

**MINUTES**  
**TENNESSEE BOARD OF REGENTS**  
**REGULAR SESSION**

March 27, 2015

The Tennessee Board of Regents met in regular session on March 27, 2015, on the campus of Tennessee Tech University, Cookeville, Tennessee. Vice Chairman Emily Reynolds presided and called the meeting to order. In her opening remarks, Vice Chairman Reynolds thanked President Phil Oldham and his staff for hosting the quarterly meeting and also for inviting the members to participate in Tennessee Tech's Charter Day celebration, commemorating its 100<sup>th</sup> anniversary. She also thanked Governor Bill Haslam for his participation in the morning activities. Vice Chairman Reynolds recognized former Regent Steve Copeland and thanked him for his participation and support of TTU. Next, she recognized and introduced newly appointed members to the Board, Commissioner Candice McQueen and Dr. Russ Deaton. In the absence of General Counsel and Board Secretary Mary Moody, Sonja Mason was asked to call the roll. Constituting a quorum, the following members were present:

Ms. Emily Reynolds, Vice Chairman  
Dr. Russ Deaton  
Mr. Greg Duckett  
Mr. Darrell Freeman  
Mr. Tom Griscom  
Commissioner Julius Johnson  
Commissioner Candice McQueen  
Dr. Barbara Prescott  
Ms. Rebecca Reeves  
Ms. Leigh Shockey  
Mr. Parker Smith  
Mr. Johnny Stites  
Mr. Bob Thomas  
Ms. Danni Varlan  
Ms. Dottie Webb

Members not available to attend the meeting were Governor Bill Haslam and Regents Fran Marcum and Howard Roddy.

I. Award Presentation

The Tennessee Board of Regents recognized and paid tribute to Dr. Richard G. Rhoda for his years of service and dedication to higher education throughout his career. Dr. Rhoda retired from public service December 31, 2014. He dedicated his entire career to higher education in Tennessee. He joined the staff of the Tennessee Board of Regents as a graduate assistant in 1973. Over the next 12 years he assumed a progression of staff capacities, eventually becoming the executive assistant to the chancellor from 1980 to 1985. These were the formative years of TBR, which had been established in 1972. Dr. Rhoda contributed significantly to the development of initial systemwide

policies and information systems. He served as the Regents' chief public information officer. It was during this period that he participated in chronicling the early history of Tennessee's community colleges, and pursued his academic research interests in higher education and public policy issues. In 1985, he joined the administration of Tennessee State University. It was during this period at TSU when the settlement had been reached in the statewide higher education desegregation lawsuit. In 1990, he returned to the TBR staff as the Vice Chancellor for Administration. In 1993, upon the untimely death of the sitting chancellor, Otis L. Floyd, Jr., Dr. Rhoda was named acting chancellor. During this time of service at the Board office, he served as interim president to Nashville State and also Austin Peay State University. In 1995, he left public higher education to join the faculty of Vanderbilt University, but returned in 1997 to become the Senior Vice Chancellor for Academic Affairs and Strategic Planning at TBR. Later that year, he was called to head the Tennessee Higher Education Commission. The Commission now is recognized for its leadership in public policy and higher education policy analyses. In 2002-2003, Dr. Rhoda chaired the legislative taskforce that developed the new Tennessee Education Lottery Scholarship. The Commission was also instrumental in the design and implementation of the Complete College Tennessee Act of 2010. In 2008, he assumed additional responsibility as executive director of the Tennessee Student Assistance Corporation. The Tennessee Board of Regents has benefited greatly through the leadership of Dr. Rhoda. The System is grateful for his dedication and extremely thankful to have had his guidance through several major initiatives involving TBR and public higher education as a whole. At the conclusion of Chancellor Morgan's remarks, Vice Chancellor Wendy Thompson expressed her appreciation for Dr. Rhoda's involvement in the Maxine Smith Fellows program. Regent Duckett offered words of appreciation for Dr. Rhoda's contribution to improving higher education through his service. Then Vice Chairman Reynolds and Chancellor Morgan presented Dr. Rhoda with a plaque to honor his years of service and dedication. Dr. Rhoda addressed the Board and expressed his sincere appreciation for this recognition.

## II. Minutes

Minutes of the December 11, 2014, regular session Board meeting and February 13, 2015, special called session were sent to all Board members for review prior to the quarterly Board meeting. Regent Griscom moved for the approval of the minutes. Regent Thomas provided a second to the motion. The motion passed.

## III. REPORT OF INTERIM ACTION

Vice Chairman Reynolds called upon Chancellor Morgan who presented the Report of Interim Action, reflecting business transacted by the Office of the Chancellor since the previous meeting of the Board. Chancellor Morgan requested approval of the report. Regent Duckett moved to accept the report. Regent Smith 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 A.

#### IV. REPORT OF THE COMMITTEES

The Board then considered approval of the Minutes from the January 28, 2015, and February 19, 2015, minutes of the special called Finance and Business Operations Committee; the March 10, 2015, minutes of the Audit Committee that includes Approval of the Revisions to TBR Policy 4:01:05:00 – Internal Audit and TBR Policy 4:01:05:50 Preventing and Reporting Fraud, Waste and Abuse. Copies of the minutes were provided to all members. Regent Prescott moved for adoption of the minutes. A second was provided by Regent Thomas. The motion carried. A copy of the minutes from the special called meeting of the Finance and Business Operations are attached to the official copy of the Minutes as Appendix B. The Audit Committee minutes and background materials are attached to the official copy of the Minutes as Appendix C.

Regent Griscom asked to be recognized. He stated that as noted in the Audit Committee minutes, the Audit Committee reviewed the report of the audit conducted at Chattanooga State. During the course of the discussion of that audit it was pointed out that Dr. Catanzaro had requested that the Board of Regents award him President Emeritus status, with compensation, effective as of the date of his retirement, and that he had been told that any decision on his emeritus status has been deferred until a new permanent president was hired for the college. That search is underway. Following the committee's discussion of the request in open session, the consensus was that it was not advisable to defer consideration of the matter, and the members present did not feel that granting his request was in the best interest of the college.

Vice Chairman Reynolds asked if anyone had any objections to Request Griscom's request. There being no objections from the members, Vice Chairman Reynolds then asked Chancellor Morgan to advise Dr. Catanzaro that the Board declines to take up his request for president emeritus status.

#### V. REPORT OF THE REGENTS AWARD FOR EXCELLENCE IN PHILANTHROPY

Vice Chairman Reynolds called on Regent Varlan for the report on the Regents Award for Excellence in Philanthropy in the absence of Regent Marcum, Chair of the External Affairs Committee. Regent Varlan reported that the Regents Award for Excellence in Philanthropy had recently been given to Clayton Homes and the Clayton Family Foundation. Clayton Homes and Clayton Family Foundation were nominated by President Anthony Wise of Pellissippi State Community College. Their generous gifts of more than \$40 million to hundreds of charitable organizations will continue to bring positive change for generations to come. James L. Clayton is the founder of Clayton Homes and the Chairman of the Clayton Family Foundation. Contributions exceeding \$1 million have afforded new and exciting opportunities for PSCC students that will foster continued success. The Clayton Performing Arts Center was named in recognition of the family's commitment to the performing arts. Recognizing the importance of higher education in Blount County, the Claytons provided significant support in the opening of the Pellissippi State Blount County campus. The Claytons generosity has also included contributions to music scholarships, the All Steinway School Campaign, the Performing Arts Series, the Art and the Cultural Program funds, the Workforce Training Center, the Strawberry Plains Campus Fund, the Bagwell Center for Media and Art, the Student Emergency Loan Fund, and the Greatest Need

Fund. Pellissippi State Community College and Tennessee Board of Regents are indeed grateful to the Claytons for their outstanding support and resources within the community and East Tennessee region. President Wise provided additional words of appreciation for the Claytons' philanthropic gifts and support to the college.

#### VI. REPORT OF THE CHANCELLOR

Chancellor Morgan provided the members with an update on the Chattanooga State Community College, Southwest Tennessee Community College and Motlow State Community College presidential searches. Recommendations for these positions will be forthcoming.

Next, he reported that the Huron Consulting group will provide a report at the next special called meeting of the Finance and Business Operations Committee. Huron Consulting is conducting an efficiency study to help identify systemwide savings and they are ready to bring forth their recommendations on items concerning the community colleges.

Chancellor Morgan then called on Vice Chancellor Wendy Thompson who gave an update on the Completion Delivery Unit procedural methods of how the executive team is keeping on track with the strategic plan. The report included information about completion routines and regularly scheduled strategy stocktake meetings. This presentation led to a discussion among the members about meeting industry needs. Members indicated they would like to learn more about how this is accomplished. Next, Vice Chancellor Tristan Denley was asked to give a report on strategic planning indicator metrics and the use of those metrics toward student success.

#### VII. REPORTS OF PRESIDENTS AND DIRECTORS

The university presidents' report was presented by President Phil Oldham, Tennessee Tech University. Leading from the morning's centennial presentation, President Oldham provided the members with a brief report on the history of the six universities within TBR. East Tennessee State University and Middle Tennessee State University began in 1911. Tennessee State University and the University of Memphis opened in 1912. Tennessee Polytechnic Institute, now known as Tennessee Tech University, was founded in 1915. Austin Peay State University began in 1927. President Oldham stated that it is important to reflect on the traditions and events of the past so that we can see where higher education is going in the future. He concluded his report with a brief summary of partnerships TTU has entered into with ETSU, MTSU and U of M to help the success of its students.

Next, Director Dwight Murphy introduced Mr. Mike Krause, Executive Director of Governor Bill Haslam's Drive to 55 Initiative. Director Murphy reported that TCATs from all across the state of Tennessee would celebrate "Reconnect" the Saturday following the Board meeting, working to get adult students enrolled in the TCATs. Mr. Krause discussed the "Reconnect" phase of the Drive to 55 Initiative that addresses adult students.

President Wise gave the community college presidents' report. He provided members with an update on the status of the Tennessee Promise initiative. He stated that there were 56,000 students who entered into the TN Promise program and that 37,000 have completed the FAFSA form and ready for their second round of meetings. Tennessee has 61% completion rate for seniors with a growth of 18% from last year. President Wise informed members of the incentive grant proposals being done on the campuses.

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

#### VIII. UNFINISHED BUSINESS

There was no unfinished business to bring before the Board at this time.

#### IX. NEW BUSINESS – Consent Agenda

The following items were presented under the consent agenda:

1. Proposed Revisions to TBR Policy 2:01:01:00 – Approval of Academic Programs, Units and Modifications
2. Proposed Revisions to TBR Policy 4:01:05:60 – Identity Theft Prevention
3. Proposed Revisions to Policy 5:01:03:03 – Optional Retirement Programs
4. Proposed Revisions to TBR Policy 5:01:03:00 – Retirement
5. Proposed Revisions to TBR Policy 4:03:02:00 – Motor Vehicles
6. Proposed Revisions to TBR Policy 3:03:01:00 – Student Housing
7. Change in Criteria for the Otis L. Floyd Scholarship

Regent Griscom moved for approval of the consent agenda. Regent Duckett provided a second. A copy of the revisions to TBR Policy 2:01:01:00 – Approval of Academic Programs, Units, and Modifications is attached to the official copy of the Minutes as Appendix D. A copy of the revisions to TBR Policy 4:01:05:60 – Identity Theft Prevention is attached to the official copy of the Minutes as Appendix E. A copy of the revisions to TBR Policy 5:01:03:03 – Optional Retirement Programs is attached to the official copy of the Minutes as Appendix F. A copy of the revisions to TBR Policy 5:01:03:00 - Retirement is attached to the official copy of the Minutes as Appendix G. A copy of the revisions to TBR Policy 4:03:02:00 – Motor Vehicles is attached to the official copy of the Minutes as Appendix H. A copy of the revisions to TBR Policy 3:03:01:00 – Student Housing is attached to the official copy of the Minutes as Appendix I. A copy of the Change in Criteria for the Otis L. Floyd Scholarship is attached to the official copy of the Minutes as Appendix J.

#### IX. NEW BUSINESS – Informational Reporting

The following agenda items were presented for informational purposes only and required no action. The first agenda item under Informational Reporting was an overview of the Governor's

Budget Recommendations. Vice Chancellor Sims' written report gave an overview of the Governor's FY 2015-2016 higher education budget recommendations. As mentioned in the attached report, the Governor has recommended additional total funding of \$34.6 million for the TBR. Of this amount, \$32.8 million is recurring in nature and \$1.9 million is non-recurring. Additionally, the Governor recommended \$89.8 million in capital funding as outlined in the attached report. Materials presented in this report are attached to the official copy of the Minutes as Appendix K.

Next, Vice Chancellor Gregory gave an update on legislation affecting higher education. Proposed legislation included in his report is shown below:

- SB 118/HB 107 (Norris/McCormick) TN Promise Revisions
- SB 605/HB 646 (Norris/McCormick) Community College Reconnect Grant
- SB 51/HB 801 (Green/Pitts) Come Back to Your Future
- SB 612/HB 675 (Gardenhire/White,M.) Out-of-State Tuition
- SR 14 (Tate) University of Memphis Chair of Excellence Chair Change
- SB 333/HB 676 (Norris/White,M.) University of Memphis 30 Mile Radius
- SB 70/HB 1158 (Kelsey/Matheny) Firearm Legislation
- SB 1058/HB 994 (Green/Todd) Firearm Legislation
- SB 61/HB 60 (Green/Sparks) Textbooks
- SB 607/HB 648 (Norris/McCormick) Employee Insurance and Benefits
- SB 1276/HB 1158 (Yager/Ramsey) Job Performance Evaluations
- SB 299/HB 127 (Gresham/Brooks) State Authorization Reciprocity Agreement (SARA)
- SB 1345/HB 243 (McNally/Powers) Requires Public Postsecondary Institutions to be Closed on November 11<sup>th</sup> for Veterans

This report was for information purposes only and no action was required.

Vice Chairman Reynolds then called on Vice Chancellor Denley for a report on Academic Affairs initiatives. Vice Chancellor Denley provided members a report on a pilot conducted across the system over the last year to examine the effectiveness of restructuring remediation in reading, writing and mathematics for incoming students. His report included latest data concerning this co-requisite remediation approach and future system implementation plans.

#### IX. NEW BUSINESS – Action Items

Vice Chairman Reynolds asked the members to address number four on the agenda before proceeding with the remainder of the items under New Business Action Items to ensure a quorum. She called on Regent Duckett for the report of the March 10, 2015 special called meeting of the Finance and Business Operations Committee which included disclosure amendments to the 2015-2016 capital budget request, a recommendation on mandatory and incidental fee requests, which would become effective Fall 2015, and out-of-state tuition requests. Regent Duckett further notified members that subsequent to the March 10th special called meeting Middle Tennessee

State University asked to withdraw their request to adopt the Recruitment Focus Area Tuition Plan. Their request is based on a desire to provide adequate time to develop and implement recruitment plans in these areas. Given this request, Regent Duckett moved approval of the minutes with an amendment to remove approval of the MTSU Recruitment Focus Area Tuition Plan from the Board's action. Regent Griscom seconded the motion. Regent Stites inquired about Board level approval on institution's submission of fee requests. Chancellor Morgan stated that staff will take a look at the process and respond accordingly. A roll call vote was taken and the motion passed. A copy of the minutes along with its referenced documents are attached to the official copy of the Minutes as Appendix L.

Next, Chancellor Morgan was asked to present his recommendation for the new director at the Tennessee College of Applied Technology at Crump. The search was opened and the criteria for the position was advertised in January 2015. Members of the fourteen member search committee consisted of Regent Fran Marcum, Vice Chancellor James King, Jackson State Community College President Bruce Blanding, along with representatives from the Center's faculty, staff, students, lead institution and the Center's general advisory committee. A pool of 34 applicants were received. The search committee met on February 3, February 13, and February 26 to review the applicants, select interview candidates, and conduct interviews. After careful review of the applicants and interviews, and input from the search advisory committee, Chancellor Morgan recommended Mr. Stephen Milligan for the position of Director of the TCAT – Crump. If approved by the Board, he will begin April 1, 2015. Mr. Milligan started his career with TBR at Columbia State Community College as the Director for the Clifton campus from 1997 until 2013. In 2013, he became the Assistant Director at TCAT – Pulaski. Regent Freeman moved to accept Chancellor Morgan's recommendation. Regent Thomas provided a second to the motion. The motion carried. Vice Chairman Reynolds congratulated Mr. Milligan on the appointment and asked if he had any comments. He thanked them for the opportunity to serve as the director at TCAT – Crump and expressed his excitement in his new responsibility within TBR.

Next, Vice Chancellor King presented the proposed TCAT program terminations, modifications, and new technical program implementations for the Tennessee Colleges of Applied Technology. Regent Freeman moved to accept the proposed program changes and implementations with a second provided by Regent Prescott. The motion carried. A copy of the proposed program changes and implementations are attached to the official copy of the Minutes as Appendix M.

Vice Chairman Reynolds called on Vice Chancellor Denley to present the two new degree program proposals from Middle Tennessee State University. Regent Freeman moved to approve the recommended proposals. Regent Duckett seconded the motion and the motion passed. Regent Stites asked about the process for approving new degree programs. Chancellor Morgan responded that staff will review the program approval process and respond accordingly. A copy of the program proposals is attached to the official copy of the Minutes as Appendix N.

As the last item on the agenda, Chancellor Morgan presented a proposal to name the faculty office building at Nashville State Community College the "Ellen Weed Building" in honor of Dr. Ellen J. Weed. Chancellor Morgan reported that Dr. Weed has worked within the Tennessee Board of

Regents System for more than 30 years. Her distinguished service experience spans the community college, university and governing board levels. Most recently, she delayed her retirement to help the System Office on several Academic initiatives.

Dr. Weed served as the Vice President for Academic Affairs, or Chief Academic Officer, at Nashville State Community College for at least 20 years, and then continued serving the campus during her post-retirement years. While at Nashville State, she demonstrated exemplary leadership, helping guide the mission change of what used to be Nashville State Technical Institute to the comprehensive community college it is today. She and the academic team worked diligently for the academic advancement of the institution and the success of the students it serves. She was a recognized leader in academic initiatives and management, and that is reflected in the four-year term she served as assistant vice chancellor and later a three-year stint as associate vice chancellor for Academic Affairs at the TBR System Office.

Prior to her role as an administrator, Dr. Weed spent 8 years as chair and associate professor in the department of Sociology and Social Welfare at Austin Peay State University. Before that, she taught at Luther College in Iowa and the University of Michigan.

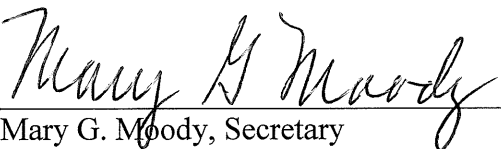
She has been actively involved in regional accreditation activities through the Commission on Colleges of the Southern Association of Colleges and Schools, serving on 50 committees. In 2002 she received a SACSCOC Meritorious Service Award. Regent Freeman moved to accept the recommendation. A unanimous second was provided by the members. The motion carried.

In closing, Vice Chairman Reynolds thanked Governor Haslam for his presence at the morning session, as well as attending other TBR events earlier in the week showing his support at the inauguration of President Alisa White at Austin Peay State University. She mentioned the upcoming meeting on June 18 – 19, 2015 at Columbia State Community College. Vice Chairman Reynolds and Chancellor Morgan thanked President Oldham and his staff for their gracious hospitality in hosting the quarterly board meeting.

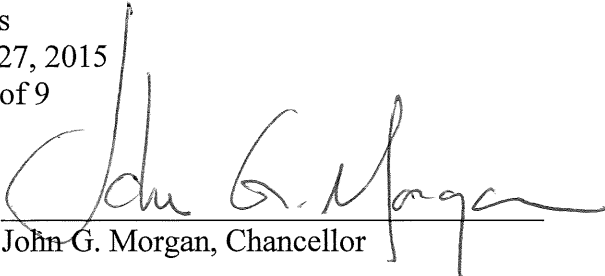
#### ADJOURNMENT OF THE MEETING

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 Chairman