a significant impact from the implementation of these programs.

Next, Director Murphy provided the report for the Tennessee Colleges of Applied Technology. As part of his report, Director Murphy asked Mr. Jimmy Johnson, CEO of Forward Sumner Economic Partnership and member of the Advisory Board at TCAT-Nashville, to discuss the partnership project in Portland, Tennessee. Next, Director Murphy reported on the TCAT-Murfreesboro and Nissan groundbreaking ceremony for the new training and education facility in Smyrna, Tennessee, scheduled to open in 2016.

Vice Chair Reynolds called on President Glover for the report of the four year institutions. President Glover reported on the various initiatives going on at the four year institutions to review and implement streamlining efforts in the areas of business operations, energy and student services. She gave several examples where campuses are striving to redeploy their savings and put them back into student initiatives.

At the conclusion of this report, Vice Chair Reynolds thanked everyone for their informative and interesting reports.

VII. UNFINISHED BUSINESS

Vice Chair Reynolds called on Mary Moody for this next agenda item. She reported that at the September 26, 2014, quarterly meeting the Board was given notice of the intent to bring changes to its Bylaws before the Board. The proposed revision to Section VII.M.1.d changes the name of the Committee on Tennessee Colleges of Applied Technology to the Committee on Workforce Development, and sets out the duties of the newly renamed committee. Regent Varlan moved to adopt the revisions and a second was provided by Regent Duckett. A roll call vote was taken and the motion passed. A copy of the revised Bylaws is attached to the official copy of the Minutes as Appendix H.

Vice Chair Reynolds gave notice to the Board about possible further changes to the Bylaws at its meeting in March. One particular item up for discussion is the section concerning non-voting committee members.

VIII. NEW BUSINESS – Consent Agenda

The following items were presented under the consent agenda:
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1. Proposed Revision to TBR Policy 4:03:03:50 Athletic and Other Group Travel
2. Review and Consideration of New TBR Policy 4:01:05:70 Emergency Management Planning
3. Proposed Revisions to TBR Policy 2:03:00:00 Admissions (Dual Enrollment)

Regent Griscom moved for approval of the consent agenda. Regent Freeman provided a second. A copy of the revisions to TBR policy 4:03:03:50 Athletic and Other Group Travel is attached to the official copy of the Minutes as Appendix I. A copy of the new TBR Policy 4:01:05:70 Emergency Management Planning is attached to the official copy of the Minutes as Appendix J. A copy of the revisions to TBR Policy 2:03:00:00 Admissions (Dual Enrollment) is attached to the official copy of the Minutes as Appendix K.

NEW BUSINESS – Informational Reporting

The following agenda items were presented for informational purposes only and no action was required. The first item was a report on the consolidated management discussion and analysis for the System’s FY 2013-14 financial statements. A copy of the observations for our system is attached to the official copy of the Minutes as Appendix L. The second informational report was an employer and alumni survey for the Tennessee Colleges of Applied Technology presented by Vice Chancellor King. This is an annual survey of students and employers designed to assess the effectiveness and relevance of each occupational program. For the 2011-12 survey cohort, alumni rated program preparation for employment “Satisfactory” or above in 98% of the weighted responses. Employers rated student performance “Satisfactory” or above in 96% of the weighted responses. There were approximately 6,640 graduates during the 2012-13 academic year available for job placement. A total of 5,658 graduates were placed in employment for an overall placement rate of 85%, which is 1% increase over the previous year. A written report on institutional fundraising was provided to members in their materials. Annually, institutions across the country report fundraising activities to the Council for Advancement and Support of Education in the Voluntary Support of Education report. This report demonstrates how TBR institutions are performing in private fundraising activities. A copy of this report is attached to the official copy of the Minutes as Appendix M. As the final item under informational reporting, Vice Chancellor Denley informed the Board of an initiative to broaden the public awareness of the capacity of individuals and organizations with the state concerning research within our System. The initiative features videos classified along academic foci of leading researchers (including Chairs of Excellence across the System) discussing their research; research blogs and Wikis to allow researchers across the System collaborative opportunities, increased access to the professional development opportunities across the System, and an electronic journal entitled “Critical Conversation: An Interdisciplinary Journal.”

NEW BUSINESS – Action Items

The first item under New Business – Action Items was to review and approve the search criteria for the president of Southwest Tennessee Community College. The criteria were provided to the members and are attached to the official copy of the Minutes as Appendix N. The search firm of
Greenwood/Asher will work with the search advisory committee in providing an applicant pool to be interviewed. Regent Freeman moved to adopt the criteria with a second provided by Regent Duckett. The motion carried.

Next, Vice Chair Reynolds called on Vice Chancellor Sims for the October revised budget for fiscal year 2014 – 2015. The recommended October revisions are based on information that includes recognition of the impact of fall enrollment. The Board was asked to approve a revised budget of $2,948,339,700. Regent Freeman moved to approve the revised budget. Regent Duckett seconded the motion. A roll call vote was taken and the motion passed. A copy of the revised budget is attached to the official copy of the Minutes as Appendix O.

Vice Chancellor Sims continued with the next agenda item for discussion and action regarding a maintenance fee recommendation on dual enrollment. Background information along with staff’s recommendation to the Board was provided to the members and is attached to the official copy of the Minutes as Appendix P. The Board was asked to approve the maintenance fee for dual enrollment as shown below:

Universities - $166 per hour fee
Community Colleges - $166 per hour fee
TCATs 35 – 72 scheduled hours – total fee of $100
TCATs 73 – 107 scheduled hours – total fee of $200
TCATs 108 and over scheduled hours – total fee of $300

Regent Smith moved to approve the maintenance fee as described. Regent Duckett seconded the motion, and the motion passed unanimously through a roll call vote.

In the absence of Vice Chancellor Gregory, Vice Chair Reynolds called on Ginger Hauser to present the 2015 system-wide legislative initiatives. The presentation included information on support for operational funding; capital outlay and capital maintenance projects; system-wide legislation to include a funding formula review resolution, immunization simplification and conversion of the University of Memphis Chair of Excellence in Poetry to the Chair of Excellence in Computer Science. Regent Freeman moved to adopt the report. The motion was seconded and approved. A full copy of the report is attached to the official copy of the Minutes as Appendix Q.

Next on the agenda was the approval of new degree programs at the community colleges and universities. The Board reviewed and approved a Master of Science in Finance at Middle Tennessee State University; an Associate of Applied Science in Hospitality and Tourism Management at Chattanooga State Community College; and an Associate of Applied Science in Welding Technology at Pellissippi State Community College. Regent Thomas moved to approve the new degrees as presented with a second provided by Regent Varlan. The motion passed with Regent Griscom abstaining. A copy of the proposed new degree programs is attached to the official copy of the Minutes as Appendix R.

Vice Chancellor Denley presented the next item on the agenda which was review and approval of TBR Policy 2:02:00:02 Reverse Transfer. Reverse Transfer is a credit review of degree seeking
students who transfer from a community college to a four year institution prior to receipt of the associate degree to determine if and when the students complete the associate degree requirements and, if so, to award them associate degrees. Regent Freeman moved to adopt the policy with Regent Marcum seconding the motion. The motion passed. A copy of the policy is attached to the official copy of the Minutes as Appendix S.

Next, Vice Chair Reynolds called on Vice Chancellor Denley to address the university housing policies. He reported that for the development of the university housing policies under consideration by the Board, each TBR university initiated a process to develop its housing policy to align with the revised system-wide Student Residence Regulations. These processes included participation in system-wide conference calls held by the Office of Academic Affairs, which included a representative of the Office of General Counsel to provide guidance and to address specific questions raised by university Housing Officers. The policy development process also included active interface between each institution and its General Counsel to assure compliance with legal requirements. The resulting six student housing policies have undergone final review and approval at their respective institutions as well as final review and approval by the Office of General Counsel and the Office of Academic Affairs. A motion was made by Regent Freeman to approve the policies. Regent Smith provided a second to the motion. The motion passed. The institutional policies went into effect immediately upon passage. A copy of the institutional policies is attached to the official copy of the Minutes as Appendix T.

For the next item on the agenda, Vice Chancellor James King presented the TCAT proposed program terminations, modifications, and new technical program implementations. Seven (7) program proposals are being presented for the Board’s review and approval. These proposals will allow the Tennessee Colleges of Applied Technology to be more responsive to the needs of students, businesses, and industries. Six (6) academic actions were submitted by a TCAT institution to the Vice Chancellor for approval based on section C of the TBR Policy: 2:01:02:00, requiring only notification to the Vice Chancellor. Regent Griscom moved to approve the program report with a second provided by Regent Freeman. The motion passed. A copy of the proposed programs mentioned is attached to the official copy of the Minutes Appendix U.

Next, Vice Chair Reynolds called on Mary Moody, General Counsel and Board Secretary, for the adoption of policy implementing T.C.A. Title 40, Chapter 7, Part 10, Public Higher Education Funding Requests. She reported that during the 2014 Session, the Tennessee General Assembly enacted Public Chapter 538, which is now codified at T.C.A. Title 49, Chapter 7, Part 10, Public Higher Education Funding Requests. The purpose of the act is “to protect and maintain the integrity of current prioritization and strategic planning processes established to best use limited state funds for public higher education toward greatest need and opportunity and to ensure prudent fiscal policy” T.C.A. § 49-7-101. The Act prohibits employees of the TBR and UT systems from advancing state legislative funding requests without the knowledge of the chancellor or president and requires both the Board of Regents and the UT Board of Trustees to adopt policies and procedures that ensure all legislative requests for state funding for higher education have been
through a prescribed process before coming before the General Assembly. The proposed policy is intended to fulfill the requirements of the Act. A motion was made by Regent Prescott to approve the policy with a second provided by Regent Duckett. The motion passed. A copy of the policy is attached to the official copy of the Minutes as Appendix V.

Next on the agenda was the review and approval of the minutes of the special called meeting of the Personnel and Compensation Committee held on December 11, 2014, that met prior to the quarterly Board meeting. The minutes include revisions to TBR Policy 5:01:01:04 Military Leave, the University of Memphis minimum wage proposal, and executive incentive pay proposals. Vice Chair Reynolds called on Regent Roddy for the report. As Chair of the Committee, Regent Roddy moved to approve the report. Regent Freeman seconded the motion. A roll call vote was taken and the motion passed. A copy of the report is attached to the official copy of the Minutes as Appendix W.

The last item on the agenda was a resolution of appreciation for the service of Director William N. Ray. Vice Chair Reynolds called on Regent Varlan for the reading of the resolution. Regent Varlan moved to adopt the resolution with a unanimous second by the Board. The resolution was approved. Director Ray addressed the Board and thanked everyone for their kind support throughout his career with the Tennessee Board of Regents. Regent Marcum expressed her appreciation for the dedication and support Director Ray has provided throughout his years of service. A copy of the resolution is attached to the official copy of the Minutes as Appendix X.

In closing remarks, Chancellor Morgan reported that the March 27, 2015, quarterly meeting would take place at Tennessee Tech University. He further reported that March 27th marks the 100th anniversary of the signing of the charter for the institution, and TTU has graciously requested that the Board hold its March meeting on the campus that day to help celebrate this auspicious occasion.

IX. ADJOURNMENT OF THE MEETING

There being no further business to come before the board, the meeting was adjourned.

Respectfully submitted,

Mary G. Moody, Secretary

John G. Morgan, Chancellor

Emily J. Reynolds, Vice Chair