

**MINUTES
TENNESSEE BOARD OF REGENTS
REGULAR SESSION**

December 10, 2015

The Tennessee Board of Regents met in regular session on December 10, 2015, at the TBR central office located in Nashville, Tennessee. Vice Chair Emily Reynolds, presiding, called the meeting to order. In her opening remarks, she welcomed and thanked Governor Bill Haslam for attending the meeting. After noting the legislative events scheduled at TBR institutions across the state, she congratulated Middle Tennessee State University and the University of Memphis football programs on their invitations to post-season bowl games. A formal welcome was extended to the newest board member, Dr. MaryLou Apple. At the instruction of the Vice Chair, Ms. Mary Moody, General Counsel and Board Secretary, called the roll. The following members were present:

Governor Bill Haslam
Dr. MaryLou Apple
Dr. Russ Deaton
Mr. Greg Duckett
Dr. Tricia Farwell
Mr. Darrell Freeman
Mr. Tom Griscom
Ms. Fran Marcum
Dr. Barbara Prescott
Ms. Emily Reynolds
Mr. Howard Roddy
Mr. Nick Russell
Ms. Leigh Shockey
Mr. Bob Thomas
Mrs. Danni Varlan

A quorum was present. Members not available to attend the meeting were Commissioners Candice McQueen and Julius Johnson and Regent J. Parker Smith.

MINUTES

Minutes of the September 17, 2015, regular session Board meeting were sent to all Board members for review prior to the quarterly Board meeting. Regent Freeman moved to adopt the minutes as corrected. Regent Duckett provided a second. The motion passed.

REMARKS FROM THE CHAIR – GOVERNOR BILL HASLAM

Next, Vice Chair Reynolds acknowledged Governor Haslam, who discussed with the Board to his December 7th announcement of the Focus on College and University Success (FOCUS) Act.

The FOCUS Act is the next step in the Drive to 55, ensuring that colleges and universities are organized, supported and empowered in efforts to increase the percentage of Tennesseans with a postsecondary credential by 55 by 2025.

Governor Haslam told members that his plan to give TBR's six universities their own governing boards, removing them from governance by TBR, was intended to sharpen the focus on each university, community college and TCAT. Having a board that is responsible for governing a single university will allow that board to concentrate on that university's unique mission. TBR will then be able to direct all of its attention to the state's community colleges and TCATs and their growing strategic importance in the Drive to 55. Governor Haslam assured the Board that this proposal was not motivated by concerns about the Boards performance and praised them for the accomplishments of the system under their guidance.

Governor thanked all of the members who had committed to serve on the steering committee and working taskforce. The Steering Committee is to provide high level implementation guidance to the Governor and a Working Group that offers technical assistance and report back to the Steering Committee. The Working Group is charged to research implementation issues and provide detailed recommendations to increase efficiency in data systems, policy processes and other issues involving state higher education alignment. Members of the respective committees are listed below:

Steering Committee

Governor Bill Haslam, Chair of the Committee
Sen. Mark Norris, (R-Collierville), Majority Leader
Rep. Curtis Johnson (R-Clarksville), Speaker Pro Tempore
Ms. Emily Reynolds, TBR Vice Chair
Mr. John Morgan, TBR Chancellor
Mr. Evan Cope, THEC Chair
Dr. Russ Deaton, THEC Interim Executive Director
Dr. Glenda Glover, Tennessee State University President
Dr. Sidney McPhee, Middle Tennessee State University President
Dr. Brian Noland, East Tennessee State University President
Dr. Phil Oldham, Tennessee Tech University President
Dr. David Russ, University of Memphis President
Dr. Alisa White, Austin Peay State University President

Working Group

Mr. Mike Krause, Drive to 55 Executive Director, Chair of the Committee
Dr. MaryLou Apple, TBR member, former Motlow State Community College President
Dr. Keith Carver, UT Executive Assistant to the President
Dr. Russ Deaton, THEC Interim Executive Director
Dr. Tristan Denley, TBR Vice Chancellor for Academic Affairs
Mr. David Gregory, TBR Acting Chancellor
Dr. Brian Noland, East Tennessee State University President
Mr. Roland Raynor, TCAT – Memphis Director

At the conclusion of Governor Haslam's remarks, he entertained questions from the Board and thanked everyone for their commitment to the Board.

Vice Chair Reynolds thanked Governor Haslam for taking time to discuss the FOCUS Act with the Board and welcomed the opportunity to work with him on this initiative.

REPORT OF THE CHANCELLOR

Chancellor Morgan called on Dr. Tristan Denley, who gave a report on various programs throughout the system that are designed to increase student success including advising, aligning pathways across the System, mathematical alignment, co-requisite instruction, Gateway course revitalization and predictive analytics. In his closing remarks, Dr. Denley reported on the national recognition TBR has received from Complete College America, the National Association of System Heads and the Bill and Melinda Gates Foundation. Chancellor Morgan reported that some of our institution leaders have joined with 425 institutions across the country to support rigorous standards from high school students in Higher Ed for Higher Standards, a growing coalition of college presidents, trustees, chancellors, and state system leaders committed to the implementation of college- and career-ready standards.

REPORT OF INTERIM ACTION

Vice Chair Reynolds called upon Chancellor Morgan, who presented the Report of Interim Action for the Board's approval. The report serves as a record of business transacted by the Office of the Chancellor since the previous meeting of the Board. Regent Thomas moved to accept the report. Regent Prescott 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.

REPORT OF THE COMMITTEES

The Board considered approval of the November 18, 2015, minutes of the Audit Committee and the November 18, 2015, 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 Varlan. The motion carried. A copy of the minutes from the minutes from the Audit Committee meeting is attached to the official copy of the Minutes as Appendix B. A copy of the minutes from the Ad Hoc Committee on Committees is attached to the official copy of the Minutes as Appendix C.

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 Honorable Diane Black and David Black received the Regents Award for Excellence in Philanthropy at a ceremony in May 2015 at the Club at Foxland Harbor

in Gallatin, Tennessee. The honorees are well known to Volunteer State Community College and the community. They are active community members and leaders, giving of their time and money to multiple organizations and are true philanthropists at heart. In 1990 Dr. David Black founded Aegis Sciences Corporation where he serves as Founder, Chairman and CEO. Aegis is a forensic, healthcare, chemical and drug testing laboratory specializing in Zero-Tolerance Drug Testing, and many other drug, crime and health evaluations. Dr. Black serves as Program Administrator for substance abuse programs for NASCAR, IndyCar and World Wrestling Entertainment (WWE). He serves as a consultant to Major League Baseball Players Association and the National Football League Players Association. Dr. Black is also the Chairman for the Aegis Foundation providing gifts of time, talent and money to programs focused on youth education, character and veterans. The Honorable Diane Black is a former adjunct professor at Volunteer State Community College, and has also served on the Board of Trustees of the College's Foundation since 1999. Congressman Black has served on many area local boards and was a State Representative and a State Senator prior to being elected to the United States Congress in 2010. She serves on the House Ways and Means Committee and the House Budget Committee. She is co-author of the 2014 Path to Prosperity budget. The Blacks are magnanimous givers in the community and beyond. They serve actively in their church, local Rotary club, and Rotary International where they both served on medical, dental and vision mission trips to Guatemala. Congressman Black and Dr. Black are true philanthropists at heart. Dr. Black has provided internships at his business for students from Vol State. The Blacks are the first to step up to the plate in Volunteer State's Foundation Capital Campaign for the Humanities Building with a \$1 million pledge. Prior to this pledge, the Blacks had already been inducted into the Hal Ramer Society at the Partner level for their gifts. As ambassadors for Vol State and the Foundation, the Blacks represent everything that the Regents Award for Excellence in Philanthropy was established to recognize. Regent Marcum stated that it is a privilege and honor to recognize such individuals as the Honorable Diane Black and Dr. David Black for their philanthropic efforts to Volunteer State Community College and the community. President Jerry Faulkner mentioned in his remarks that the Blacks were the first recipients of the Regents Award for Excellence in Philanthropy from Volunteer State Community College.

REPORTS OF PRESIDENTS AND DIRECTORS

The Presidents and Directors Report for this quarter pertained to campus safety and security. President Alisa White presented a report on security staffing at the six universities as did President Karen Bowyer for the community colleges. Each discussed various security issues on the campuses and the level of training conducted at the institutions. Director Dwight Murphy provided a report on campus safety at the colleges of applied technology. All three reports indicated that security could and should be enhanced on the campuses but resources are a major issue. Next, Vice Chancellor Gregory introduced the guest panelists who discussed further operational and training issues on the campuses. The guest panelists were: Chief Thomas Stufano of Roane State Community College, Chief Bruce Harber of the University of Memphis and Director Dwight Murphy for the colleges of applied technology. Also in the audience was Chief Jack Cottrell from East Tennessee State University. Their reports described various methods of communicating an emergency, conducting emergency drills, counseling, equipment and resource needs, methods of reacting to an emergency, and training for campus police and security guards. At the end of the question and answer period, Regent Marcum asked Vice Chancellor Gregory to pursue obtaining

an appropriation to enhance security throughout the system. In closing, Vice Chair Reynolds thanked everyone for their informative reports and expressed heartfelt gratitude for their service in keeping our campuses safe.

UNFINISHED BUSINESS

Vice Chair Reynolds reminded members that they were given notice at the previous meeting that changes to the current Bylaws would be forthcoming. At its meeting on November 18, 2015 the Ad Hoc Committee on Committees discussed and approved the following changes to the Bylaws. General Counsel Mary Moody presented the following changes:

1. To amend Sub-section IV.G.3 by deleting the sub-section in its entirety and substituting instead the proposed language shown below:

A record vote of the Board shall be required on all motions providing for approval of a budget; approval of an increase in fees or tuition; approval of capital expenditures or the extension of the credit of the system or any of its institutions; any revision of the Bylaws, the adoption of a new Bylaw or the repeal of an existing Bylaw; and the documentation of any transaction as may be required by law or deemed desirable in the judgment of the Chairman. Upon demand of any member present a record vote may be called for on any matter before announcement of a vote previously taken.

2. To amend Sub-section VIII.L. of the TBR Bylaws by deleting the sub-section in its entirety and substituting instead the proposed language shown below:

When the Board holds its quarterly meeting on the campus of a TBR institution, the Chancellor may invite the host institution and other area institutions to designate a representative student and a representative faculty member to participate in the meetings of the committees of the Board held on the campus in conjunction with the quarterly meeting.

3. To amend Subsection VIII.A.1. of the TBR Bylaws by adding the last sentence in the proposed language shown below :

The officers of the Board of Regents shall be the Chairman, Vice Chairman, Chancellor, Treasurer, and Secretary. *The sitting Governor of the State of Tennessee shall serve as Chairman of the Board.*

4. To amend Subsection VIII.B.2. of the TBR Bylaws by deleting the sub-section in its entirety and substituting instead the proposed language shown below:

Officers other than the Chairman, Chancellor, Treasurer and Secretary shall be elected each year by the Board at the last regular meeting of each fiscal year.

5. To amend Subsection VIII.E.1. of the TBR Bylaws by deleting the sub-section in its entirety and substituting instead the proposed language shown below:

The Chairman shall be a member of the Board, shall preside at the meetings of the Board, if present, with the authority to vote, and may work with the Vice Chairman to appoint the Chairs and members of all committees.

A motion was made by Regent Freeman to approve the proposed changes. Regent Duckett seconded the motion. A roll call vote was taken and the motion carried. A copy of the revised Bylaws is attached to the official copy of the Minutes as Appendix D.

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.

NEW BUSINESS – Informational Reporting

The following agenda items were presented for informational purposes only and no action was required.

- A report on the consolidated management discussion and analysis for the System's FY 2014-15 financial statements. A copy of the observations for our system is attached to the official copy of the Minutes as Appendix E.
- 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.

During the 2012-13 academic year, the Tennessee Colleges of Applied Technology began capturing alumni satisfaction data during the exit interview process rather than through end of year surveys mailed to students. This new process resulted in much higher response rates. Surveys were sent to employers of these student completers as in previous reporting years. This same collection method was used this year.

For the 2013-14 survey cohort, alumni rated program preparation for employment "Satisfactory" or above in 92% of the weighted responses. Employers rated student performance "Satisfactory" or above in 96% of the weighted responses.

There were approximately 6,565 graduates during the 2013-14 academic year available for job placement. A total of 5,636 graduates were placed in employment for an overall placement rate of 86%, which is a 1% increase over the previous year. The results of the alumni and employer surveys will be shared with the Board. A copy of this report is attached to the official copy of the Minutes as Appendix F.

- A report on private fundraising as shown as the final agenda item in this section, was deferred until the March 30, 2016 meeting.

NEW BUSINESS – Action Items

The October revised budget for fiscal year 2015 – 2016 was presented for approval. 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 \$3,035,495,900. Regent Freeman moved to approve the revised budget. Regent Marcum 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 G.

Vice Chancellor Sims continued with the next agenda item for discussion and action regarding recruitment focus area out-of-state tuition requests. At its June 19, 2014, meeting, the Board approved a reduced out-of-state tuition rate for certain non-resident students attending the University of Memphis. Referred to as the “Recruitment Focus Area” plan, eligible non-resident students were defined as admitted students who graduated from a high school located in a county within a 250 mile radius of Memphis, Tennessee. The out of state tuition charged to these students equaled the annual state appropriation subsidy per full-time equivalent student. At its March 27, 2015, meeting the Board approved making the **Recruitment Focus Area Plan** available to other TBR universities on an “opt-in” basis. The provisions of the approved plan include:

- Eligibility: The Plan would apply to admitted students (both undergraduate and graduate) who graduate from a high school located in a county within a 250 mile radius of the city in which the main campus of a university is located.
- Tuition Rate: The out-of-state tuition rate charged for an academic year would equal the institution’s state appropriation subsidy per full-time equivalent student for the prior fiscal year. This rate would be capped at 12 hours for undergraduate students and 10 hours for graduate students.
- Recordkeeping: Institutions would be required to adopt a process that permits reporting to the System Office on the effect of the plan.
- Plan Adoption: Institutions desiring to offer the Recruitment Focus Area Plan would be required to file a request with the System Office. Unless otherwise delegated, approval of a request to adopt the Plan would rest with the Board.
- Impact on other Plans: The Recruitment Focus Area rate does not impact students who otherwise qualify for border county classification or other in-state residency classification.

Austin Peay State University and Middle Tennessee State University requested approval to opt-in to the Recruitment Focus Area Plan. Staff reviewed these requests and found them consistent with the prior action of the Board.

Staff recommended that Austin Peay State University and Middle Tennessee State University be approved to offer the Recruitment Area Focus Plan; and, that the Board delegate to the Chancellor authority to act on future requests to adopt the Recruitment Area Focus Plan, with such action reported to the Board as part of the interim action report. The Chancellor’s authority to approve such a request is contingent on a determination that the requested action is consistent with the Recruitment Area Focus Plan adopted by the Board. Regent Duckett moved to approve the

recruitment focus area out-of-state tuition requests as presented. Regent Roddy provided a second. A roll call vote was taken and the motion carried. A copy of the request from Austin Peay State University and Middle Tennessee State University is attached to the official copy of the Minutes as Appendix H.

Vice Chancellor Gregory presented the 2016 system-wide legislative initiatives including support for operational funding; capital outlay and capital maintenance projects; immunization simplification, tuition equality and opposition to expansion of guns on campus. After the presentation, Regent Thomas inquired about TBRs past initiative to extend the appointment of voting student regents to two years and appoint a second student regent as a non-voting member, making the appointments similar to other systems within higher education. Additionally, Regent Griscom also requested adding an initiative for one time funds to be appropriated for campus safety enhancements on TBR campuses. A motion was made by Regent Varlan to approve the 2016 system-wide legislative initiatives as presented and to include the student regent appointments and seek funding for campus safety enhancements as discussed.

The motion carried unanimously. A copy of the presentation slides is attached to the official copy of the Minutes as Appendix I.

Next on the agenda was the approval of new degree programs at East Tennessee State University and Tennessee Tech University. The Board reviewed and approved a Master of Science in Sport Science and Coach Education with concentrations in 1) Applied Sport Science and 2) Strength and Conditioning at ETSU. Additionally, the Board reviewed and approved a Joint Bachelor of Science in Engineering at TTU. 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 Nichols gave an informational report on certificate and degree approvals through the 30-day review process. Proposals sent to the Board for the 30-day review process ending Thursday, December 31, 2015 were from Columbia State Community College, Pellissippi State Community College, Southwest Community College, and Volunteer State Community College. This was an informational report and no action was required.

Associate Vice Chancellor Carol Puryear presented the TCAT proposed program terminations, modifications, and new technical program implementations. Twelve (12) 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. Eleven (11) academic actions were submitted by a TCAT institution approval based on section C of the TBR Policy: 2:01:02:00, requiring only notification to the Vice Chancellor. Regent Prescott moved to approve the program report with a second provided by Regent Griscom. The motion passed. A copy of the proposed programs mentioned is attached to the official copy of the Minutes Appendix S.

Chancellor Morgan then presented the proposal to name the Roane State Community College campus located in Scott County the "Scott County Higher Education Center W. H. Swain

Campus.” The campus was acquired in 2004. Mr. Swain donated the 42 acre tract that includes recreational opportunities for students. The location includes seven general classrooms, two interactive distant education access classrooms, two computer labs, a community-conference room, emergency management technician clinical lab and science lab, offices for faculty and administration, the Senator Howard H. Baker Library and a student lounge. Mr. Swain led the fundraising effort to equip the Howard H. Baker Jr. Library. In addition, he raised the funds to build a man-made lake and multi-purpose athletic field on the grounds. Also, he took on the task of raising over \$500,000 to build and equip the 2,200 square foot multi-purpose science lab. He recognized the need to expand the student center and challenged the community to raise \$60,000 to match his \$60,000 to finance the addition. He was also responsible for all students in Scott County enrolled in dual credit classes to receive a scholarship. Prior to his death, he established the W. H. Swain Endowment for non-traditional students in Scott County. For these reasons and more, Chancellor Morgan requested that this naming be approved. Regent Thomas moved to accept the naming with a second provided by Regent Griscom. The motion passed. Regent Griscom provided further words of appreciation for Mr. Swain on his service to the community and to the leaders of that area. President Whaley added words of appreciation for Mr. Swain’s love and compassion for education and thanked the Board for the opportunity to recognize a great man such as Mr. W. H. Swain.

Chancellor Morgan announced that Tom Danford, Chief Information Officer for TBR, will be leaving January 4, 2016 to take another position. He requested permission to pursue an interim CIO using the executive search firm of Greenwood Asher. Regent Roddy moved to approve the request with a second from Regent Griscom. The motion carried. Chancellor Morgan thanked Mr. Danford for his years of service and wished him well in his new career.

Next, Chancellor Morgan recognized Mr. John Cothorn who plans to retire effective December 31, 2015 with combined 40 years of service at the University of Memphis and Middle Tennessee State University. The Board congratulated him and extended best wishes in his retirement.

Chancellor Morgan continued with the announcement of Mr. David Gregory’s retirement effective January 31, 2016. Chancellor Morgan complimented Mr. Gregory on his stellar career with TBR and with the state. The Board applauded his service and dedication over the years and wished him well in his retirement.

In closing remarks, Chancellor Morgan reported that the March 30, 2016, quarterly meeting would take place at Columbia State’s Williamson County Campus in Franklin, Tennessee.

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

David B. Gregory, Acting Chancellor

Emily J. Reynolds, Vice Chair