

BUSINESS AFFAIRS SUB-COUNCIL

April 19, 2007

MINUTES

The meeting began at 9:00 a.m. in the Genesco training room. Present were Ms. Beth Cooksey (Chair, VSCC); Ms. Debra Bauer (NSCC); Ms. Cynthia Brooks (TSU); Dr. Steve Campbell (NSTCC); Mr. Horace Chase (JSCC); Mr. John Cothorn (MTSU); Dr. David Collins (ETSU); Mr. Danny Gibbs (RSCC); Mr. Mike Gower (MTSU); Mr. Ken Horner (COSCC); Dr. Charles Hurley (CLSCC); Dr. Rosemary Jackson (WSCC); Mr. Ron Kesterson (PSTCC); Ms. Deborah Mailen (CSTCC); Ms. Linda Maxwell (TTU); Mr. Ron Parr (SWCC); Mr. Mike Posey (MSCC); Mr. Mitch Robinson (APSU); Mr. Greg Wilgocki (ETSU); Mr. David Zettergren (UOM); Dr. Bob Adams, Ms. Kathy Crisp, Mr. Tom Danford, Ms. Alicia Gillespie, Ms. Tammy Gourley, Ms. Angela Gregory, Ms. Deanna Hall, Ms. Lisa Hall, Ms. Debbie Johnson, Dr. Charles Manning, Mr. Jerry Preston, Ms. Brooke Shelton, Mr. Ron Simmons, and Ms. Renee Stewart (TBR).

1. Chancellor's Remarks

Dr. Manning spoke briefly regarding the possibility of additional raises for TBR employees. UT is pressing the issue of salary increases because last year state employees received higher raises than UT and TBR employees. UT has stated that they can offer their employees a 5% salary increase if fees are raised 7.5%. Dr. Manning stated that institutions may use discretionary funds for raises if there is not an increase in the across-the-board amount. The raises that system employees have received over the last few years have kept up with inflation, but not with peer institutions. Dr. Adams expressed concern that we may be at risk of losing faculty to other systems if we are not able to offer competitive salaries.

THEC and TSAC currently have \$51 million available for lottery scholarships. The General Assembly is considering raising the amount of the lottery scholarship to \$4,000/yr. for universities and \$2,000/yr. for community colleges. The minimum required GPA to maintain the scholarship may also drop from 3.0 to 2.75.

Dr. Manning also discussed the tuition and fees increase for the upcoming year. We are currently looking at a 6% fee increase for the 2007-2008 academic year. However, a final decision has not been made.

2. Sustainable Campus Fee

Mr. Preston discussed the sustainable campus fee. A committee was developed to formulate guidelines for establishing and implementing the fee. There are currently two primary components to the sustainable campus fee (SCF) program: 1) the green power purchase – currently accomplished through the TVA Green Power Switch, and 2) the on-campus sustainability initiatives. MTSU and TTU implemented the fee during the Fall 2006 semester. APSU and UOM are currently working on their implementation plans. Although a student

referendum was held at these four institutions, only a president's approval is required to request Board approval for the fee.

The initial fee request should not exceed \$10.00 per student per semester. The fee shall be administered by a committee who is appointed by the campus president and comprised of an appropriate ratio of students, faculty and staff to approve and oversee the use of funds. The funds for on-campus sustainability initiatives may be carried forward for near-term future expenditures. A status report shall be published by each campus at the end of each fiscal year for all program activities. This report shall be used to evaluate the appropriateness of the fee amount.

3. Revision to Policy 4:02:09:00 Property Acquisition

Mr. Preston discussed the proposed changes to the Property Acquisition policy. The system has recently been scrutinized on our right to condemn land. Therefore, the policy has been updated to ensure that all situations are handled in the same manner. The committee approved the revisions to the policy. (Attachment A)

4. Report of the Committees

A. Finance Committee

Dr. Collins highlighted the following issues from the April 10, 2007 Finance Committee meeting.

- Taxability of Cell Phones

Under IRS rules, an employee cell phone is considered listed property. In order to exclude the cell phone payment from taxable income, the institution must require the employee to distinguish business calls from personal phone calls and reimburse the institution for personal use. Each institution was encouraged to develop an institutional policy to address the issue.

- Contract Monitoring

The committee discussed the confusion that exists with monitoring service contracts and the related form. Although the form refers to goods and services, it is only required for service contracts. The form includes a goods section because some service contracts also include deliverables. Contract monitoring is required for both revenue and expenditure contracts, but not required for clinical affiliation or dual service contracts. Ms. Gregory will revise the form for clarification.

There was a discussion as to who should retain contract monitoring forms, either the purchasing office or the department purchasing the service. The committee

recommended that this be a campus decision. The form should not be sent to the TBR Central office.

- Financial Reporting

The committee discussed the proper classification of 401K expenses on the financial statements and the budget. There were inconsistencies among the institutions between reporting the 401K expense as other retirement or other benefits.

The committee recommended classifying 401K expenses as other retirement.

- Scholarship Percentage

The committee discussed whether deseg matching funds should be included in the scholarship percentage calculation. The guideline allows up to 10% of tuition and fees for campus-based scholarships but excludes the deseg match. The deseg match has been excluded because the campuses were required to match the funds. Since we are coming out from under the Geier settlement, there will no longer be deseg scholarships. The state funds will be designated for diversity scholarships.

The committee discussed whether the new match should be excluded from the calculation. It was determined that if the new match was required then it should be excluded, but if it was not required it would be included.

- Findings/Weaknesses

The committee was given all findings and weaknesses published since the last quarterly Finance Committee meeting. The Audit Committee had requested that these be distributed to all campuses for their review. (Attachments B & B-2)

- Study Abroad Program

The committee discussed the study abroad program. The two issues were 1) how to account for a study abroad fee and 2) how money is split between the home institution and the institution sponsoring the travel abroad.

Dr. Adams has been charged with forming a committee to work on issues related to the study abroad program. The committee includes David Zettergren, Mitch Robinson, Ron Kesterson, and Mike Posey. One issue that they will be working on is making the study abroad program accessible to students at all schools. All procedures should be worked out for approval by the fall.

- FBMC Debit Card

The committee discussed whether to pursue the flexible benefit debit card in future contracts. The current contract with FBMC provides the option for a debit card. Since this is a multi-year contract, implementation of a debit card could be added next year.

Each debit card would cost \$18. The institution would also have to pay an upfront deposit of 5% of what the employee chooses as their flexible benefit amount.

The committee recommended adding the debit card option to the FBMC contract next year and that the institution will bear the cost of the debit card. Institutions will be allowed to opt out of the debit card feature if they do not wish to bear the cost.

Subsequent to the meeting, it was determined that employee benefits should not differ across the system. This issue will be referred back to the Finance Committee for further discussion.

- **Purchasing Policy and G-030 Contracts and Agreements**

The changes recommended to the purchasing policy were discussed with the committee. Language was added regarding multi-step bidding and illegal immigrants. Language was also added that once an RFP is issued, all prior offers are confidential until the re-bidding is complete. (Attachment C)

The changes recommended to G-030 Contracts and Agreements were discussed with the committee. Language was added regarding illegal immigrants. An attestation form regarding illegal immigrants was also added. (Attachment D)

- **Policy and Guideline Changes**

Policy 4:02:20:00 Disposal of Surplus Property

The committee recommended including a reference to internet auctions.

The committee recommended deleting the language regarding the fair market value of \$350 when transferring property to system institutions and other state agencies.

Housekeeping changes were also made. (Attachment E)

Policy 4:03:02:00 Motor Vehicles

The only changes to this policy were housekeeping changes. (Attachment F)

Policy 4:03:03:00 General Travel

General Provisions

The committee recommended deleting the language that procurement cards shall not be used except for team/group travel. Language will be added that procurement cards may be used for the payment of registration fees and required advance payments for airline or

hotel payments. Procurement cards may not be used for expenses incurred during actual travel time.

The committee recommended adding language that no expenses shall be reimbursed until after the travel has been completed.

Authorization of Travel

The committee recommended changing the exception for travel into another state from 50 to 100 miles.

The committee recommended deleting the requirement for the Chancellor to approve travel to Alaska, Hawaii, and out-of-country travel and let the approval be at the campus level. These will still require the approval of the President.

Transportation

The committee recommended adding commuter language to be in accordance with the state travel regulations.

Lodging

The committee recommended adding language regarding conference websites to the additional lodging expenses section and deleting the sentences related to rates.

Meals

The committee recommended adding language regarding out-of-country meals reimbursement.

Claims

The committee recommended adding a reference to electronic travel claims.

Moving Expense

The committee recommended moving this section to the General Personnel policies.

Immigration Expense

The committee recommended moving this section to the General Personnel policies.

Exceptions

The committee recommended deleting the lodging and meals section for Exceptions 1 and 2.

Addendum

The committee recommended adding Anderson County to Level II.

The M&I allowance for Level II counties and cities is currently \$49.00, which is \$10.00 above the standard rate. The central office has been notified by F&A that this results in \$10.00 taxable income to the employee. Therefore, the committee decided to reduce the M&I allowance to the standard rate of \$39.00.

Moving Expense Agreement and Immigration Expense Allowance Agreement

These attachments will be moved to the General Personnel policies. (Attachment G)

Housekeeping changes were also made. (Attachment H)

Policy 4:03:03:50 Athletic and Group Travel

The committee recommended adding language that a waiver/release is not appropriate for travel that is required as part of an academic program.

The committee recommended deleting the reference to movies as miscellaneous expenses. (Attachment I)

Guideline B-043 University Athletic Tickets

Under General Ticket Procedures, the committee recommended deleting three items under the procedure for securing and distributing tickets.

Housekeeping changes were also made. (Attachment J)

Guideline B-050 Internal Auditing

It was proposed that the current guideline be recommended for approval as a policy to reflect the emphasis placed on internal audit activities in recent years.

The committee recommended adding language that two-year institutions shall employ at least one full-time internal auditor.

Other substantive recommendations include adding the requirement that internal audit directors maintain an active license and complete sufficient continuing professional education; adding the requirement for approval of new campus internal audit directors by the Director of System-wide Internal audit; changing the wording regarding the submission of audit reports and audit plans to require submission by the internal audit director rather than the President in both situations; and the requirement for approval of exceptions to the policy by the Audit Committee.

Housekeeping changes were also made. (Attachment K)

Guideline B-060 Fees, Charges and Refunds

The committee recommended deleting the requirement that fees are to be submitted one month prior to the proposed budget.

The committee recommended changing the terms advanced or pre-registration to continuous registration.

Under miscellaneous course fees, the committee recommended including language that fees for off-campus facilities or services will not require Board approval.

The committee recommended changing the application fee for College of Medicine and College of Pharmacy to not less than \$50 nor more than \$100.

The committee recommended adding language regarding 100% refund of the security deposit if no damage or loss occurs. (Attachment L)

Guideline B-061 Education Assistance

The only changes to this guideline were housekeeping changes. (Attachment M)

The Finance Committee minutes with the policy and guideline revisions were approved.

B. Council of Buyers

Ms. Gregory highlighted the following issues from the April 18, 2007 Council of Buyers meeting.

- Bidding Construction Projects

Mr. Keith Robinson, from TBR Facilities, addressed the Council and assisted them in preparing bids for construction projects. A short handout with thresholds and examples of sample forms was distributed. Mr. Robinson also indicated that the thresholds for determining which requirements to ask for deal with the total value of the completed project (goods and installation).

- Purchasing Policy and Contract Guideline Changes

Ms. Gregory distributed the latest revisions to the purchasing policy and contract guideline. The revisions are as follows:

- Purchasing Policy

- Incorporated the former Multi-Step Bidding Procedures (B-035) into this policy.
 - The newly required illegal immigrants language and attestation form were added.
 - Added the statement that if an RFP is re-bid, all prior offers shall remain closed to the public until the re-bid process is complete.
- Contract Guideline
 - The illegal immigrant language and required attestation form were added in applicable areas.

- Contract Monitoring

A revised contract monitoring plan was distributed to the Council based on discussions at the Finance Committee meeting. There was a concern with the term “goods” being on the form as it was the understanding that monitoring was required for services unless goods are also a part of the service being provided. Ms. Gregory also informed the Council that based on discussions at the Finance Committee meeting, institutions were now required to monitor service contracts from other institutions when they are utilizing those contracts.

- E & I Cooperative

Ms. Gregory has been meeting with E & I to work through the contract challenges due to the recent senate bill passed, which has the same reporting requirements as were required with Horizon Resource Group. Ms. Gregory explained to E & I that institutions were not interested in pursuing a group purchasing agreement due to reporting. After talking with E & I and legal counsel, we may be able to contract with them through the TN Interlocal Purchasing Act (TCA 12-9-104). This is the same mechanism that allows us to contract with U.S. Communities. This would allow TBR to utilize contracts that E & I has established via the public universities that have bid for them. Ms. Gregory has requested a list of the contracts that were procured in this manner to determine how advantageous it would be for us to pursue an agreement. Ms. Gregory has also worked out a way for the TTC’s to be included in her E & I / NAEP membership, as it would not be cost effective for them to pay dues.

- Staples

Quarterly information was distributed from Staples regarding volume, average order size, stapleslink.com usage, retail store usage, etc. Ms. Gregory indicated that institutions should have already received their annual administrative fee. UT has renewed the agreement for an additional year, adding a \$30 minimum order requirement. The Staples 2007 Core Price List was also distributed to the Council by e-mail. The Council was informed that the Central Office will be asking for their reports when they are not utilizing Staples in the near future.

- Sustainability

Ms. Gregory indicated to the Council that sustainability and the need for greener purchasing is becoming more prevalent in procurement. Ms. Gregory distributed information from a recent procurement conference about practices that Rutgers University has in place. Ms. Gregory asked the group to begin thinking about this concept and will be forming a sub-group of the Council to look at this issue and any potential language/requirements that could be incorporated into RFQs and RFPs to support this important initiative.

- SunGard Contract, Attachment B

At the request of an institution to purchase a product from Attachment B, it was discovered that SunGard no longer partnered with that third party. Ms. Gregory asked SunGard for a revised Attachment B to reflect current products available through the agreement. The revised document has been received, but has many additional products and TBR is in the process of reviewing to ensure that all items are relative. Institutions will receive the revised Attachment B once this process is complete.

- Student Liability Insurance

A conference call has taken place with the committee, and institutions have now been surveyed regarding the types, quantities, and contract details they have in place regarding these types of insurance. The committee has been split into two groups: one group will condense the survey results and one will develop the RFP. The goal is to have something in place for the Fall semester.

- Procedures for Accepting E-Signatures

A conference call has taken place with the committee. Committee members are looking into what other states are doing, and a survey is now being developed to see if and what our institutions are currently doing with regard to electronic signatures.

- D2L

Ms. Gregory informed the Council that TBR had negotiated a standard work order form, similar to the process with SunGard, for the additional items needed with the D2L agreement. The work order will be signed by the institution, TBR and D2L.

- Kroll Background Checks

The system-wide agreement for background check services with Kroll will be renewed at the expiration of the existing term (May 31, 2007). Ms. Gregory will be meeting with Debbie Johnson and Nancy Washington-Vaughn to discuss the renewal and some

concerns that MTSU faculty had regarding the extent of the release form, Schedule F. Once the renewal is complete, institutions will be e-mailed a copy.

- State Park Lodging / Meeting Space Agreement

The Central Office will be working with the Department of Environment and Conservation to develop a standard contract template to assist institutions when attempting to contract for lodging/meeting space.

- Copier RFP

The TBR Central Office will be polling all institutions regarding the existing copier contracts (including quantity, types, copy volumes, etc.). The Central Office is considering the possibility of a system-wide RFP for copiers for potential savings. The survey will be released during the month of May.

The Council of Buyers minutes were sent out after the meeting for approval.

C. Human Resources

Ms. Johnson highlighted the following issues from the April 10, 2007 Human Resource Officers Committee meeting.

- HR Employment Law

The committee discussed automobile accidents that occur while employees are talking to their supervisors on cell phones during work hours. Liability of the employer would be connected with the cause of the accident. It was recommended that employees be directed to pull over and take the call or use a hands-free option for cell phones.

- Removal of Intellectual Property in Adjunct Faculty Contract

The Office of General Counsel had suggested deleting the intellectual property language from provision 13 because it is unlikely that an adjunct faculty member would be doing research that would result in copyrightable material. The HR Advisory Committee recommended leaving the language in the contract and those who wish for an exception need to notify Ms. Johnson. Changes to the contract language will be done on an employer by employer basis. Removal of the language must be consistently applied to all adjunct faculty contracts and any other necessary contracts.

- Department Head Stipend

A survey was performed to determine whether stipends were included in the base or reported salary for department heads. The HR Advisory Committee recommended looking at a consistent method of reporting for all campuses. This item will be forwarded to Academic Affairs for review and recommendation.

- Certified Professional Secretary Examination

Legislation has been introduced to include the Certified Administrative Professional (CAP) as part of the 9% increase that is currently available to those who pass the Certified Professional Secretary (CPS) exam. The CAP is an extension to the CPS program, which includes one additional section called Organizational Planning. Employees passing this examination are not eligible for an additional 9% increase. This item will be reviewed in the next cycle with a report and final decision from the legislature.

- Posters for the Human Resources Office

Discussion was held regarding the possibility of adding the required HR posters on campus websites. UOM currently has these posters accessible by internet on their campus website. The campuses should also place the posters in conspicuous places on campus.

- Long Term Disability Exception Clarification

Employees who were inadvertently enrolled in incorrect plans will be allowed to make changes to their plan. Ms. Johnson will be submitting any employee changes to Hartford.

- Policy 5:01:01:04 – Military Leave

The policy was revised last fall to follow the federal law, which is geared towards return to work rights as well as including some benefit changes. The benefit changes were added, but included the option to use the Executive Order if a greater level of benefits could be utilized. The committee will revisit the policy to include more specifics on all benefits and deductions, and to determine how they should be handled. Ms. Johnson and Ms. Lisa Batey (MTSU) will develop a payroll matrix that will show the steps to follow in Banner and how to follow through on every deduction. The proper way to handle contributions to 401K and 403B are some of the benefit changes that need to be reviewed. Executive Order No. 40 has a listing of all military leave categories. In the interim, please inform the TBR HR office of all calls regarding military leave.

- Fee Discounts – Dependent/Spouse

The committee discussed the Dependent/Spouse fee discounts for UT and TBR. UT only discounts 50% of the maintenance fee to the TBR campus. They are not discounting the TBR campus for the other student activity fees, but are directly providing the discount to the employee. A decision was made to not change the guideline, but to follow up with the auditor because the discounts are still applied to the student's account.

- Summer Sick Leave for Faculty

Discussion was held regarding the maximum sick leave hours earned for faculty. The maximum number of summer sick leave hours faculty may earn is 22.5. In order to determine how each campus is handling the situation, the institutions should send their formulas to Ms. Johnson for review.

- Post Retirement Guideline

The HR Advisory Committee and the Benefits Committee recommended changing the maximum days from 100 to 120 in the Post Retirement Guideline to coincide with increasing the maximum number of hours to 900. General Counsel has agreed that the error can be corrected without forwarding the guideline to the sub-councils. For graduate programs, campuses may use 12 hours as the maximum.

- Roth 401K

The state will be implementing the Roth 401K in January 2008. The University of Tennessee implemented the program in October 2006. This plan option has been made available through TCRS. The state retirement webpage has a summary of the program. Call 1-800-922-7772 for more information regarding the details of the program. Additional information can also be found at the Treasury website under Deferred Comp and Participant information.

- P-010 Approval of Appointments Salary Levels

The committee discussed increasing the reportable salary level for appointments. Upper level appointments at all of the institutions will still require submission to the Board. The HR directors have recommended reporting all appointments above the \$100,000 salary level. The committee was also reminded to send in a listing of the interview pool prior to the approval of all appointments.

- Computer Purchases Through TSEA

It was brought to the committee's attention that the Tennessee state employee website contains information regarding employees being able to purchase computers through

TSEA deductions. Chris Modisher has advised the committee that TBR institutions should not allow the deduction at this time because it is not in the statute. At this point, only TSEA dues may be deducted through payroll.

The HR Officers minutes with the policy revisions were approved.

D. Internal Audit

Ms. Gourley highlighted the following issues from the April 17, 2007 Internal Auditors' meeting.

- Risk Assessments

Recommendations of the Audit Committee from the March 2007 meeting were discussed. The Audit Committee recognized the value of the risk assessment process for the institutions and that the assessments would be modified over time. The Audit Committee requested that each institution consider their mission and goals in completing their risk assessments with a focus on applying resources effectively. The committee requested that institutions consider more than internal controls in the assessments and that they specifically consider recruitment, retention, persistence to graduation, accreditation, competition, changing market conditions and articulation, as these matters relate directly back to the missions of the institutions. In addition, the committee asked that institutions work together to share information about risks and mitigating controls and identify best practices for common risks.

Ms. Gourley reminded the committee that the next due date for control footprints is May 11, 2007. Ms. Gourley also stated that the enterprise-wide plan should be re-evaluated at this point in order to determine if any changes need to be made.

The Internal Audit Committee minutes were approved.

5. AASCU Update on Student Loan Investigations

The American Association of State Colleges and Universities (AASCU) has issued an update regarding investigations into questionable relationships between campuses and the student loan industry. This stems from investigations by New York's Attorney General, in which it was found that some campuses and financial aid employees were receiving benefits from student loan companies in return for placing the companies on their preferred lender list.

The Tennessee Attorney General has contacted General Counsel and asked that TBR institutions review their policies to be sure that they are in compliance with all rules and regulations regarding this matter. A recommendation was made at the President's meeting to require financial aid directors to complete conflict of interest forms. Institutions have been directed to send information to the central office regarding their preferred lender list, including the process of how lenders are placed on their list.

A concern was raised about adding vendors to the list without soliciting, because adding vendors to the list helps them to make a profit without having to go through the proper procurement procedures. The committee was informed that TTU currently has an RFI process in place for adding vendors to their preferred lender list. The process requires the vendor to answer a list of 20 questions before they can be added as a preferred lender. Once all of the requested information has been gathered from the institutions, we can work with the legal department to determine if any procurement issues are involved.

6. Banner/SunGard Issues

The committee was concerned with how much longer they would have to maintain the crosswalk between Banner and HRS. Mr. Danford stated that the crosswalk will need to be maintained for at least another year because the reports have not been developed. Mr. Danford will check into the reason for the delay in getting these reports.

There was also discussion regarding SMO's being able to provide end-user support. Mr. Danford stated that he felt SMO's should get back to dealing with mods instead of end-user support, especially considering how expensive it is to get mods from SunGard. Mr. Danford said that it would be up to the presidents to decide how they want to handle the end-user support situation if this occurs.

A question was raised concerning the cost allocation for Banner Advancement. Due to the fact that billing will not start until August, this was referred to the Finance Committee to make a recommendation and bring back to the next BASC meeting.

7. Tuition and Fees

Dr. Adams informed the committee that the probable increase in tuition and fees for 2007-2008 will be 6%. Dr. Adams also requested that institutions send him a prioritized listing of their proposed incidental fee increases so that he can provide the information to Board members, if needed.

8. Election of Committee Members

The committee elected new members to serve in the following positions:

- Finance Committee Member – Danny Gibbs (RSCC)
- Business Affairs Sub-Council Chair – Charles Lee (UOM)
- IT Sub-Council Representative – Ken Horner (COSCC)

There being no further business, the meeting was adjourned.

POLICY 4:02:09:00

SUBJECT: Property Acquisition

Pursuant to T.C.A. § 49-8-11 and **49-8-203**, the ~~State~~ **Tennessee** Board of Regents (**Board**) has the authority to purchase and condemn land, and to receive donations of property (**Solicitation and Acceptance of Gifts, Board Policy No. 4:01:04:00**) on behalf of institutions ~~and area vocational technical schools~~ governed by the Board, and to be vested with title to property so acquired. Any proposed acquisition of property by any manner shall be subject to the approval of the ~~Board~~ **Chancellor**.

The approval of land acquisition by purchase or condemnation shall be subject to the following procedures:

1. Each institution ~~and school~~ shall submit to the Chancellor for consideration and approval, a campus master plan **or an amended master plan** which indicates ~~long range~~ land acquisition needs, ~~with justification for such needs~~ **or an individual acquisition request**.

~~2. Each institution shall submit to the Chancellor by July 1 of each year a list of land acquisition needs, ranked on a priority basis, for the fiscal year.~~

~~3-2.~~ Upon approval of the campus master plan ~~and fiscal year land acquisition needs~~, **or amendment or an individual acquisition request, an institution may request** a land acquisition request form will be submitted to the Chancellor **by submitting the proper documentation** for each proposed acquisition ~~which shall contain the following information to the central office. This documentation shall include:~~

a. The justification of the need for the property; b. A description of and the location of the property; c. The estimated amount of funds required for the acquisition and the source of funds; ~~d. The estimated amount of total funds required for capital and operating improvements; e. The estimated pre-acquisition costs of the property; f.d.~~ A plat of the property; and ~~ge.~~ The name(s) of the present owner(s) **and f. deed to property.**

4. ~~Upon preliminary approval of the proposed land acquisition, two appraisals of the property will be obtained, which will be submitted to the Chancellor. The institution or school may be required to obtain any or all of the following information or documents: (1) market data analysis, (2) a survey of the property, and (3) a title commitment.~~

~~5. Following the submission of the foregoing and any additional information which may be necessary, the institution or school may be authorized to enter into negotiations with the property owner, and to obtain an option to purchase the property.~~

3. The property acquisition request will be submitted by the central office to the Department of Finance and Administration (F&A) for submission to the State Building Commission (SBC) Executive Sub-Committee (ESC) for approval. After SBC ESC approval, F&A staff will obtain a title commitment, an appraisal, and a survey and prepare an option to purchase the property.

~~6.~~ **4.** If an option to purchase the property is ~~executed~~ **signed by the seller**, it will be submitted to the Chancellor ~~for approval, and~~ for final approval of the proposed acquisition. If negotiations fail, the institution ~~or school~~ may request that condemnation proceedings be commenced for acquisition of the property.

~~7~~ **5.** If acquisition of the property by purchase is approved, ~~the institution~~ **F&A** will be responsible for recording the warranty deed and forwarding the ~~original~~ deed and title insurance to the central office ~~for filing~~.

Source: SBR Meetings, September 24, 1976; September 30, 1983

TENNESSEE BOARD OF REGENTS

Subject: Disposal of Surplus Personal Property

The following policies and procedures concerning the disposal of surplus personal property shall be followed by all institutions ~~and technology centers~~ governed by the State **Tennessee** Board of Regents.

1. Definition of Surplus Personal Property

"Surplus personal property" means that personal property which has been determined to be obsolete, outmoded, unusable or no longer usable by the institution ~~or school~~, or property for which future needs do not justify the cost of maintenance and/or storage. Such property must be declared "surplus personal property" by the president, **director**, or designee of the transferring institution ~~or director of the transferring school~~; provided however, property need not be declared surplus ~~where~~ **when** disposition is through the trade-in method.

2. General Rules

(a) Surplus personal property is either usable property, which shall be transferred or sold, or unusable property, which may be destroyed, as hereinafter provided:

(1) Surplus personal property which is perishable food may be destroyed without delay or notification.

(2) Surplus mattresses may be destroyed or may be otherwise disposed of only upon compliance with T.C.A. 12-2-403.

(3) Surplus personal property which is determined to be not usable by the institution ~~or school~~ and of little or no salvage or other economic value may be destroyed by an appropriate method.

(4) The institution ~~or school~~ shall follow the procedures described in Section 3(c) of this policy, prior to disposal of all other surplus personal property.

(b) Surplus personal property in which the Federal Government or other entity has a legal interest should be transferred to such entity when no longer needed.

(c) It is unlawful for any state official or employee, including System employees, to purchase from the state except by bid at public auction any surplus property during the tenure of his office or employment, or for six (6) months thereafter. A purchaser who violates this provision is guilty of a misdemeanor under T.C.A. 12-2-412.

(d) For all sales to individuals except at public auctions **including internet auction**, the transferring institution ~~or school~~ conducting the sale shall obtain from the purchaser a signed disclaimer certifying the purchaser is not a state or System employee and that the purchaser is not buying the property for or on behalf of any state or System employee.

(e) All employees of the ~~State~~ **Tennessee** Board of Regents System and their immediate families, shall be ineligible to bid for or purchase surplus personal property except by bid at public auction.

(f) Possession of surplus personal property sold to the general public under any method prescribed under Section 3(c) of this policy shall not pass until payment is made by cash, or if payment is made by cashiers check or certified check, possession shall not pass until the check is honored by the drawee bank.

(g) Possession shall pass to System institutions ~~and schools~~, political subdivisions of the state, and other governmental entities upon receipt, by the institution ~~or school~~, of purchase vouchers of such institutions ~~or schools~~, political subdivisions, or other governmental entities. Title to motor vehicles sold as surplus property to political subdivisions and other governmental entities shall be closed as to transferee when title is passed.

3. General Disposal Procedures

(a) The president **or director** of each institution ~~and director of each school~~ or their designee shall declare personal property to be surplus personal property prior to disposition as such; provided however, property need not be declared surplus ~~where~~ **when** disposition is through use of the trade-in method.

(b) The president or director or their designee shall designate the department or individual at the institution ~~or school~~ responsible (hereinafter referred to as "responsible authority") for the disposal of surplus personal property, and the communications and procedures concerning the disposal of surplus personal property.

(c) No article of personal property may be disposed of as surplus except by one of the following methods:

(1) Trade-in, ~~where~~ **when** such is permitted due to the nature of the property or equipment and subject to the provisions of T.C.A. 12-2-403 and the rules of this policy;

(2) Transfer to other institutions ~~and schools~~ within the ~~State~~ **Tennessee** Board of Regents system;

(3) Transfer to other state agencies;

(4) Sale to eligible political subdivisions of the state and other governmental entities;

(5) Public auction, publicly advertised and held;

(6) Sale under sealed bids, publicly advertised, opened and recorded;

(7) Negotiated contract for sale, at arms length; but only in those instances in which the availability of the property is recurring or repetitive in character, such as marketable waste products;

(8) Disposition through the Department of General Services as provided in the Department Rules and Regulations.

(9) Donations to a public school or public school system.

(10) Sale by Internet auction.

(d) If the president ~~or school~~ director or ~~their~~ designee declares the property to be surplus personal property, the method of disposal shall be determined by the responsible authority from the alternatives set forth in Section 3(c) of this policy. Written documentation for the selection of method of disposal shall be maintained. The trade-in method, ~~where~~ ~~when~~ property is of the nature appropriate for trade-in, and transfer to other institutions ~~or schools~~ in the ~~State~~ **Tennessee** Board of Regents System shall be the first and second priority methods, respectively, for disposal of surplus personal property, except for waste products which shall be disposed of as further provided in this policy. In the selection of other methods of disposal, the following criteria shall be considered:

(1) The character, utility and functionality of the property;

(2) The economics of disposal in light of all relevant circumstances attendant the proposed disposal, including the condition and climate of the potential market and present estimated market value of the property, transportation costs, and other cost factors associated with disposal; and

(3) Sound fiscal and budgetary policy and practices.

(e) The method of disposal selected in the preceding section shall be implemented pursuant to the specific procedures set forth in this policy for such disposition.

(f) The responsible authority at the institution ~~or school~~ shall be responsible for the maintenance of accountability **documentation** on all items of surplus personal property, and shall ensure that adequate audit and inventory trails on all items of surplus personal property are maintained. Such authority shall make the final determination of the fair market value of surplus personal property for purposes of calculating reimbursements to the transferring institution ~~or school~~ and to determine whether property may be destroyed pursuant to Section 2(a) (3).

(g) Nothing shall prohibit an institution ~~or school~~ from simultaneously providing notice of an intended disposition of surplus personal property to all System institutions ~~and schools~~ and all state agencies as specified in Section 5(a) and 6(a) below. In such event, if no System institution ~~or school~~ has requested the property within 30 days of the initial notice, the first state agency which had requested the property within such time shall be entitled to receive the property upon reimbursement as provided in Section 6

below.

4. Trade-In On Replacement

(a) Items that must be replaced may, subject to the requirements of this section, be traded in on replacement property.

(b) The responsible authority of the institution ~~or school~~ shall perform the following functions in connection with the trade-in method of disposal:

(1) Issue invitations to bid asking for bids with trade-in and without trade-in and receive and review bids;

(2) Make an evaluation of the condition and fair market value of the property to be disposed of;

Through comparisons of bids and the evaluation prepared, make a determination whether it is in the best interests of the institution ~~or school~~ to dispose of the property by trade-in or by one of the other methods of disposal.

5. Transfer to System Institutions ~~and Schools~~

(a) Except ~~where~~ **when** the trade-in method is utilized or ~~where~~ **when** the property is to be disposed of as a waste product, the responsible authority at the institution ~~or school~~ shall provide to the president, ~~or school~~ director, or their designee, or appropriate departments and/or individuals at all other institutions ~~and schools~~ in the System and to the offices of the **Tennessee** Board of Regents, a notice of intended disposition which shall include the name of the individual to contact for additional information, the location of the property for inspection, a description of the property, the condition of the property and the original cost and fair market value of the property as determined by the responsible authority. The initial notice of available surplus personal property may be made at periodic intervals for the purpose of consolidating notices on numerous items of such property for convenience.

(b) The first institution ~~or school~~ which makes a written request for the available surplus personal property shall be entitled to receive such property. ~~If the fair market value of property requested by an institution or school as determined by the responsible authority at the transferring institution or school is in excess of three hundred fifty dollars (\$350.00), the requesting institution or school may issue a purchase order for such property and shall reimburse the transferring institution or school for the fair market value of the property.~~

(c) In the event that no institution ~~or school~~ requests transfer of available surplus personal property within 30 days of the date of the initial notice, the property may be disposed by means of another appropriate method of disposal.

6. Transfer to Other State Agencies

(a) ~~Where~~**When** transfer to other state agencies is the method of disposal selected, the responsible authority of the institution ~~or school~~ shall provide notice of the intended disposition to the commissioner or chief executive officer of all state agencies which shall include all information specified in the notice required by Section 5(a).

(b) The first state agency which makes a written request for the available surplus personal property shall be entitled to receive such property. ~~If the fair market value of property requested by a state agency as determined by the responsible authority at the transferring institution or school is in excess of three hundred fifty dollars (\$350.00), the property will be made available for transfer upon reimbursement for the fair market value of the property.~~

(c) In the event that no state agency requests transfer of available surplus personal property within 30 days of the date of the initial notice, the property may be disposed by means of another appropriate method of disposal.

7. Sale of Surplus Property to Governmental Entities

(a) Political subdivisions of the state and other eligible governmental entities may purchase surplus personal property by submission of sealed bids for such property to the responsible authority of the institution ~~or school~~ no later than two (2) days prior to a public auction held for disposal of such property. Such bids shall be opened two (2) days prior to such public auction and the highest bid shall be selected unless the responsible authority decides that the highest bid does not represent the fair market value. The responsible authority may reject such bids and may negotiate with the political subdivisions of the state and other entities which have submitted bids in order to obtain a fair market value. In the event negotiation does not result in a fair market value, such property shall be disposed of by public auction.

(b) Political subdivisions of the state and other governmental entities shall retain possession of surplus property purchased from System institutions ~~or schools~~ for at least one (1) year unless disposal is approved by the Board of Standards. Any profit realized from the resale of such property shall revert to the state or the System as their interests may appear.

(c) Any sale of automobiles by a System institution ~~or school~~ to a county, municipality or other political subdivision or governmental entity shall become null and void and such property shall revert to the state, or the System as their interests may appear, in the event that such political subdivision or governmental entity does not transfer the registration of title to such automobile to its name within seven (7) days after the sale.

8. Public Auctions and Sales Under Sealed Bids

(a) Public auctions and sales under sealed bids, as provided in this policy, shall be publicly advertised and publicly held. Notice of intended disposal by public auction or sale under sealed bid shall be entered by the responsible authority of the institution ~~or school~~ in at least one (1) newspaper of general

circulation in the county or counties in which the disposal is to be made reasonably describing the property and specifying the date, time, place, manner, and conditions of the disposal. The advertisement shall be entered in the public notice or equivalent section of the newspaper and shall run not less than three (3) days in the case of a daily paper and not less than twice in the case of a weekly. The disposal shall not be held sooner than seven (7) days after the last day of publication nor later than fifteen (15) days after the last day of publication of the required notice, excluding Saturdays, Sundays and holidays. Prominent notice shall also be conspicuously posted for ten (10) days prior to the date of disposal, excluding Saturdays, Sundays and holidays, in at least two (2) public places in the county or counties where the disposal is to be made. Furthermore, notice shall be sent to the county court clerks of the county in which the sale is to be made, and all contiguous counties in Tennessee, except ~~where~~ **when** the fair market value of all the property to be sold is determined in writing by the president or director or his or her designee to be less than \$500.00.

(b) A mailing list shall be developed for mailing to eligible governmental entities and potential buyers of surplus items.

(c) No person, firm or corporation shall be notified of any public auction or sale except as provided by this policy.

(d) Each institution ~~and school~~ should attempt to include as many items in each sale as is practical and feasible.

(e) All notices of sales of such property shall provide that the property is to be sold "as is" with transportation costs assumed by the purchaser. The notice shall state that the only warranty provided, expressed or implied, is the seller's right, title and interest ~~to~~ **in** the property sold.

(f) All sales by bid or auction shall be with reserve, and ~~where~~ **when** bids received are unreasonably below the fair market value as determined by the responsible authority of the institution or school, all bids shall be rejected and the property shall be thereafter disposed of pursuant to other acceptable methods of disposal.

9. Disposal of Waste Products

(a) Marketable waste products such as paper and paper products, used lumber, bottles and glass, rags, and similar materials of nominal value classified as scrap may be sold directly to dealers at the going market rate without soliciting bids. Each institution ~~and school~~ shall keep a record of the volume and unit price of such materials sold on the scrap market.

(b) Waste products which are subject to storage and are normally accumulated until such quantities are available to make a sale economically feasible shall be sold under sealed bids as follows:

(1) Invitations to bid shall be mailed to known buyers of the particular item;

(2) Three firm bids shall be secured ~~where~~ **when** possible;

(3) Sealed bids shall be publicly opened and recorded ten (10) days, excluding Saturdays, Sundays, and

holidays, after the invitations to bid are mailed;

(4) The highest bidder shall be awarded the contract and shall be notified of the date for removal of the property and the method of payment which will be acceptable;

(5) A file shall be maintained for each disposal for the purpose documenting the sale and should include all documents and information pertinent to the disposal.

(c) Anything to the contrary notwithstanding, surplus personal property which is determined to be unusable and of little or no salvage or other economic value may be destroyed by an institution or school as provided in Section 2(a) (3).

10. Sale by Internet

Notice of intended disposal by Internet auction shall be posted on the Internet. Such notice shall specify and reasonably describe the property to be disposed of, the date, time, manner and conditions of disposal, all as previously determined by the responsible authority.

11. Exceptions

Surplus personal property may be disposed of by a method other than those listed in Section 3(c) of the policy only upon request by the president or director of the transferring institution ~~or school or their~~ designee and approval by the Chancellor or his or her designee.

Source: TBR Meetings, June 29, 1979; September 30, 1983; March 7, 1997; September 26, 2003.

POLICY 4:03:02:00

SUBJECT: Motor Vehicles

The purpose of this policy is to establish the minimum regulations and procedures concerning the maintenance and operation of motor vehicles by institutions ~~and technology centers~~ and employees of the institutions ~~and technology centers~~ within the Tennessee Board of Regents System.

A. Definitions

1. "State vehicle" or "motor vehicle" - any motor vehicle owned by the Board or an institution or technology center in the System, or purchased or leased from state funds.
2. "Institution" - any university, or community college, **or technology center** within the Tennessee Board of Regents System, and the offices of the Board of Regents.
3. ~~"TTC" - any Tennessee Technology Center within the State Tennessee Board of Regents System.~~
4. **3.** "Employee" - any person employed full or part-time by an institution ~~or TTC~~, or any person serving as an 'official volunteer' at an institution ~~or TTC~~. An 'official volunteer' is defined as a person whom the institution ~~or TTC~~ has properly registered with the Tennessee Board of Claims pursuant to Tenn. Code Ann. § 8-42-101(3)(B).

B. General Provisions

1. Motor vehicles are maintained at institutions ~~and TTCs~~ in the System to facilitate the official business of the System. It is the responsibility of all employees who use state vehicles to ensure the efficient and economical utilization of such vehicles.
2. All state vehicles shall be used in accordance with the provisions of this policy.
3. All state vehicles shall be marked in accordance with the current TBR Marking Plan as contained in Attachment A.

C. Presidents, Chancellor, Vice Chancellors, Legal Counsel, and TTC Directors

The presidents of the institutions, the Chancellor, Vice Chancellors, Legal Counsel, and TTC Directors may be assigned motor vehicles for use in performing the official functions of their offices.

D. Motor Pools

1. Each institution ~~and TTC~~ is authorized to maintain a central motor pool from which vehicles may be dispatched by employees for official business.

2. When motor pool vehicles are maintained, an employee who needs to use a motor vehicle on state business shall use a pool dispatched vehicle if one is available, unless the employee elects and obtains authorization to use a personally-owned vehicle as provided in the Board's General Travel Policies and Procedures (No. 4:03:03:00).

3. Motor pool vehicles shall be available for either trip assignments or special assignments. Motor pool vehicles available for trip assignments will be centrally controlled by the institution ~~or TTC~~ and made available for specific trips and returned to the motor pool upon completion of trips and shall be used only for official business and not for personal use. Special assignment of motor pool vehicles may be made to a division or a person when necessary for use on a regular basis. Motor pool vehicles, including those used for trip assignments and special assignments, may not be used for commuting purposes unless the employee:

(a) is departing upon or returning from an official trip away from his or her headquarters or the employee needs the vehicle to conduct institution ~~or school~~ business after regular working hours or before his or her usual working hours on the next day; or

(b) has been recommended by the president or director and approved by the Chancellor to be authorized to use the vehicle for commuting purposes.

E. Authorized Operators and Passengers

1. Only employees of an institution ~~or TTC~~ with proper departmental authorization may be authorized to operate a state vehicle for official business. Authorization to use a state vehicle shall be limited to official use within the scope of employment of the employee.

2. All employees must have a valid driver's license prior to being authorized to operate a state vehicle.

3. Passengers in state vehicles shall be limited to the following:

(a) employees of the institution ~~or TTC~~ when within the scope of employment;

(b) students of the institution ~~or TTC~~ engaged in institutional or school sponsored activities; and

(c) other persons when it is necessary for them to accompany an employee on official business or as guests of the institution ~~or TTC~~.

F. Penalties for Misuse of Vehicles

1. Employees who misuse vehicles will be subject to disciplinary sanctions, depending upon the magnitude of the misuse and the frequency with which it has occurred. Misuse includes any of the following:

(a) Utilization of radar detection devices in state vehicles;

(b) Violations of traffic laws; this includes exceeding posted speed limits, reckless driving, and illegal parking;

(c) Careless operation that results in damage to the vehicle or injury to persons or property;

(d) Use of a vehicle for personal business or unauthorized commuting purposes; or

(e) Use of a vehicle contrary to the provisions of this policy.

2. The president of the institution, director of the TTC, or the Chancellor should determine the penalty appropriate for each violation; and in addition may require the employee to pay for damages to the vehicle caused by misuse.

G. Notice of Liability and Penalties for Misuse

A notice of liability and penalties for misuse of motor vehicles (Attachment B) shall be posted at the site where vehicles are normally checked out, and be contained in each vehicle for the benefit of drivers.

H. Exceptions

Any exception to this policy must be approved in writing by the Chancellor.

Source: TBR Meetings, June 29, 1979; June 27, 1980; September 30, 1983; June 29, 1984; June 27, 1986; June 24, 1988; September 21, 1990; March 18, 2005.

MARKING PLAN FOR STATE VEHICLES

The provisions of the marking plan are as follows:

- (1) All institutions ~~and technology centers~~ will develop and/or affix their own individual decal containing a minimum surface area of sixty square inches to all licensed vehicles.
- (2) The identifying emblem will be displayed on the passenger and driver's door unless otherwise stated. Some vans will be marked on the side at mid-panel height, and some institutions ~~or technology centers~~ will further identify the vehicle as security, maintenance, etc.
- (3) Vehicles assigned to the chancellor, vice chancellors, legal counsel, presidents, and Tennessee technology center directors will carry regular series license plates and no decal identification.

These provisions will remain in full effect until revoked or altered in writing by the Chancellor of the Tennessee Board of Regents.

Source: Memorandum dated February 28, 1986, from Chancellor Thomas J. Garland to the State Commissioners of Finance and Administration and General Services

NOTICE OF LIABILITY AND PENALTIES FOR MISUSE OF MOTOR VEHICLES

In the case of accidents involving employees of the institution ~~or school~~ operating State vehicles, claims may be made against the institution ~~or school~~ only through the ~~Tennessee Claims Commission~~. ~~Claims~~ **Division of Risk Management** against the State filed with the ~~Claims Commission~~ **Division of Risk Management** shall operate as a waiver of any cause of action, based on the same act or omission, which the claimant has against any State officer or employee. The waiver shall be void if the ~~Commission~~ **Division of Risk Management** determines that the act or omission was not within the scope of the officer's or employee's office or employment. State employees are absolutely immune from liability for wrongs which occur within the scope of the officer's or employee's office or employment. In the event an employee misuses a State vehicle, he or she will be subject to one or more of the following penalties: written reprimand or warning, suspension without pay, dismissal, or payment for damages to the vehicle.

Policy No. 5:01:00:00

SUBJECT: General Personnel Policy

The following General Personnel Policy of the Tennessee Board of Regents is hereby adopted to delegate to the presidents of universities, community colleges, and technical institute, the authority and responsibility hereinafter specified concerning personnel, which the Board finds to be necessary and appropriate for the efficient administration of the institutions, and to establish standards, guidelines, and reporting requirements for the exercise of the delegated authority.

The policy also cites specified authority and responsibility concerning personnel assigned to directors of the Tennessee technology centers.

A. Scope of Delegation

1.a. Presidents

The appointments and terminations which require the prior approval of the president and the Chancellor include:

- (1) All Vice Presidents (academic, business, student affairs, etc.) including all interim appointments;
- (2) Academic deans, academic department and/or division heads, Directors of the Centers of Emphasis and Excellence, (including those officers, who with varying titles, have line responsibility for administration of academic faculty or staff at the academic disciplinary unit level); including interim appointments;
- (3) Appointments, promotions, and/or transfers to positions with salaries in excess of \$75,000; and of non-faculty (the promotion process for faculty is governed by TBR Policies 5:02:02:10, 5:02:02:20, and 5:02:02:30), and/or transfers to positions with salaries in excess of \$75,000; and
- (4) Any other positions which may be designated by the Chancellor.

b. Directors

The appointments, changes of status, compensation, and termination of the TTC assistant directors shall be subject to the prior approval of the Vice Chancellor for Technology Centers.

2. The president of a university, community college, or technical institute and the director of a Tennessee technology center are authorized to appoint, determine the compensation and change of status of, and terminate all other employees at the institution or center subject to the provisions of this and other relevant Board policies and procedures and the Board approved Compensation Plan Guideline.

The president may delegate the foregoing authority to a designated person or persons at the institution provided that all appointments and compensation of faculty and administrative personnel shall be subject to the approval of the president. Subsequent references to the president of an institution include the president or his or her appropriate designee.

The director of a Tennessee technology center may not delegate the foregoing authority.

B. Appointments

1. The president of a university, community college, or technical institute and the director of a Tennessee technology center are authorized to appoint and employ personnel within the scope of delegation provided in Section A for positions at the institution or center which have been approved by the Board in an operating budget (work program) at a level of compensation which does not exceed the amount specified in the operating budget; provided that new appointments to approved positions may be made at a level of compensation in excess of the amount specified where funds are available, subject to confirmation of the transfer of budgeted funds by the Chancellor.-
2. No employment agreement, or contract, or letter of agreement shall be used in the appointment or employment of personnel unless the form of agreement, contract, or letter has been approved by the Chancellor.
3. New administrative positions shall not be established in an institution's or center's administrative organization, and no major change in the administrative organization of an institution or center shall be made, unless approved by the Chancellor.
4. The minimum qualifications for the appointment of faculty at universities, community colleges, and the technical institute shall be the Minimum Rank Criteria for Professional Personnel in Instruction, Public Service, and Research set forth in Board Policy No. 5:02:02:20 and 5:02:02:30, which is incorporated herein by reference. The minimum criteria for tenure-track or tenure appointments at Tennessee technology centers are specified in Board Policy No. 5:02:02:10. All part-time or temporary faculty must be appointed according to the provisions of Board Policy.
5. The minimum qualifications for the appointment of all personnel other than faculty shall be determined by the president or director, based upon the duties and responsibilities of the position, and shall be recorded and maintained by the institution or center, subject to any minimum qualifications for personnel positions which may be established by the Board.

C. Nature of Appointments

1. Faculty at universities, community colleges, and the technical institute shall be employed pursuant to the types of appointments specified in Board Policy No. 5:02:02:20 and 5:02:02:30, which is incorporated herein by reference.

Faculty at Tennessee technology centers shall be employed pursuant to the types of appointment specified in Board Policy No. 5:02:02:10, which is incorporated herein by reference.
2. Personnel other than faculty shall be appointed to serve at the pleasure of the president or, at Tennessee technology centers, of the director.
3. All full-time personnel, including faculty, shall be required to devote a minimum of 37.5 hours per week to the institution or center, and shall maintain appropriate office hours as determined by the president (or his or her designee) or, at Tennessee technology centers, by the director. Calculation of the 37.5-hour week shall follow such guidelines as promulgated by the Chancellor.
4. Within the requirement of a minimum of 37.5 hours per week, faculty at universities, community colleges, or the technical institute shall be required to carry a full teaching load, which shall be fifteen (15) credit hours or the equivalent per term for undergraduate courses, twelve (12) credit hours or the equivalent per term for graduate courses, two hundred and twenty-five (225) non-credit contact hour or the equivalent per term. All equivalent teaching load activities shall be subject to prior review and approval by the president (or his or her designee).

Within the requirement of a minimum of 37.5 hours per week, faculty at Tennessee technology centers shall normally be required to carry thirty (30) contact hours per week of teaching.

5. In addition to the requirement of Section C-3 above, full-time administrative personnel shall be required to devote sufficient time to complete their assigned duties and responsibilities. When administrative personnel are appointed on an academic year basis, such personnel shall be required to devote sufficient time to fully perform the administrative responsibilities for the academic year, including periods preceding or following the academic year.
6. Personnel at universities, community colleges, or the technical institute who are appointed on an academic year basis shall be on duty for not less than nine months, which shall commence from the time designated by the president prior to the institution's registration for the fall term of each year through the time designated by the president at the end of the spring term, and shall be subject to call for duty during that period regardless of whether classes are in session.

D. Compensation

1. The president or director is responsible for compliance with all federal and state laws and regulations, and all Board policies and directives, concerning compensation for employees, and compensation for employees shall be subject to limitations imposed by the Board or the General Assembly.
2. All regular full-time salaried personnel, whether on an academic or fiscal year appointment, shall be paid twelve (12) monthly installments each year, provided that exceptions may be made upon termination, or as approved by the Chancellor.
3. All full-time and part-time employees are required to participate in the automatic deposit program for the direct deposit of their salaries. Each campus has the option to require student workers to participate in the direct deposit program as long as there is no charge to the student.
4. Part-time instructional personnel shall be paid on the basis of the credit or non-credit hours taught, pursuant to such guidelines and/or schedules as may be established by the Board.
5. The president or director shall insure that all employees shall be paid equal wages or salaries for equal work in positions the performance of which requires equal skill, effort and responsibility, and which are performed under similar working conditions, except where pay differentials are based upon: (a) market factors, (b) a merit or evaluation system, (c) length of service, or (d) any other proper, non-discriminatory basis. When any of the foregoing bases are relied upon to justify pay differentials for employees in similar positions as described above, the basis and the attendant circumstances shall be substantiated in writing and maintained by the institution or center.
6. Overtime payments and compensatory time are available to employees not exempt from the FLSA. The Chancellor is authorized to issue guidelines relative to the use of compensatory time and payment of overtime and the rates pertinent to each.
7. Each institution and technology center shall develop policies and procedures for the administration of the compensation system at the institution or center subject to the approval of the Chancellor, and subject to the Compensation Plan Guideline promulgated by the Board. This includes reclassifications and degree changes.
8. Faculty members may be asked to temporarily assume

administrative responsibilities which entail moving from an academic year to a fiscal year contract with the assignment of additional duties. This temporary appointment may be on a long-term or short-term basis but is still considered a temporary appointment subject to this policy. This does not apply when a faculty member is hired into a permanent administrative position such as a deanship which requires a twelve-month contract.

Temporary administrative responsibilities may necessitate the awarding of an administrative stipend in addition to the previously established salary. The stipend amount or any other understanding concerning compensation must be set out in a newly-executed contract. The contract (1) should include a statement that the stipend is awarded as compensation for the additional administrative responsibilities and will be removed at the time the administrative responsibilities end or (2) should otherwise address how compensation would be affected at the end of an administrative appointment.

The awarding of an administrative stipend is an issue separate from that of conversion from an academic year to a fiscal year basis. When the conversion is to take place, the institution should just convert the salary from the academic year contract by adding 25% and then adding any stipend amount determined necessary.

The following illustrates the procedure defined above. A faculty member making \$20,000 on an academic contract is converted to a fiscal year contract at a salary of \$25,000. In addition, a \$1,500 administrative stipend is added and so indicated because of additional duties. The total amount of salary is then \$26,500. At the time the faculty member serving as administrator returns to a faculty position on an academic year basis, the administrative stipend will end. Then the base faculty salary is reduced to an academic year contract at a rate no less than 80% of the fiscal year contract. The institution may choose to exceed the 80% number on the basis of comparable faculty salaries, including rank, merit, length of service, experience, degrees and yearly percentage increase in salary.

E. Changes of Status and Terminations

1. The president or director is authorized to approve changes of status (i.e., transfers, promotions, demotions, or other changes in duties or responsibilities) of personnel within the scope of the delegation provided for in Section A, provided that when a change of status would cause the employee to be within the scope of positions subject to approval of the Chancellor, the change of status will be subject to the Chancellor's approval. The president/director of each TBR institution/center may establish procedures for accomplishing promotions, demotions, and transfers between institutions/centers within the Tennessee Board of Regents System, in such manner as to ensure fair and equitable treatment to all personnel, and in accordance with established TBR policies. Any such action must be taken within the parameters of the institution's or central office's Affirmative Action Plan, and must be reviewed and certified by the institutional Affirmative Action Officer.

Inter-institutional promotions, demotions, and transfers must be discussed and approved by the appointing authorities of the two institutions/centers concerned prior to any discussion with the candidate. Any candidate promoted must meet all established minimum qualifications as determined by the appointing authority.

For purposes of this policy, the following definitions apply:

A promotion is defined as an increase in position or rank brought about by means of assuming the duties of a vacant position of higher classification, or assuming duties which warrant a reclassification of present position to one at a higher level.

A demotion is defined as a decrease in position or rank brought about by means of assuming the duties of a vacant position of lower classification, the realignment of duties presently performed which warrant a reclassification of present position to one at a lower level, or the assignment of a position at a lower classification subsequent to the disciplinary procedure or disqualification from present duties as a result of mental or physical incapacity to perform the required work.

A reclassification occurs when an employee's duties and responsibilities evolved to the extent that another classification is more appropriate.

A lateral transfer is defined as the assumption of duties of another position at the same level.

2. Promotion of Faculty - The promotion of faculty shall be subject to Board Policy No. 5:02:02:20 and 5:02:02:30 (for universities, community colleges, and the technical institute) and Board Policy No. 5:02:02:10 (for Tennessee technology centers).
3. Promotion of Non-faculty Promotions of personnel other than faculty should be made pursuant to established and written criteria developed by the institution or center. Promotions and transfers are an acceptable means of filling vacancies. However, such promotions and transfers must be achieved within the parameters of institutional affirmative action plans. In addition, any vacant position created by that promotion must be filed within the provisions of this Policy and applicable guidelines.
4. Terminations and Transfers The president or director is authorized to terminate and transfer all personnel within the scope of the delegation of authority provided for in Section A, provided that terminations of faculty shall be pursuant to the provisions of Board Policy No. 5:02:03:60 and 5:02:03:70 (for universities, community colleges and technical institutes) or Board Policy No. 5:02:03:10 (for technology centers).
5. Termination for Gross Misconduct Gross misconduct may include, but is not necessarily limited to: any act or omission which may seriously disrupt or disturb the normal operation of the institution/center/Central Office; any work-related conduct which would subject the employee to criminal conviction; theft or dishonesty; gross insubordination; destruction of institution/center/Central Office property; falsification of records; acts of moral turpitude; reporting for duty under the influence of intoxicants; the illegal use, manufacture, possession, distribution, or dispensing of controlled substances or alcohol; disorderly conduct; provoking a fight; and/or such other similar acts involving intolerable behavior by the employee. In determining eligibility for unemployment compensation benefits, the definition of gross misconduct utilized by the Tennessee Department of Employment Security is not affected by the definition outlined in this paragraph.

In the case of gross misconduct, immediate disciplinary action up to and including termination should be taken. An employee suspected of theft of institutional property may not resign as an alternative to discharge after the investigation has been completed. Any exceptions to this requirement must be made by the institution's President or Center's Director after consultation with the Vice Chancellor for Business and Finance. If the employee resigns during the investigation, the employment records must reflect the situation at the date of resignation and the outcome of the investigation.

Refer to Annual Leave Policy 5:01:01:01 and Sick Leave Policy 5:01:01:07 regarding the loss of unused leave if termination of employment is due to gross misconduct.

6. Reduction in Force - Each institution or center shall develop a consistent and equitable method of notifying and terminating faculty and non-faculty employees in the event that a reduction in force, reorganization or elimination of any occupational classification within a unit becomes necessary.

The method should include a written rationale to the reduction, review of the institution's or center's operations, identification of the functional area(s) affected, a review of the budgetary implications involved, and development of the specific written criteria to be used in identifying the duties that will be reassigned and/or eliminated in the event of a reduction.

Only after specified functions/duties have been identified by unit heads and approved by the president/director does the review of individual personnel begin. Unit heads in consultation with personnel services staff will assess the specified areas and the employees in those areas in order to make recommendations to the President/Director relative to the specific personnel changes to be made. In making personnel recommendations to the President, the factors used in reaching the recommended decisions may include, but are not limited to:

Length of service in the position and/or length of service at the institution or center, past written performance appraisals, and functional needs of the unit, and qualifications needed to perform remaining duties of the affected units.

Prior to a final decision by the president/director and notification to the employees and in consultation with the staff of General Counsel, the impact of the recommendations shall be considered in light of non-discriminatory requirements listed in Section F of this policy. In the event of one of the above actions, it is permissible to transfer qualified individuals to vacancies at other departments/divisions, institutions or centers within the System.

Written notification to the affected employees must be given as far in advance of the effective date as possible.

Effective 2004, employees affected by a RIF must receive notification when vacancies occur for like positions at their former campuses within 12 months of the RIF.

7. Absence from Duty An employee who is absent from duty for more than three (3) consecutive business days without giving notice to the appointing authority or appropriate manager concerning the reason for such absence and without securing permission to be on leave or who fails to report for duty or to the immediate supervisor or the appointing authority within two (2) business days after the expiration of any authorized leave of absence, absent unusual circumstances causing the employee's absence or preventing the employee's return, is considered as having resigned not in good standing.

F. Non-Discrimination Requirements

The president or director shall insure that all appointments, changes of status, compensation, and terminations are all in compliance with Board Policy No. 5:01:02:00 (EEO Affirmative Action) which is incorporated herein by reference and that no person is discriminated against on the basis of race, sex, religion, age, color, or national origin in any area of employment. An annual compliance audit will be conducted by the System Affirmative Action Officer.

G. Employment Practice Complaints

1. Upon receipt by an institution or center of any charge or claim alleging violations of state or federal laws or regulations in any area of employment by any state or federal agency, a copy of the notice of the charge or claim shall immediately be transmitted to the Office of the General Counsel. The president or director shall forthwith initiate an investigation of the charge, and shall report to the General Counsel the results of the investigation. The Office of the General Counsel will coordinate and approve all responses to the appropriate agency. The president or director shall transmit to the General Counsel copies of all correspondence from or to the state or federal agency

involved. All interactions with the state or federal agency shall be coordinated through the Office of the General Counsel.

2. Internal complaints, charges, or claims concerning matters of employment shall be handled through the established procedures at the institution or center, subject to approval by the president or director. In any case where the president or director makes a decision which is adverse to the charge or claim of the person, the president or director shall advise the person of any right of appeal provided by Board policy.

H. Academic Credentials to comply with T.C.A §49-7-133

It is a Class A misdemeanor to misrepresent academic credentials. A person commits the offense of misrepresentation of academic credentials who, knowing that the statement is false and with the intent to secure employment at or admission to an institution of higher education in Tennessee, represents, orally or in writing that such person:

- (1) Has successfully completed the required course work for and has been awarded one (1) or more degrees or diplomas from an accredited institution of higher education;
- (2) Has successfully completed the required course work for and has been awarded one (1) or more degrees for diplomas from a particular institution of higher education; or
- (3) Has successfully completed the required course work for and has been awarded one (1) or more degrees or diplomas in a particular field or specialty from an accredited institution of higher education.

I. Records and Reporting Requirements

1. The president or director shall maintain full and complete records on all personnel, including all appointments, compensation, change of status, and termination as specified in Guideline G-070, Disposal of Records.

J. Moving Expenses

1. Travel expenses directly associated with a move may include mileage of all owned vehicles and en route lodging.

Lodging may be covered for the employee and all immediate family members residing in the household. En route lodging may be provided for one night if the distance of the move is 400 miles or more, plus one additional night for each additional 400 miles. Lodging for one night at the destination may be permitted.

Lodging will be consistent with the Tennessee Board of Regents travel policy rates. Mileage will be reimbursed at the current IRS rate for moving mileage. Travel expenses incurred when moving from another state to Tennessee will be reimbursed at the out-of-state rates.

For the purpose of these regulations, immediate family is defined as any of the following named members of the employee's household at the time he/she reports for duty at his/her new official station: spouse, children (including step-children, adopted children, or foster children) unmarried and under 21 years of age or physically or mentally incapable of supporting themselves regardless of age, or dependent parents of the employee and the employee's spouse.

2. **If two or more members of an immediate family otherwise qualify for reimbursement or allowances under these regulations as Tennessee Board of Regents employees, only one member shall be eligible for employee reimbursement or allowances; the other is eligible for reimbursement as a family member.**

3. **Storage of household goods and personal effects may be allowed for a period of 30 consecutive days.**
4. **Arranging for Moving and Payment**
 - A. **If the total moving expense authorized exceeds \$5,000 and if the institution agrees to pay all of the cost of a commercial mover, the institution must arrange for the mover through normal purchasing procedures. The vendor should be paid directly by the institution.**
 - B. **In all other cases, the institution may require, at its option, that arrangements be made through its purchasing department or the employee may make the arrangements and seek reimbursement.**
 - C. **Only arrangements made directly by the institution will be reimbursed directly to vendors by the institution. In other cases the institution should reimburse the employee. Claims for reimbursement must be supported by an invoice.**
5. **Other Provisions**
 - A. **Moving expenses will be paid or reimbursed only after a contract is executed between the employee and the institution. See Attachment A.**
 - B. **All travel and travel expenses shall be accomplished as soon as possible, but in no event shall the effective date of the move to the completion of travel and transportation exceed twelve (12) months unless written extension is granted by the President/Director of the institution/school. All payments or reimbursements must be made within twelve (12) months of the date employment begins for new employees or relocation occurs for relocated employees.**
 - C. **The agreement on the amount of moving expenses to be paid, the type expenses to be paid, responsibility for arranging logistics, etc., should be clearly understood in writing between the employee and the institution.**
 - D. **The institution shall assume no liability whatsoever for personal injuries, property damages, or other losses which may be sustained in connection with any moves undertaken pursuant to these regulations.**

K. IMMIGRATION EXPENSE ALLOWANCE

1. **New employees may receive reimbursement for immigration expenses when considered to be in the interest of the institution and when such payment is a part of the employment negotiation with a new employee or the relocation of a current employee from another employer or institution. Reimbursement/fee allowance for immigration fees must be approved in advance by the Director or President or his/her designee.**
2. **This provision applies only to candidates who are required to pay immigration fees to work and live in the U.S. No TBR employee may receive reimbursement more than once.**
3. **No payment shall be made unless the employee agrees in writing to remain in the service of the institution for a period of twenty-four (24) months following the effective date his/her employment**

agreement, unless separated for reasons beyond his/her control and acceptable to the institution. The service agreement statement should be maintained in the employee's personnel file. In case of a violation of such an agreement, any funds expended by the institution for such allowance shall be recoverable from the employee as a debt due the institution in the same manner as educational allowance payments. (See Attachment B)

- 4. Reimbursement shall be in the maximum amount of \$4500 and shall not exceed the employee's actual, documented expenses. The allowance cannot be used to defray non-immigration-related costs or any costs not associated with the individual employee's immigration expenses.**
- 5. Reimbursable fees include: fees charged by a licensed **immigration** attorney retained in connection with the application, filing, permanent residence fee, fee for any application to enter the U.S., fee for application to remain in the U.S., and associated fees required in the application process, such as medical examinations, fingerprinting, photo identification, postal/courier fees, and costs of evaluating foreign academic credentials or translations of foreign documents.**
- 6. The employee is responsible for making arrangements for representation, completion of paperwork, assistance in the immigration process, and submission of all bills and/or invoices for which reimbursement is sought. Faculty may submit a claim for reimbursement by sending a request with original receipts to the Chief Academic Officer.**

J K. Exceptions

The Chancellor is authorized to approve exceptions to the provisions of this policy, or to suspend the provisions of this policy as to any or all institutions or centers when necessary to ensure proper compliance with Board policies, guidelines, and procedures.

Source: SBR Meetings: June 25, 1976; March 4, 1977; June 26, 1981; September 18, 1981; September 30, 1983; September 16, 1988; March 17, 1989; September 21, 1990; December 7, 1990; March 19, 1993; September 20, 1996; December 6, 1996; June 20, 1997; June 29, 2001; March 15, 2002; December 5, 2003; September 24, 2004; Board Meeting March 29, 2007

SUBJECT: General Travel

The following policy applies to the travel of all employees of the institutions and Tennessee Technology Centers governed by the Tennessee Board of Regents, as well as members of the Board staff, in the performance of their official duties. Provisions of this policy also may apply to individuals other than employees who are authorized to travel at institutional, school, or Board expense. Specific provisions of the policy also address the travel of Board members, pursuant to Tennessee Code Annotated 4-3-1008. Authorization for travel will not be granted and expenses will not be reimbursed unless the travel is made and reimbursement claimed in accordance with this policy and any approved exceptions hereto. ~~Procurement cards shall not be used for travel expenses except in instances of team/group travel.~~ **Procurement cards may be used for the payment of registration fees and required advance payments for airline or hotel payments. Procurement cards may not be used for expenses incurred during actual travel time.**

This policy and specific reimbursement rates for travel expenses allowed under this policy shall be consistent with those of the Comprehensive Travel Regulations of the State of Tennessee. Exceptions which may be deemed necessary and approved by the Board shall be submitted for consideration by appropriate State officials. Current reimbursement rates shall be issued by the Chancellor as an addendum to this policy.

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II. General Provisions

1. No authorization for travel by any employee shall be granted, and no reimbursement for travel expenses shall be made, except in accordance with the provisions of these policies and procedures. Reimbursement for travel expenses shall be limited to expenses incurred upon travel authorized in advance in accordance with Section III.

2. Travel which may be authorized, and pursuant to which expenses may be reimbursed, shall be limited to the following:

- a. Travel which is necessary for the proper execution of official System business, or in justifiable pursuit of an institution's or school's educational and research objectives; or
 - b. Travel to meetings and conferences of a professional nature which will increase the attending employee's usefulness to the System.
3. Travel shall not include, and no reimbursement for expenses shall be made for, transportation in connection with an employee's official station of employment. The employee's "official station" is his or her regular area of employment activity, e.g., office headquarters, campus, or designated location of an employee established in the field.

The official station of an employee shall be designated by the appointing authority. It is normally expected that the official station is that location at which the employee spends the major portion of his **or her** working time. For an employee required to be on call (as determined by his or her job description), either overnight or on weekends, the official station of the employee while on call becomes his or her residence, or the location at which the employee receives the call. Reimbursable mileage begins at the location at which the employee receives the call.

4. The employee is considered to be on official travel status, and as such, eligible for reimbursement of travel expenses, at the time of departure from the employee's official station or residence, whichever is applicable, for the purpose of traveling on state business. Expenses for meals will be allowed when overnight travel or occasional excessive hours of work are required outside the county of the employee's official station or residence. En route lodging will be allowed for only one day each way on trips of long duration. Expenses for lodging will only be allowed in cases where the approved and most direct or expeditious mode of travel will require more than ten (10) hours of continuous travel for trips of long duration. The lodging expense will not be considered en route lodging if it does not add an additional day of lodging expense. For example: An employee has a 9:00 a.m. meeting in Atlanta, GA. Assume the employee needs to work a full day prior to the trip. It would be less expensive and more convenient to drive rather than fly. The employee leaves the night before and drives to within two hours of Atlanta. ~~They spend~~ **Then the employee** spends the night, ~~continue~~ **continues** the drive the next morning and ~~arrive~~ **arrives** for the 9:00 a.m. meeting. This will be reimbursed but is not considered en route lodging as it did not add an additional day of lodging expense to the normal travel expenses.

5. The limitations on travel expenses contained herein are maximum amounts above which reimbursement shall not be made. Employees are expected to be as conservative as possible in incurring travel expenses.
6. Reimbursement for travel expenses shall only be allowed for actual expenses incurred, subject to the maximum limitations shown on the Addendum. Receipts must accompany claims for reimbursement for all expenses exceeding the amount cited on the Addendum. The exceptions to this rule are for meals, taxi fares, tolls and ferry fees, with no receipt required. Lodging receipts are required and must itemize room charges and taxes. **No expenses shall be reimbursed until after travel has been completed.**
7. When using websites (such as Expedia.com, Travelocity.com, Hotwire.com, etc.) to make travel arrangements using package deals, documentation is required for each specific item included in the package such as airfare, hotel, and rental car. Documentation should be provided to substantiate the conformance with set rates as established in CONUS and in the general travel policy. If such documentation cannot be obtained from the website or vendors, the employee is responsible for comparing the package price to the separate coach airfare rates, hotel rates (as allowed by CONUS/conference rate) and vehicle rental rates and providing documentation to reflect that the package price is less expensive than fares allowed individually. When the website documentation is not sufficiently detailed, a signed statement by the employee (along with documentation from separate coach airfare rates, hotel rates, etc.) referencing the comparison above is to be attached to the travel claim to certify that a reasonable effort was made to procure the best price for the college or institution. The employee is responsible for abiding by rates as approved by TBR.

III. Authorization of Travel

1. Approving Authorities - The president or director or his or her designees shall have authority to approve travel by employees of the various institutions and schools. The Chancellor or his or her designees shall have authority to approve travel by employees of the Board. Authorization for travel by a student, regardless of the destination, shall be approved by the president or director of the institution or school or his or her designee.
2. In-State Travel - All employees must obtain prior authorization for in-state travel by the employee's appropriate approving authority. Written authorization may not be necessary for in-state travel where the expected expenses will not be substantial, or when there is no advance notice of the circumstances necessitating the travel, and such travel is approved orally by the appropriate approving authority.

Employees whose employment requires frequent in-state travel may obtain blanket authorization in writing for such travel.

3. Out-of-State Travel - All employees must obtain prior written authorization for out-of-state travel, which must be approved by the employee's appropriate approving authority. The authorization must show the name of the person traveling, purpose of the trip, destinations, date of departure and return, mode of transportation, estimated expenses, and availability of funds. If, in the normal course of official business, the employee must routinely travel into another state and back in the same day, such travel will be considered in-state travel and shall be subject to the in-state travel provisions. This exception applies for trips which do not exceed 50 miles into another state. Employees whose employment requires frequent out-of-state travel may obtain blanket authorization in writing for such travel.
4. Canada Travel - Authorization for travel by an employee to Canada shall be approved by the president for employees of institutions, the Vice Chancellor for ~~Vocational Education~~ **Technology Centers** for employees of the schools, and the Chancellor for employees of the Board.
5. All Other Travel - Authorization for travel by an employee to Alaska, Hawaii, and all ~~other~~ out-of-country travel shall be subject to ~~recommendation~~ **approval** by the president ~~of an institution in the case of institutional employees, or the director of the school in the case of school employees., and~~ ~~written advanced approval by the Chancellor.~~ **Authorization for travel to Alaska, Hawaii, and all out-of-country travel by the president shall be subject to approval by the Chancellor (or designee). Authorization for travel to Alaska, Hawaii and all out-of-country travel by an employee of a technology center shall be subject to approval by the Vice Chancellor of Technology Centers.**

IV. Transportation

1. General - All travel must be by the most direct or expeditious route possible, and any employee who travels by an indirect route must bear any extra expense occasioned thereby. When work is performed by an employee in route to or from the official station, reimbursable mileage is computed by deducting the employee's normal commuting mileage from the actual mileage driven in performing the work in route to or from the official station. For example, if an employee normally commutes 10 miles (20 miles round trip), and performs work on the way home from the official station which results in 12 miles driven, the mileage reimbursement will be for 2 miles only, as that is the amount of mileage in excess of the employee's normal commute. In no instance shall mileage claimed for reimbursement exceed actual miles traveled.

2. Mode of Transportation - Transportation for employees traveling singly should be by common carrier (air, train, or bus) whenever practical. The use of air travel is recommended when time is an important factor or when the trip is so long that other methods of travel would increase the subsistence expense. Automobile transportation may be used to save time when common carrier transportation cannot be satisfactorily scheduled, or to reduce expenses when two or more employees are making the trip. Reimbursement for personal vehicle use may be claimed at the standard mileage rate provided that the cost of such reimbursement is less than comparable cost of commercial transportation including taxi fares and/or limousine charges.
3. Common Carrier Travel - When travel is by common carrier, the fare must not exceed the regular ~~tourist~~ **coach** fare charged the general public, and advantage must be taken of round trip rates when available. The employee's copy of the ticket, or an acceptable receipt, must be submitted for reimbursement of common carrier expenses.
4. Chartered Aircraft - Generally, faculty and staff (including group travel and athletics) whose duties require travel will use commercial ground and air carriers or a university/college/technology center automobile. However, a chartered aircraft may be used if time and/or distance preclude ground travel or if a commercial air service is either unavailable or does not meet the needs of the traveler(s). The following guidelines apply:
 - a. The chief executive officer of each institution shall assign the following duties to a responsible official: (1) reviewing and approving requests for charter air services, (2) scheduling charter flights, and (3) informing those who request charter flights of the charter company's policy on canceling scheduled flights.
 - b. Charter services will be obtained only when it can be shown that the charter does not exceed the sum of all traveling costs by commercial carrier (e.g. transportation, meals, and lodging) or that circumstances necessitate travel when no other means is available.
 - c. The charter company must provide the institution with an original, itemized invoice showing the beginning and ending dates of the charter, the origin and destination of each flight, and the names of passengers on each flight.
5. Automobile Travel - When travel by automobile is appropriate, employees may use state-owned automobiles whenever available and feasible. However, state-owned vehicles should be used only on official business.
 - a. State Owned Automobiles - When transportation is by a state-owned automobile, tolls, parking, gasoline and storage

expenses are allowable. When using motor pool automobiles, employees will be furnished with courtesy cards for purchase of gasoline, oil, and other automobile services, and such expenses should not be claimed by employees as travel expenses. Emergency out-of-pocket expenses, such as towing or emergency repairs, will be reimbursed but must be accompanied by proper receipt identifying the automobile and itemizing the services. Such expenditures must be of an emergency nature ~~where~~ **when** immediate service is required and access to a state facility is not possible. Major repairs should be approved by campus officials prior to work being performed. Such expenditures are allowed but should be filed for reimbursement separately.

- b. Personally-Owned Automobiles - Use of a personally-owned automobile must be authorized. Mileage reimbursement rates are provided on the Addendum. The authorized mileage allowance includes all operating expenses such as gas, oil, and repairs precluding any separate claim for such items. Employees may use reputable websites to determine point-to-point and/or vicinity mileage.

Commuter Mileage - Procedures for calculating mileage are based on the fact that the State is prohibited from reimbursing employees for normal commuting mileage.

1) If an employee begins or ends a trip at his/her official station, reimbursable mileage will be the mileage from the official station to the destination.

2) If work is performed by an employee in route to or from his/her official station, reimbursable mileage is computed by deducting the employee's normal commuting mileage from the actual mileage driven.

3) If an employee begins or ends his/her trip at his/her residence without stopping at his/her official station, reimbursable mileage will be the lesser of the mileage from the employee's residence to his/her destination or his/her official station to the destination. On weekends and holidays, the employee may typically be reimbursed for actual mileage from his/her residence to the destination.

4) If an employee travels between destinations without returning to his/her official station or his/her residence, reimbursable mileage is the actual mileage between those destinations.

- c. The travel claim must indicate the employee's itinerary and must show the official business mileage. Business mileage

as indicated by the official state map or reputable websites, and that published by Rand-McNally or reputable websites for out-of-state routes will be regarded as official. Vicinity mileage must be reported on a separate line and not included with point-to-point mileage. Only mileage on official business may be claimed.

- d. Necessary charges for hotel and airport parking will be allowed provided that airport parking fees do not exceed normal taxi fare to and from the airport or the cost of two round trips in the employee's personal car (see item 10 below). Receipts must be furnished on airport and hotel parking.
6. Limousine and Taxi Service - When travel is by common carrier, reasonable limousine and taxi fares will be allowed for necessary transportation. Bus or limousine service to and from airports will be used when available and practical. After arrival at destination, necessary taxi fares for traveling between hotel or lodging and meeting or conference will be allowed. No receipt is required for reimbursement of reasonable taxi fares.
7. Car Rentals at Destination - Charges for automobile rental shall be allowed whenever it is more economical than alternative methods of transportation or it is the only practical means of transportation. Charges for insurance for rented automobiles are not reimbursable. Whenever possible, employees should refuel before returning vehicles.
8. Tolls and Ferry Fees - Reasonable tolls and ferry fees will be allowed when necessary. No receipt is required for reimbursement of tolls and ferry fees.
9. Daily Parking Fees - Daily parking fees for those employees working in downtown offices will not be allowed. However, if an employee is required to leave his office on official business and later returns the same day, the actual additional charge required to park will be reimbursed up to the maximum indicated (see Addendum). Also, those employees required to utilize commercial parking facilities in the daily performance of duties, or while on travel status, will be allowed reimbursement for actual costs. Receipt is required if the fee exceeds the maximum indicated per day (see Addendum).
10. Unnecessary meals and lodging expenses which are occasioned by the use of an automobile for reasons of the employee's personal convenience, or which are due to travel by an indirect route, will not be allowed.
11. If travel is by common carrier, the employee will be reimbursed for expenses in traveling to and from the common carrier including but not limited to the reasonable cost of one of the following options, whichever is less:

- a. one round trip taxi fare,
- b. or parking of the employee's personal car at the location of the common carrier, plus mileage of one round trip,
- c. or mileage of two round trips in the employee's personal car (subject to a 200 mile maximum for two round trips).

Receipts must be furnished on airport and hotel parking exceeding maximum parking allowance in Addendum.

V. Lodging

1. In-State Lodging - Lodging expenses incurred within the state while on authorized travel will be reimbursable to the maximum shown on the Addendum.
2. Out-of-State Lodging - Lodging expenses incurred out of the state while on authorized travel will be reimbursable to the maximum shown on the Addendum. The maximum reimbursement rates for out-of-state travel are the same as those maintained by the U. S. General Services Administration for federal employees within the continental United States (CONUS). The CONUS list, available on the General Services Administration web site, contains a standard reimbursement rate for lodging and meals and incidentals, and several pages of exceptions. Most destinations for out-of-state travel fall within the list of exceptions. En route lodging will be allowed for only one day each way on trips of long duration. En route lodging will only be allowed in cases ~~where~~ **when** the approved and most direct or expeditious mode of travel will require more than ten (10) hours of continuous travel. (Refer to Section II.4. for explanation of en route lodging expenses.)
3. Additional Lodging Expenses - Sales taxes on lodging costs will be reimbursable.

Higher rates for lodging at the location of a convention or conference will be allowed, without special approval, up to the amount indicated in the convention or conference brochure **or conference website**. ~~If more than one rate is indicated, the lowest rate is the amount which will be reimbursed. However, the employee should attempt to receive a government rate for the lodging. If the lowest rate indicated in the convention or conference brochure is unavailable, approval of the higher rate must be obtained from the appropriate approving authority.~~ Additional lodging for presidents/directors will be approved on the same basis as approval is granted for other employees. Any exceptions must be approved by the Chancellor. The convention or conference brochure which indicates the lodging rates must be included with the travel claim. Otherwise, reimbursement will be limited to the applicable lodging rate as provided in these

regulations.

4. Shared Lodging - In the event of double occupancy for state employees on official travel, both employees should attach an explanation to his/her travel claim detailing dates and other employees with whom the room was shared. The lodging cost may be claimed by the employee who incurred the cost, or one half the double occupancy charge may be allowable for each employee. If a room is shared with other than a state employee, actual cost subject to the maximum in the Addendum will be allowed. The receipt for the entire amount should be submitted with the expense account.

VI. Meals

1. In-State and Out-of-State Meals - Meals while on authorized travel will be reimbursed, subject to the meal allowance provided on the Addendum. The maximum per diem rates include a fixed allowance for meals and for incidental expenses (M&I). The M&I rate, or fraction thereof, is payable to the traveler without itemization of expenses or receipts. Incidentals are intended to include miscellaneous costs associated with travel such as tips for baggage handling, phone calls home, etc.

Out of Country meals are reimbursed at actual expense with receipts. If no receipts are provided, the maximum rate will be the maximum Conus rate of Out-of-State travel.

The M&I rates for out-of-state travel are the same as those for federal employees, and are available on the General Services Administration's web site. As with lodging, there is a standard rate for the continental United States (CONUS), and a list of exceptions. Reimbursement for meals and incidentals for the day of departure shall be three-fourths of the appropriate M&I rate (either the in-state rate or CONUS rate for out-of-state travel) at the rate prescribed for the lodging location. Reimbursement for M&I for the day of return shall be three-fourths of the M&I rate applicable to the preceding calendar day. To assist in this calculation, the following table lists partial per diem rates for meals and incidentals for in-state and out-of-state travel.

Per Diem Rates - Three-fourths Calculations

\$39	\$29.25
\$44	\$33.00
\$49	\$36.75
\$54	\$40.50
\$59	\$44.25
\$64	\$48.00

The following table may be used to determine reimbursement for a single meal, when appropriate. Reimbursement for meals will not be permitted when overnight travel is not involved.

In-State and Out-of State of Tennessee

Meals and Incidental - Allocated by Meal

Per diem	39	44	49	54	59	64
Breakfast	8	8	9	10	11	12
Lunch	8	12	13	15	16	18
Dinner	20	21	24	26	29	31
Incidentals	3	3	3	3	3	3

Revisions to the above two tables that are required solely by changes in CONUS rates will not be subject to Board approval.

2. Official Banquets - When the expenses for an official banquet of a meeting or conference is in excess of the meal allowance, the excess will be allowed provided a receipt or proper explanation of the charge is submitted.
3. Business Meals - See Policy 4:07:00:00 for criteria on reimbursing business meals.

VII. Miscellaneous Expenses

1. Personal Expenses - Expenses for entertainment (employee or others), laundry, valet service, tips and gratuities, etc., are personal expenses and will not be reimbursed in excess of the incidental portion of the M&I rate.
2. Telephone, Telegram and Fax Expenses - Charges for long distance telephone calls, telegrams, and/or fax on official business will be allowed provided a statement is furnished showing the date, the name and location called, and the purpose of the call. Charges for necessary local calls on official business will be allowed.
3. Registration Fees - Registration fees for approved conferences, conventions, seminars, meetings, etc., will be allowed including cost of official banquets and/or luncheons, if authorized in advance by the appropriate approving authority, and provided receipts are submitted with the travel claim.
4. Handling Fees - Fees for the handling of equipment or promotional materials will be allowed up to the maximum indicated (see Addendum).

VIII. Claims

The standard form for claims for travel expenses approved by the President, director or Chancellor shall be used for reimbursement of expenses. The form must show movement and detail of expenses on a

daily basis, be signed in ink by the employee, and be approved by the appropriate approving authority prior to reimbursement. All signatures on travel claims must be original **or electronic in accordance with TBR policy**. Receipts for appropriate expenses must be attached to the form. Expenses for books, supplies, postage, and other items that do not constitute actual traveling expenses should not be included in the claim form. Claims for reimbursement for travel expenses should be submitted no later than thirty (30) days after completion of the travel.

IX. Travel Advances

1. General - Normally, travel expenses should be paid when incurred by an employee, with reimbursement made to the employee for actual expenses upon proper submission of a claim for travel expenses. Advances to employees for anticipated travel expenses may be made under the circumstances hereinafter described as (1) permanent travel advances and (2) temporary travel advances except as provided in Section X.3. All travel advances must be approved by the president or his or her designees for employees of the institution, the director for employees of the school, and the Chancellor for employees of the Board.
2. Permanent Travel Advances - When an employee has blanket travel authorization, and is expected to travel the major portion of each month, the employee may be placed upon permanent travel status. Upon determination of the employee's estimated monthly expenses, if such expenses exceed \$100, the employee may be provided with a single advance in an amount sufficient to cover such expenses for one month, provided such amount may not exceed the semi-monthly salary of the employee. Subsequent to the initial advance, the employee shall submit appropriate claims and be reimbursed as heretofore provided, with any unused portion of the advance to be returned upon termination of the employee's permanent travel status.
3. Temporary Travel Advances - When temporary travel is authorized for an employee, the employee may receive an advance, provided a request for the advance, including estimated expenses, is submitted to the appropriate approving authority with the request for written authorization for the travel, and is approved. An amount equal to 80% of the estimated expenditures will be allowed as an advance, however, no advance less than \$100 will be made. Students traveling under individual authorizations or an employee traveling with a student or students who is responsible for disbursing all funds for the trip may be advanced 100% of the amount of the authorization.
4. Payroll Deduction Authorization - Each employee receiving a permanent or temporary travel advance for the first time must sign a payroll deduction authorization form which will allow the State to recover the advance from any salary owed the employee in

the event of termination of employment or failure to submit a travel claim. This deduction from payroll should be used as a last resort only in the event all other efforts to collect the advance have failed.

5. Expense Claim - Upon return, the employee should submit an expense claim detailing his **or her** actual expenditures. This claim should show the total expenses incurred. The advanced amount should be subtracted from this total. A voucher should then be prepared requesting the additional amount due the employee. No advance should exceed actual expenses. If this does happen, however, the excess should be returned by the employee to the business office for deposit as a credit against the original advance with proper distribution being made of the actual expenses incurred. In the latter instance, the expense account claim should be forwarded to the business office with notification to file it with the advance request.

X. Corporate Credit Cards for Travel

1. General - Individual institutions and/or the Board Office may arrange for corporate credit cards to assist with travel expenses.
2. Membership - Corporate credit cards are made available to designated employees, with the employees personally responsible to the card vendor for all amounts charged to the card.
3. Advances - Travel advances, permanent or temporary, shall not be issued to:
 - a. any employee who is issued a corporate card, or
 - b. any employee who is designated but chooses not to apply for a corporate card.
 - c. any employee who has had his/her corporate card cancelled or was refused a card based on the vendor's credit requirements.

Institutions may make individual exceptions to the above provisions when the circumstances are determined to warrant such exception.

4. Reimbursement - Reimbursement for travel expenses shall only be allowed for actual business expenses incurred, subject to the provisions of Section II, Item 6, and the maximum limitations shown on the Addendum.
5. Cancellations - The Tennessee Board of Regents and/or the card vendor may cancel an employee's corporate card at any time. In the event of cancellation of a corporate card, the Tennessee

Board of Regents or appropriate institution shall promptly notify the employee of the cancellation and use its best efforts to obtain the canceled corporate card and return it to the card vendor.

6. Termination - The Tennessee Board of Regents and its institutions shall notify the card vendor if a cardholder's employment is terminated, and the effective date of such action. Each institution shall establish procedures to collect corporate cards from terminated employees and return them to the card vendor.

~~XI. Moving Expenses~~

~~1. Authorization~~

- ~~A. Payment of moving expenses must be approved in advance by the President or designee.~~
- ~~B. Approval of moving expenses may be made when considered in the interest of the institution and when such payment is a part of the employment negotiation with a new employee or the relocation of a current employee.~~
- ~~C. No moving expenses will be authorized or paid which would not qualify for a deduction under Section 217 Moving Expenses of the Internal Revenue Code.~~
- ~~D. Expenses and allowances as provided in these regulations shall not be allowed unless and until the employee agrees in writing to remain in the service of the institution for a period of twelve (12) months following the effective date of move, unless separated for reasons beyond his or her control and acceptable to the institution concerned. For faculty on an academic or modified fiscal year basis, the employment service shall be one regular academic year or two semesters or the normal work period associated with a modified fiscal year appointment. The service agreement statement should be maintained in the employee's personnel file. In case of a violation of such an agreement, including failure to effect the transfer, any funds expended by the institution for such expenses and allowances shall be recoverable from the employee concerned as a debt due the institution.~~

~~2. Expenses Subject to Payment/Reimbursement~~

- ~~A. Possible expenses subject to payment or reimbursement will be actual cost of moving household goods and personal effects, travel expenses directly associated with the movement of household goods and effects, and temporary storage of goods and effects.~~
- ~~B. The actual cost of moving goods and effects may include the cost of commercial moving companies, rental of moving vans/trucks and operating cost (gas) of these rentals, and~~

~~the cost of packing/unpacking (including labor and materials). Moving and rental companies' insurance charges may be included.~~

- ~~C. Travel expenses directly associated with a move may include mileage of all owned vehicles and en route lodging.~~

~~Lodging may be covered for the employee and all immediate family members residing in the household. En route lodging may be provided for one night if the distance of the move is 400 miles or more, plus one additional night for each additional 400 miles. Lodging for one night at the destination may be permitted.~~

~~Lodging will be consistent with the Tennessee Board of Regents travel policy rates. Mileage will be reimbursed at the current IRS rate for moving mileage. Travel expenses incurred when moving from another state to Tennessee will be reimbursed at the out of state rates.~~

~~For the purpose of these regulations, immediate family is defined as any of the following named members of the employee's household at the time he/she reports for duty at his/her new official station: spouse, children (including step children, adopted children, or foster children) unmarried and under 21 years of age or physically or mentally incapable of supporting themselves regardless of age, or dependent parents of the employee and the employee's spouse.~~

- ~~D. If two or more members of an immediate family otherwise qualify for reimbursement or allowances under these regulations as Tennessee Board of Regents employees, only one member shall be eligible for employee reimbursement or allowances; the other is eligible for reimbursement as a family member.~~

- ~~E. Storage of household goods and personal effects may be allowed for a period of 30 consecutive days.~~

~~3. Arranging for Moving and Payment~~

- ~~A. If the total moving expense authorized exceeds \$5,000 and if the institution agrees to pay all of the cost of a commercial mover, the institution must arrange for the mover through normal purchasing procedures. The vendor should be paid directly by the institution.~~

- ~~B. In all other cases, the institution may require, at its option, that arrangements be made through its purchasing department or the employee may make the arrangements and seek reimbursement.~~

- ~~C. Only arrangements made directly by the institution will be~~

~~reimbursed directly to vendors by the institution. In other cases the institution should reimburse the employee. Claims for reimbursement must be supported by an invoice.~~

~~4. Other Provisions~~

- ~~A. Moving expenses will be paid or reimbursed only after a contract is executed between the employee and the institution. See Attachment A.~~
- ~~B. All travel and travel expenses shall be accomplished as soon as possible, but in no event shall the effective date of the move to the completion of travel and transportation exceed twelve (12) months unless written extension is granted by the President/Director of the institution/school. All payments or reimbursements must be made within twelve (12) months of the date employment begins for new employees or relocation occurs for relocated employees.~~
- ~~C. The agreement on the amount of moving expenses to be paid, the type expenses to be paid, responsibility for arranging logistics, etc., should be clearly understood in writing between the employee and the institution.~~
- ~~D. The institution shall assume no liability whatsoever for personal injuries, property damages, or other losses which may be sustained in connection with any moves undertaken pursuant to these regulations.~~

~~XII. IMMIGRATION EXPENSE ALLOWANCE~~

- ~~1. New employees may receive reimbursement for immigration expenses when considered to be in the interest of the institution and when such payment is a part of the employment negotiation with a new employee or the relocation of a current employee from another employer or institution. Reimbursement/fee allowance for immigration fees must be approved in advance by the Director or President or his/her designee.~~
- ~~2. This provision applies only to candidates who are required to pay immigration fees to work and live in the U.S. No employee may receive reimbursement more than once.~~
- ~~3. No payment shall be made unless the employee agrees in writing to remain in the service of the institution for a period of twenty-four (24) months following the effective date his/her employment agreement, unless separated for reasons beyond his/her control and acceptable to the institution. The service agreement statement should be maintained in the employee's personnel file. In case of a violation of such an agreement, any funds expended by the institution for such allowance shall be recoverable from~~

~~the employee as a debt due the institution in the same manner as educational allowance payments. (See Attachment B)~~

- ~~4. Reimbursement shall be in the maximum amount of \$4500 and shall not exceed the employee's actual, documented expenses. The allowance cannot be used to defray non immigration related costs or any costs not associated with the individual employee's immigration expenses.~~
- ~~5. Reimbursable fees include: fees charged by a licensed immigration attorney retained in connection with the application, filing, permanent residence fee, fee for any application to enter the U.S., fee for application to remain in the U.S., and associated fees required in the application process, such as medical examinations, fingerprinting, photo identification, postal/courier fees, and costs of evaluating foreign academic credentials or translations of foreign documents.~~
- ~~6. The employee is responsible for making arrangements for representation, completion of paperwork, assistance in the immigration process, and submission of all bills and/or invoices for which reimbursement is sought. Faculty may submit a claim for reimbursement by sending a request with original receipts to the Chief Academic Officer.~~

XIII. Exceptions

General - The Chancellor shall have the authority to grant exceptions to any part or all of the provisions of this policy when deemed appropriate and necessary; however, any exception directly affecting the Chancellor must be approved by the Vice Chair of the Board. The Chancellor delegates to the presidents and directors the authority to grant exceptions to any part or all of the provisions of this policy in individual instances when deemed appropriate and necessary; however, any exception directly affecting presidents or directors must be approved by the Chancellor or Vice Chancellor for Technology Centers, respectively.. Two areas of standing exceptions to the policy are provided below.

Exception No. 1

- (a) Provisions for travel contained in this Exception Number One shall be applicable only to the Chancellor and his or her immediate staff, presidents of institutions, technology center directors, and System employees traveling in their company. This exception corresponds with Exception Number Three of the Comprehensive Travel Regulations. All provisions of the Sections II through X of this policy shall be applicable unless superseded by the following.
- (b) Transportation: First class travel on common carrier shall be

allowable at the option of the above designated persons when accompanying others not employed by the State who are traveling in first class accommodations.

- (c) Charges for automobile rental shall be allowed whenever it is more economical than alternative methods of transportation or whenever it is the only practical means of transportation.

~~(d) Lodging:~~

- ~~1. In State and Out of State Lodging — Reimbursement for actual expenses for in state and out of state lodging will be allowed, subject to the maximum rate shown on the Addendum.~~
- ~~2. When employees share a hotel room, each employee should claim a proportionate share of the room cost, and include an explanation with his or her travel claim detailing dates and other employees with whom the room was shared.~~
- ~~3. If a room is shared with other than a state employee, actual cost subject to the maximum above will be allowed. The receipt for the entire amount should be submitted with the expense account.~~

~~(e) Meals:~~

- ~~1. In State and Out of State Meals — A per day meal allowance is shown on the Addendum. For fractional days in travel status, the allowance will be prorated.~~
- ~~2. Expenses for group breakfasts, luncheons and dinners, occasioned by meetings of long duration or by circumstances where it is more feasible to provide such meals than to recess the meeting, may be allowed.~~
- ~~3. Expenses for meals for employees occasioned by meetings called by the appropriate approving authority are allowed subject to the daily meal allowances indicated (see section VI. Meals).~~
- ~~4. Reimbursement of actual expenses for meals and related costs shall be allowable when acting as host to guests of the institution or other official business functions provided the purpose and the event are shown on a separate reimbursable expense statement. Receipts or other satisfactory evidence of payment must be attached to the claim. The above designated persons may delegate the authority granted under this item to members of their staff provided such delegation is in writing. All reimbursement claimed under this authority shall be clearly identified and a special report submitted with each reimbursement request.~~

Exception No. 2

- (a) Members of the Tennessee Board of Regents shall be reimbursed for travel in the performance of their official duties in accordance with applicable provisions of the general policy unless superseded by the following, which corresponds with Exception Number Four of the Comprehensive Travel Regulations, provided that necessary approvals shall be made by the Chancellor rather than the Commissioner of Finance and Administration.
- (b) Members of the Board shall be reimbursed by the Board office for all allowable travel expenses upon submission of a standard form for claims and appropriate receipts.

~~(c) Lodging:~~

- ~~1. Lodging for both in state and out of state will be allowed up to the maximum indicated (see Addendum).~~
- ~~2. Higher rates for lodging at the location of a convention or conference will be allowed, without special approval, up to the amount indicated in the convention or conference brochure. If more than one rate is indicated, the lowest rate is the amount which will be reimbursed. However, a Board member should attempt to receive a government rate for the lodging. If the lowest rate indicated in the convention or conference brochure is unavailable, written advance approval of the higher rate must be obtained from the Chancellor. The convention or conference brochure which indicates the lodging rates must be included with the travel claim. Otherwise, reimbursement will be limited to the applicable lodging rate as provided in these regulations.~~

~~(d) Meals:~~

- ~~1. A daily meal allowance will be provided for in state and out of state travel. For fractional days in travel status, the allowance will be prorated (see section VI. Meals); provided further, that a noon meal may be claimed without incurring overnight travel and without the requirements for eligibility for the evening meal.~~
- ~~2. Expenses for group breakfasts, luncheons and dinners, occasioned by meetings of long duration or by circumstances where it is more feasible to provide such meals than to recess the meeting, may be allowed, provided written advance approval is secured from the Chancellor, except where advance approval is not practicable.~~

Source: SBR Meetings, June 25, 1976; March 3, 1978; September 29, 1978; September 26, 1980; September 30, 1983; March 23, 1984; September 21, 1984; December 13, 1985; June 26, 1987; September 18, 1987; June 30, 1989; September 21, 1990; June 28, 1991; March 20, 1992; October 22, 1993 (Interim action), February 1, 1996 (Interim Action), June 21, 1996, March 27, 1998, August 1, 1998 (Interim Action), March 26, 1999,

September 17, 1999, September 1, 2001 (Interim Action),
September 26, 2003, December 5, 2003, May 1, 2004 (Interim
Action), September 24, 2004; December 3, 2004; June 10,
2005; December 2, 2005; March 31, 2006; March 30, 2007.

Addendum
Tennessee Board of Regents General Travel Policy

This Addendum provides the specific expenses considerations cited in the general travel policy. The reimbursement rates listed below are consistent with the current Comprehensive Travel Regulations of the State of Tennessee, which may be revised from time to time. The following shall remain in effect from and after March 30, 2007, until revised by the Chancellor.

General Reimbursement Rates

Standard mileage rate	Rate approved by the Dept. of Finance and Administration (see http://www.state.tn.us/finance/acct/policy8.pdf)
Maximum parking fees without receipt	\$ 8.00 per day
Fees for handling of equipment or promotional materials	\$ 20.00 per hotel

Out-of-State Reimbursement Rates

Employees are to utilize the U.S. General Services Administration CONUS (Continental United States) rates provided by the federal government. The CONUS rates are located on the U.S. Government's web page at <http://www.gsa.gov/>

Use the CONUS standard rates for all locations within the continental United States not specifically shown on the web page as a listed point.

In-State Travel Reimbursement Rates

Level I Counties and Cities

<u>Day of Departure And Return</u>	<u>Maximum Lodging</u>	<u>Maximum Meals and Incidentals</u>
75% of M&I	\$99.00 + tax	\$54.00
Davidson County		

Level II Counties and Cities

<u>Day of Departure And Return</u>	<u>Maximum Lodging</u>	<u>Maximum Meals and Incidentals</u>
75% of M&I	\$83.00 + tax	\$49.00 \$39.00
Anderson County, Shelby County, Knox County, Hamilton County, Gatlinburg, Pigeon Forge, Sullivan County, Williamson County, Montgomery County, Putnam County, Rutherford County, Washington County (Includes Paris Landing, Montgomery Bell, Natchez Trace, Pickwick, Fall Creek Falls, and Henry Horton State Parks)		

Level III Counties and Cities

<u>Day of Departure And Return</u>	<u>Maximum Lodging</u>	<u>Maximum Meals and Incidentals</u>
75% of M&I	\$65.00 + tax	\$39.00
All other counties and cities not listed above.		

Standard Out-of-Country Rates

<u>Day of Departure And Return</u>	<u>Maximum Lodging</u>	<u>Maximum Meals and Incidentals</u>
Actual expense or 75% of M&I	Actual expense	Actual expense or \$64.00
(per diem amount only to be used when receipts are not available)		

Special Rates Under Exception One

This exception applies to the Tennessee Board of Regents' Chancellor and his or her immediate staff, presidents of institutions, area school directors, and System employees traveling in their company. This exception rate schedule corresponds with Exception Number Three of the Comprehensive Travel Regulations of the State of Tennessee.

Out-Of State Reimbursement Rates

Employees are to utilize the U.S. General Services Administration CONUS (Continental United States) rates provided by the federal government. The CONUS rates are located on the U.S. Government's web page at: <http://www.gsa.gov/>

Use the CONUS standard rates for all locations within the continental United States not specifically shown on the web page as a listed point.

In-State Travel Reimbursement Rate

Level I Counties and Cities

<u>Day of Departure And Return</u>	<u>Maximum Lodging</u>	<u>Maximum Meals and Incidentals</u>
75% of M&I	\$104.00 + tax	\$54.00

Davidson County

Level II Counties and Cities

<u>Day of Departure And Return</u>	<u>Maximum Lodging</u>	<u>Maximum Meals and Incidentals</u>
75% of M&I	\$88.00 + tax	\$49.00
Anderson County, Shelby County, Knox County, Hamilton County, Gatlinburg, Pigeon Forge, Sullivan County, Williamson County, Montgomery County, Putnam County, Rutherford County, Washington County. (Includes Paris Landing, Montgomery Bell, Natchez Trace, Pickwick, Fall Creek Falls, and Henry Horton State Parks)		

Level III Counties and Cities

<u>Day of Departure And Return</u>	<u>Maximum Lodging</u>	<u>Maximum Meals and Incidentals</u>
75% of M&I	\$70.00 + tax	\$39.00
All other counties and cities not listed above.		

Special Rates Under Exception Two

This exception applies to Board Members of the Tennessee Board of Regents who are reimbursed for travel in the performance of their official duties. This exception rate schedule corresponds with Exception Number Four of the Comprehensive Travel Regulations of the State of Tennessee.

Out-of State Reimbursement Rates

Employees are to utilize the U.S. General Services Administration CONUS (Continental United States) rates provided by the federal government. The CONUS rates are located on the U.S. Government's web page at <http://www.gsa.gov/>

Use the CONUS standard rates for all locations within the Continental United States not specifically shown on the web page as a listed point.

In-State Travel Reimbursement Rates

Level I Counties and Cities

<u>Day of Departure And Return</u>	<u>Maximum Lodging</u>	<u>Maximum Meals and Incidentals</u>
75% of M&I	\$119.00 + tax	\$54.00

Davidson County

Level II Counties and Cities

<u>Day of Departure And Return</u>	<u>Maximum Lodging</u>	<u>Maximum Meals and Incidentals</u>
75% of M&I	\$103.00 + tax	\$49.00
Anderson County , Shelby County, Knox County, Hamilton County, Gatlinburg, Pigeon Forge, Sullivan County, Williamson County, Montgomery County, Putnam County, Rutherford County, Washington County. (Includes Paris Landing, Montgomery Bell, Natchez Trace, Pickwick, Fall Creek Falls, and Henry Horton State Parks)		

Level III Counties and Cities

<u>Day of Departure And Return</u>	<u>Maximum Lodging</u>	<u>Maximum Meals and Incidentals</u>
75% of M&I	\$90.00 + tax	\$39.00
All other counties and cities not listed above.		

Attachment

A

_____ TENNESSEE BOARD OF REGENTS
 _____ MOVING EXPENSE AGREEMENT

Agreement made on _____ (Date) between _____ (Institution/School) (referred to as the Institution), and _____ (Employee's Full Name) (referred to as the Employee),

WITNESS:

WHEREAS, the Employee, with employment date effective (Employment Date) desires to move and relocate his/her residence from (City and State) to (City and State) and the Institution desires to reimburse or pay on behalf of the Employee the cost of the moving expense, the parties therefore, agree as follows:

1. The Institution agrees to reimburse or pay on behalf of the Employee an amount not to exceed \$ _____ for moving expenses incurred for the relocation. Of this amount, not more than \$ _____ can be reimbursed directly to the individual. All reimbursement claims must comply with the State Comptroller's rules and regulations in effect when this agreement is signed. Also, the Employee agrees to provide original receipts for all reimbursement claims.

2. In consideration for the Institution either reimbursing or paying the costs of moving, the employee agrees to remain employed by the Institution for a period of at least one year. For faculty appointed on an academic basis, one year is defined as one regular academic session (Fall and Spring semesters, nine months). For all other annual faculty and employees, one year is defined as twelve months. Should the employee leave employ prior to completion of that year, the Employee will be liable to the Institution for all moving expenses which the Institution has paid (to or on behalf of the Employee), together with reimbursements and all payroll taxes withheld by the Institution in connection with such expenses.

3. The Employee hereby gives the Institution an express lien on all salaries, wages, and other sums payable to him/her by the Institution, for the purpose of securing all amounts due under Section 2 above in the event the Employee leaves prior to one year's employment at the Institution. The Employee authorizes the Institution to withhold all amounts due under this Agreement from any sum payable to the Employee by the Institution.

4. If the Employee fails to remain employed as indicated in Section 2 above for reasons beyond his/her control considered sufficient by the Institution, all or part of the liability under Section 2 may be waived by the Institution. Any such waiver must be approved in writing by the Employee's department head or dean and the President/Director. (The dean/department head, whose account paid for the Employee's move, must notify Accounting Operations if the Employee does not remain employed at the Institution for at least one year.)

 _____ Employee (Signature)
 _____ President/Director (Signature)

 _____ Employee (Print or Type) _____ President/Director
 _____ (Print or Type)

 _____ Employee's Social Security No.

 _____ Assistant Comptroller for _____ Department Name
 _____ Accounting Operations

 _____ Account Number _____ Department Contact & Phone
 _____ to be Charged _____ Number

TENNESSEE BOARD OF REGENTS

IMMIGRATION EXPENSE ALLOWANCE AGREEMENT

_____ This Agreement is made on _____ (Date) _____ between _____ (Institution) _____ (referred to herein as "Institution"), and _____ (Employee's Full Name) _____ (referred to herein as "Employee"),

WITNESS:

_____ Employee, whose effective employment date is (Employment Date) _____, desires to become employed at Institution and to have institution reimburse Employee for employment-related immigration expenses, and Institution desires to reimburse Employee for employment-related immigration expenses up to _____ (\$ _____ .00) dollars. The parties therefore agree as follows:

1. _____ Institution agrees to reimburse Employee an amount up to _____ .00. Employee's reimbursement shall not exceed employee's actual costs. All reimbursement claims must comply with the guidelines and policies of the Tennessee Board of Regents system and the Tennessee Comptroller's rules and regulations.
2. _____ Employee must to provide Institution with original receipts for all expenses in order to receive reimbursement.
3. _____ Only employees who are required to pay immigration fees to work and live in the U.S. are eligible for reimbursement. The allowance cannot be used to defray non immigration related costs or any cost(s) not associated with the individual employee's immigration expenses.
4. _____ Reimbursement shall not exceed Employee's actual, documented expenses. No employee may receive reimbursement more than once.
5. _____ Reimbursable fees include: fees charged by a licensed immigration attorney retained in connection with the application, filing, permanent residence fee, fee for and application to enter the U.S., fee for application to remain in the U.S., and associated fees required in the application process, such as medical examinations, fingerprinting, photo identification, postal/courier fees, and costs of evaluating foreign academic credentials or translations of foreign documents.
6. _____ In consideration for the Institution reimbursing Employee for immigration expenses, the Employee agrees in writing to remain employed by the Institution for a period of twenty-four (24) months following the effective date of his/her employment agreement, unless separated for reasons beyond his/her control and acceptable to the institution. The service agreement statement should be maintained in the employee's personnel file. In case of a violation of such an agreement, any funds expended by the institution for such allowance shall be recoverable from the employee as a debt due the institution in the same manner as educational allowance payments.
7. _____ Employee hereby gives the Institution an express lien on all salaries, wages, and _____ other sums payable to him/her by the Institution, for the purpose of securing all amounts due under Section 5 above if Employee leaves prior to the expiration of two year's employment at the Institution. In the event that Employee voluntarily leaves institution prior to the expiration of two years, **Employee hereby expressly authorizes Institution to withhold all amounts due under this Agreement from any sum payable to Employee, the including Employee's final paychecks and, if sufficient funds are not available from Employee's final paychecks, from Employee's retirement.**
8. _____ If Employee fails to remain employed as indicated in Section 5 above for reasons beyond his/her control considered sufficient by the Institution, all or part of the liability under Section 5 may be waived by the Institution. Any such waiver must be approved in writing by the Employee's department head or dean and the President. (The dean/department head, whose account paid for the Employee's immigration expense, must notify Human Resources if the Employee does not remain employed at the Institution for at least two years.)

-
-

Employee Signature _____ Date _____ President's Signature _____ Date

-
-

Employee Name (Print or Type) _____ President's Name (Print or Type)

-
-

Employee's Social Security No.

INSTRUCTIONS:

~~Submit this form in duplicate to the Purchasing and Business Services Department (all information must be complete and all signatures must be affixed, except that of the President, which will be obtained by Purchasing and Business Services). Attach the employment contract signed by the President that reflect immigration expenses have been approved (do not attach an Appointment Recommendation Form).~~

~~When this agreement has been fully executed, a copy will be returned to the Department by Purchasing and Business Services to process/attach a travel requisition. A copy will be also be forwarded to the Human Resources Department to be placed in the Employee's personnel file. The Employee may submit a travel claim after the immigration expense has been encumbered. All travel must be in compliance with TBR policy 4-03-03-00, http://www.tbr.state.tn.us/policies_guidelines/business_policies/4-03-03-00.htm.~~

POLICY 4:03:03:50

SUBJECT: Athletic and Other Group Travel

This policy is established by the Tennessee Board of Regents in recognition of the unique characteristics associated with travel by athletic personnel and teams and other groups at the institutions governed by the Board. The purpose of the policy is to address practical considerations for travel related specifically to the performance of intercollegiate athletic recruiting, athletic team travel, and other group travel. The policy shall apply only to these functions; travel for other purposes by athletic personnel and other groups shall be subject to Tennessee Board of Regents General Travel Policies and Procedures (No. 4:03:03:00) and institutional policies and guidelines. All travel will be reimbursed subject to TBR Policy No. 4:03:03:00 unless a specific exception is provided below. In addition, each institution shall comply with all pertinent regulations of the National Collegiate Athletic Association or the National Junior College Athletic Association and the athletic conference of which the institution is a member.

Each institution shall develop and enforce guidelines for athletic and other group travel consistent with the provisions of this policy. Institutional guidelines should include working procedures and be presented in such detail as to ensure thorough understanding of the provisions by all affected personnel.

I. Athletic Recruiting

A. Travel Advances

Travel advances should be made consistent with the Tennessee Board of Regents General Travel Policies and Procedures. In addition, temporary or permanent travel advances may be made to staff members engaged in recruiting when such advances are approved by the president or designee.

B. Reimbursement Rates - Courtesy Vehicle

If a staff member has a "courtesy vehicle" ~~on account of~~ **due to** his or her association with the institution, the maximum rate allowed will be the rate allowed under the Tennessee Board of Regents General Travel Policies and Procedures, less seven cents per mile.

C. Approval for Travel

The following are subject to prior approval by the president or designee:

1. Blanket travel authorization for scouting or recruiting; and
2. The travel of visitors and guests at institutional expense for any occasion related to recruiting.

D. Guest Meals

The actual cost of guest meals may be claimed when incurred by a staff member for recruiting purposes. Such claims must be submitted in appropriate detail. Receipts are required.

E. Student Recruits

1. Staff members are responsible for compliance with pertinent NCAA, NJCAA, and conference rules regarding student recruits.
2. Lodging in campus facilities should be arranged if space is available. If campus space is not available, ~~arrangements~~ **arrangements** may be made for lodging in local motels/hotels, and, with the approval of the athletic director or designee may be charged to the athletic department.
3. If available, the use of campus dining services should be arranged and costs may be charged to the athletic department. If necessary, staff members will be reimbursed at cost for off-campus meals, with reasonable and customary gratuities allowed. Receipts must accompany claims.
4. Transportation may be arranged through a local travel service and charged to the athletic department with the approval of the athletic director or designee. Automobile mileage may be reimbursed to a student recruit at the maximum rate allowed under the Board of Regents General Travel Policies and Procedures for the use of a personal vehicle.
5. Entertainment expenses may be reimbursed at cost within NCAA, NJCAA, and conference rules.

II. Travel

- A. Institution officials and guests of the institution that accompany the team or student groups on trips must be approved in advance by the president or designee.
- B. In all cases, team and group transportation will be arranged through established institutional procedures, and travel itineraries are to be arranged in advance. Documentation must be maintained in the athletic or other appropriate departments or offices indicating that various cost alternatives have been explored before making all arrangements and reservations. However, if such arrangements are made by the institution's purchasing office, that office should maintain the appropriate documentation.
- C. A roster of all individuals on a particular trip must be included with the itinerary documentation for proper accounting and auditing purposes and filed with the travel claim.
- D. A travel advance in the amount of 100% of the estimated trip expenses may be allowed. One person from the athletic department or other appropriate department or office who is familiar with the travel regulations will be responsible for the advance and all bills connected with team or group travel.
- E. Receipts are required for all team or group travel expenses consistent with TBR Policy No. 4:03:03:00.
- F. Actual lodging expenses will be reimbursed. Documentation must be maintained in the athletic department or other appropriate department or office indicating that various cost

alternatives have been explored before making all arrangements and reservations. However, if such arrangements are made by the institution's purchasing office, that office should maintain the appropriate documentation.

G. Miscellaneous expenses, such as movies while on trips, must be supported by receipts. Telephone calls by staff members for business purposes may be claimed with documentation consistent with TBR Policy No. 4:03:03:00.

H. Individual meals associated with team or group travel will follow the Board of Regents General Travel Policies and Procedures.

I. All team or group meals and snacks will be reimbursed at actual cost. Gratuities not to exceed reasonable and customary rates are allowed. Appropriate documentation and receipts are required.

J. All travel claims and requisitions for team or group travel must be approved in writing by the appropriate approving authority.

III. Other Group Travel

Travel by student groups or other groups of participants in programs or activities of the institution may be reimbursed under the same provisions as included in Section II above. Travel by student groups or other groups of participants in programs or activities of the institution should be addressed by specific institutional guidelines which describe the approval process, discussion of possible liability issues and requirement of waivers/releases of liability by the student if appropriate. Sample waivers/releases and a discussion of liability issues have been provided by the Office of the General Counsel and should be on file in the offices of student and academic affairs. **A waiver/release is not appropriate for travel that is required as part of an academic program.**

IV. Exceptions

The Chancellor or his or her designee may approve exceptions to the requirements of this policy in appropriate cases.

Source: SBR Meeting March 23, 1984; TBR Meeting June 29, 1990

Guideline No. B-043

SUBJECT: University Athletic Tickets

I. General Statement

Gate receipts from athletic events are an important source of revenue for university intercollegiate athletic programs. Admission charges are a recognized form of user-fees, necessary to generate funds for program operations, which state appropriations and student fees ~~can not~~ **cannot** and should not totally support. To ensure proper management of ticket sales, it is essential that each university implement procedures for effective control of ticket distribution and accounting for gate receipts.

The following guideline establishes basic provisions regarding the ~~distribution of an~~ accountability for tickets for athletic events, pursuant to which each university shall develop detailed operating procedures.

II. General Ticket Procedures

A. The price of tickets for athletic events should be recommended by the athletic director and approved by the president or designee prior to the printing of the tickets.

1. A ticket should be assigned to each seat available for occupancy, except in designated student areas, if applicable.

2. The price of tickets should take into account conference requirements, if applicable.

B. Procedures for securing and distributing tickets should follow sound business practices, with proper documentation, reconciliation, and control measures.

~~1. At the time tickets or ticket stock are received from the printer, a full accounting should be made of the number received by a designated university official.~~

~~2. The verification process should be followed by transferring the tickets or ticket stock received to another designated university official responsible for distribution of the tickets.~~

~~3. A distribution plan should be developed and approved by the president, or designee, which specifies authorized points of sale and procedures for the collection/receipt of sales.~~

C. The appropriate athletic revenue account must receive credit for the value of tickets issued.

D. All persons admitted to an athletic event for which there is an admissions charge must present a valid ticket, unless otherwise provided for below. A detailed plan should be developed and

approved by the president, or his or her designee, for enforcing admissions control, seat assignment, and security.

III. Complimentary Tickets

A. Each president may authorize complimentary ~~ticket~~ tickets. A listing of complimentary tickets should be prepared, approved by the president or designee prior to each event, and filed for audit purposes. The listing should contain the name of the individual who will receive the ticket or the specified group of individuals being approved (such as "high school recruits"), the account to which the cost of the ticket will be charged, the cost, and the purpose of issuing the ticket.

B. The individual authorized to receive complimentary tickets must acknowledge receipt of the ticket(s) by signing for them. Complimentary tickets may be mailed to the receiving party without securing a written acknowledgement only when mailing is the reasonable and practical distribution method; adequate file documentation and notations shall be maintained on all complimentary tickets mailed.

C. Complimentary tickets designated for use by student athletes may be distributed as provided by NCAA and conference policy and provisions.

D. All complimentary tickets issued will be charged to the account indicated on the listing required by III-A above.

IV. Student Tickets

A. Procedures should be established for admitting students to athletic events.

1. Tickets may be issued to students, or an area may be designated for students only, which is accessed by a designated student entrance, and a student identification is required for admission.
2. If tickets are issued to students, a complete accounting of the seat assignments for each event should be documented for audit purposes.

V. Group Tickets

Each university may develop group promotional packages for admission to athletic events, subject to approval of the president or his or her designee prior to implementation.

VI. Special Passes

A. Special passes issued by the university for concession workers, game officials, the press, security officials assigned to the event, participating team coaches, and other workers assigned to the event must be controlled. Each institution should establish reasonable procedures appropriate to the event.

B. Where facilities for athletic events are contracted, the assignment of special passes to facility workers should be controlled through specific contract provisions.

VII. Other

A. Admission to the president's box may be handled through either complimentary tickets or special passes at the discretion of the president, subject to procedures set-forth above.

B. Ticket arrangements for student athletes from visiting teams should be controlled through specific contract provisions.

VIII. Exceptions

Exceptions to these guidelines are subject to prior approval by the Chancellor based upon written justification by the president.

Source: June 26, 1981 TBR meeting; May 15, 1990 Presidents Meeting;
August 9, 1994 Presidents Meeting.

POLICY:

SUBJECT: Internal Audit

General Statement

The internal audit function contributes to the effectiveness of controls that management is responsible for establishing and maintaining. While particular responsibilities and activities vary among institutions, the fundamental purpose of internal auditing is to provide an independent, objective assurance and consulting activity designed to add value and improve the institution's operations. Each internal audit function shall adhere to The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing* and *Code of Ethics*. This policy addresses staffing, responsibilities of the internal audit function, and audit planning and reporting on internal audit activities. In addition to this policy, the Office of System-wide Internal Audit maintains an audit manual. The purpose of the audit manual is to provide for consistency, continuity, and standards of acceptable performance.

Internal Audit Personnel

1. Each university shall employ at least two individuals with full-time responsibility as internal auditors. Additional internal audit staff shall depend upon institutional size and structure. Two-year institutions ~~will employ a~~ **shall employ at least one** full-time internal auditor or have an approved agreement with a university or other two-year institution to provide required audit services. Titles of internal audit staff shall be consistent within the overall institutional structure.
2. Internal audit staff shall possess professional credentials and experience requisite to position responsibilities. The campus Internal Audit Director and the Director of System-wide Internal Audit must be licensed as a Certified Public Accountant or a Certified Internal Auditor, maintain an active license and annually complete sufficient, relevant continuing professional education to satisfy the requirements for the professional certification held. Other system auditors should annually complete sufficient, relevant continuing professional education to satisfy the requirements for their related professional certification or, at a minimum, forty hours of relevant continuing professional education.
3. The appointment or change of status of campus Internal Audit Directors as recommended by the President is subject to approval by the Chancellor or designee and the Director of System-wide Internal Audit. Compensation of the Director of System-wide Internal Audit and the campus internal auditors is subject to review and approval by the Audit Committee of the Board of Regents.
4. The termination of campus internal auditors requires the prior approval of the Chancellor and the Audit Committee of the Board.

Internal Audit Role and Scope

1. In accordance with T.C.A. § 49-14-102, the Director of System-wide Internal Audit reports directly to the Audit Committee and the Tennessee Board of Regents. Campus internal auditors report to the respective campus President with audit reporting responsibility to the Audit Committee and the Board through the Director of System-wide Internal Audit. TBR hosts periodic meetings and communicates with the audit directors on matters of mutual interests. The Office of System-wide Internal Audit maintains an internal audit manual to guide the internal audit activity in a consistent and professional manner at each institution. This reporting structure assures the independence of the internal audit function.
2. The internal auditors' responsibilities include:

- a. Working with management to assess institutional risks and developing an audit plan that considers the results of the risk assessment.
 - b. Evaluating institutional controls to determine their effectiveness and efficiency.
 - c. Coordinating work with external auditors, program reviewers, and consultants.
 - d. Determining the level of compliance with internal policies and procedures, state and federal laws, and government regulations.
 - e. Testing the timeliness, reliability, and usefulness of institutional records and reports.
 - f. Recommending improvements to controls, operations, and risk mitigation resolutions.
 - g. Assisting the institution with its strategic planning process to include a complete cycle of review of goals and values.
 - h. Evaluating program performance.
 - i. Performing management advisory services and special requests as directed by the Audit Committee, the Chancellor, or the institution's President.
3. The scope of internal auditing extends to all aspects of institutional operations and beyond fiscal boundaries. The internal auditor shall have access to all records, personnel, and physical properties relative to the performance of duties and responsibilities.
 4. The scope of a particular internal audit activity may be as broad or as restricted as required to meet management needs.
 5. Objectivity is essential to the internal audit function. Therefore, internal audit personnel should not be involved in the development and installation of systems and procedures, preparation of records, or any other activities that the internal audit staff may review or appraise. However, internal audit personnel may be consulted on the adequacy of controls incorporated into new systems and procedures or on revisions to existing systems.
 6. Management is responsible for identifying, evaluating, and responding to potential risks that may impact the achievement of the institution's objectives. The auditors continually evaluate the risk management processes and internal control structures. Internal Audit will receive copies of external audit reviews, program reviews, fiscally related consulting reports, notices of cash shortages, physical property losses, and employee misconduct. These will be considered in the evaluation of risks.

Audit Plans

1. Internal Audit shall develop an annual audit plan using an approved risk assessment methodology.
2. Audit areas and respective audit programs are available in the TBR Audit Manual for guidance in these areas.
3. At the beginning of each fiscal year, after consultation with the Chancellor or President and other institution management, the Internal Audit Director will prepare an annual plan listing proposed areas to be audited. The audit work plan must be flexible to respond to immediate requests. The status of the past year's plan will also be prepared in an annual activity report that may include other significant audit services. The Internal Audit Director will submit two copies of the institution's Audit Plan for review by the Director of System-wide Internal Audit. The Director of System-wide Internal Audit will forward one copy to the State Comptroller's Office.
4. The Director of System-wide Internal Audit will prepare an annual system-wide internal audit plan for approval by the Audit Committee.

Audit Reports

1. Each routine internal audit should result in a written report that documents the objectives, scope, and conclusion of the audit. Management will include corrective action for each reported finding. Reports on special studies, consulting services, and other non-routine items should be prepared as appropriate, given the nature of the assignment.

2. The Chancellor or institution's President will be notified at the conclusion of a follow-up audit if management has not corrected the reported finding.
3. All internal audit reports will be signed by the institution's Internal Audit Director and transmitted directly to the Chancellor, President, or TTC Director and the Director of System-wide Internal Audit in a timely manner.
4. The Director of System-wide Internal Audit will forward one copy of each report to the State Comptroller's Office.
5. The Director of System-wide Internal Audit will provide monthly summaries to the Audit Committee and present results of internal audit reports to the Audit Committee quarterly.

Exceptions

Any exceptions to the policy established herein shall be subject to the approval of the Director of System-wide Internal Audit and the Audit Committee.

Source: June 3, 1981 TBR Presidents' Meeting; July 1, 1984; May 20, 1986; February 14, 1989; November 14, 1989; August 13, 2002; February 10, 2004; November 18, 2004.

GUIDELINE B-060

SUBJECT: Fees, Charges and Refunds

The purpose of the following guideline is to outline significant provisions for consistent administration of fees, charges, and refunds at the institutions ~~and technology centers~~ governed by the Tennessee Board of Regents. These guidelines largely represent a consolidation of existing statements and practices. They are intended to serve as a reference document for institutional ~~and technology center~~ staff responsible for implementing and communicating fee-related matters. The guideline contents include general and specific provisions for: maintenance fees; out-of-state tuition; debt service fees; student activity; miscellaneous and incidental fees; deposits; residence hall fees; and refunds.

These guidelines supersede all previous fee and refund guidelines, and may be revised by action of the Tennessee Board of Regents or the Chancellor. Exceptions to the guidelines may be made by the Chancellor upon written request by the president, or technology center director through the Vice Chancellor for ~~Vocational-Technical Education~~. **Technology Centers**

I. General Provisions

A. Establishment of Fees and Charges

1. The Tennessee Board of Regents must establish or approve all institutional and technology center fees and charges unless specific exceptions are provided. The Board has adopted a practice of approving changes in fees and charges one time per year at the Board meeting when the annual operating budgets are considered. This is usually the regular June meeting of the Board. ~~Fees and charges which require Board approval should be submitted one month prior to the submission of the proposed budget.~~
2. The institution president or technology center director is responsible for the enforcement and collection of all fees and charges. Fees and charges which specifically do not require Board approval must receive formal approval by the president or **designee**, in the case of the technology centers, the Vice Chancellor for ~~Vocational-Technical Education~~. **Technology Centers**
3. Institutions ~~and technology centers~~ should attempt to follow a general format in publishing information on fees and charges, including but not limited to the following:
 - a. All statements which include the fee amount should be complete and specific enough to prevent misunderstanding by readers.
 - b. ~~Where~~ **When** a fee is quoted, the ~~refundable status~~ **refund procedures** should be clearly stated. If there are qualifying conditions for refunds, those conditions also should be stated. If there is no refund, it should be labeled as non-refundable.

- c. ~~Wherever~~ **Whenever** possible, specific dates related to the payment of fees and the ~~refundable status~~ **refund procedures** should be stated.
- d. It should be made clear that all fee levels and conditions are subject to change at any time.

B. Approval of Exceptions

In accordance with these guidelines, the president of an institution or designee has the authority to determine the applicability of certain fees, fines, charges, and refunds, and to approve exceptions in instances of unusual circumstances or for special groups. The Vice Chancellor for ~~Vocational Technical Education~~ **Technology Centers** shall have this authority for the technology centers. All such actions should be properly documented for auditing purposes.

C. Appeals Process

An appeals process should be established by each institution and technology center, and communicated to students, faculty, and staff. The process should provide for final appeal to the president or director. Separate appeals processes may exist for different types of fees, charges, and refunds.

D. Payment of Student Fees

- 1. As provided in the Tennessee Board of Regents Policy on Payment of Student Fees and Enrollment of Students (No. 4:01:03:00):

An applicant for admission to an institution ~~or technology center~~ will be considered and counted as a student when all assessed fees have been paid in cash, when the initial minimum payment due under the deferred payment plan has been paid, or when an acceptable commitment from an agency or organization approved by the institution ~~or technology center~~ has been received by the institution ~~or technology center~~. An applicant shall possess an acceptable commitment when he/she has timely submitted an application(s) for financial aid with the reasonable probability of receiving such.

Pursuant to the above condition, institutions with ~~an advanced~~ **advance** ~~or pre-registration~~ **a continuous registration** process must require payment of all applicable fees or payment of the initial minimum payment due under the deferred payment plan prior to the regular registration period as defined by each institution. Students who do not prepay all fees or have an acceptable approved financial aid deferment will forfeit pre-registration privileges and must enroll under the normal registration process.

- 2. A prepayment plan to assist parents and students with planning and budgeting their academic year expenses is authorized. Under the plan, students may choose the expenses they wish to prepay including room,

board, tuition, and fees. Expenses can be prepaid over a period of eight months.

II. Maintenance Fees

A. Description of Fees

1. The Maintenance Fee is a charge to students enrolled in credit courses. It is an enrollment or registration fee and is calculated based on the number of Student Credit Hours (SCH's) for universities and two-year institutions or student contact hours for technology centers for which the student enrolls, up to a maximum full-time charge. Fees are established by the Tennessee Board of Regents.
2. The same fee is applicable to courses for which the student is enrolled on an audit basis.

B. Rates

1. Rates are established by the Board and incorporated in a fee schedule that groups specific full-time and part-time fees; by type of institution (two-year institutions; APSU, ETSU, MTSU, TSU, and TTU; and UOM); and by course/program level (undergraduate and graduate). Developmental courses are charged at the two-year institution hourly rate with the maximum not to exceed the home institution's established full-time rate.
2. Part-time rates are applied based on the level of credit for the course (regular or developmental) and the level of credit for the course, regardless of student level. If a student, part-time or full-time, enrolls ~~for~~ **in** both regular and developmental courses, the rates shall be assessed at the part-time hourly rate for each, with the maximum not to exceed the established full-time rate of the home institution. In an instance where a course may be taken for undergraduate or graduate credit, the student shall pay the rate of the level of credit sought. If a student, part-time or full-time, enrolls ~~for~~ **in** both undergraduate and graduate courses, the rates shall be assessed at the course/program level, with the maximum not to exceed the established graduate full-time rate.
3. Maximum fees may not apply to special offerings between terms, for concentrated courses during a term, or at specific off-campus locations when the institution determines that the course(s) should not be included for purposes of determining maximum fees.
4. For institutions with multiple summer sessions, maintenance fees and tuition may be assessed by using the current part-time rate with no maximum amount for total credit hours enrolled.
5. Maintenance fees may not be waived. However, specific exceptions are provided in the following instances:

- a. Pursuant to TCA 49-7-113, exceptions exist for certain disabled and elderly students, as well as state service retirees. For audit courses, no fee is required for persons with a permanent, total disability, persons 60 years of age or older and domiciled in Tennessee, and persons who have retired from state service with 30 or more years of service, regardless of age. For credit, a fee of \$70 per semester or \$60 per trimester may be charged to persons with a permanent, total disability, and persons who will become 65 years of age or older during the academic quarter or semester in which they begin classes and who are domiciled in Tennessee. (Note: This fee includes maintenance fees, student activity fees, technology access fees, and registration fees; it does not preclude an application fee, late fee, change-of-course fee, parking fee, special course fee, etc.). This only applies to enrollment on a space available basis, which permits registration no earlier than four (4) ~~week-weeks~~ prior to the first day of classes.
- b. Pursuant to TCA 49-7-102, certain statutory fee exceptions exist for dependents and spouses of military personnel killed, missing in action, or officially declared a prisoner of war while serving honorably as a member of the armed forces during a period of armed conflict. If these provisions are invoked by a student, the correct applicable law should be determined.

C. Accounting Treatment

1. A revenue account for Maintenance Fees is used to record both the revenue assessed and refunds made.
2. As provided in GASB Statements 34 and 35, summer school revenues and expenditures must be accrued at fiscal year-end. Summer school activity will not be allocated to only one fiscal year.
3. In some cases full fees are not assessed to students. These occur when statutes establish separate rates for such groups as the disabled, elderly, and military dependents. The difference between normal fees and special fees is not assessed. Fees not assessed in these cases do not represent revenue. For administrative purposes the fees may be calculated and credited to revenue, then written off against a contra revenue account.
4. Agreements/contracts may be executed with a third party (federal agency, corporation, institution, etc.), but not with the individual student, to deliver routine courses at a fixed rate or for the cost of delivering the course and may provide for fees not to be charged to individual students. Individual student fees will be assessed as usual and charged to the functional category Scholarships and Fellowships. The amount charged to or paid by the third party is credited to the appropriate Grants and Contracts revenue account.

5. In some cases a non-credit course provides an option to grant regular credit. If a separate (or additional) fee is collected because of the credit, that amount is reported as Maintenance Fee revenue.
6. Full-time employees of the Tennessee Board of Regents and the University of Tennessee systems may enroll in one course per term at any public postsecondary institution, with fees waived for the employee. No tuition paying student shall be denied enrollment in a course because of enrollment of TBR and UT employees. Spouses and dependents of ~~certain~~ employees of the Tennessee Board of Regents system may be eligible for a student fee discount for undergraduate courses at Tennessee Board of Regents institutions (including technology centers) and the University of Tennessee.

Tennessee Board of Regents institutions exchange funds for tuition fees of employees' spouses and dependents who participate in a Tennessee Board of Regents educational assistance program. Effective Fall term 1990, the charging and exchanging of funds for maintenance fee discounts between Tennessee Board of Regents institutions and the University of Tennessee shall begin. To the extent they are not reimbursed by the State, fee waivers for full-time State employees and fee discounts to children of certified public school teachers shall be accounted for as a scholarship.

III. Out-of-State Tuition

A. Description of Fee

1. This is an additional fee charged to students classified as non-residents who are enrolled for credit courses, including audit courses. This fee is in addition to the maintenance fee.
2. Out-of-state tuition fee rates are established by the Tennessee Board of Regents and are incorporated in the annual fee schedule.
3. This fee is the same for graduates and undergraduates at all institutions and includes a rate per student credit hour with a maximum fee. The maximum does not apply to special offerings in the same cases that the maximum maintenance fee does not apply.
4. Applicability of out-of-state tuition is determined pursuant to Tennessee Board of Regents Policy on Regulations for Students In-State and Out-of-State for the Purpose of Paying College or University Fees and Tuition and for Admission Purposes (No. 3:05:01:00). The business office will collect fees based upon student classification as determined by the appropriate authority within the institution.

B. Accounting Treatment

1. A revenue account for out-of-state tuition is used for recording both credits for fees and debits for refunds.

2. Other accounting is the same for out-of-state tuition ~~to as~~ that outlined under Maintenance Fees except that separate out-of-state accounts are used. In the case of fees not collected from students under grants and contracts, the same expense account under Scholarships and Fellowships may be used.

IV. Debt Service Fees

- A. The amount of debt service fees will be approved by the Tennessee Board of Regents. Separate rates are recommended by each institution based on requirements of the institution.
- B. For simplicity of administration and communication, institutions may combine debt service with maintenance fees in quoting fee rates, in fee billings and charges, and in making refunds.
- C. Revenue from debt service fees will be recorded in the unrestricted current fund and then transferred to the retirement of indebtedness fund as either a mandatory transfer or a non-mandatory transfer. The portion of debt service fee revenue used for current-year debt service will be reported as a mandatory transfer. Any additional debt service fee revenue will be transferred to the retirement of indebtedness fund as a non-mandatory transfer.

V. Student Fees

- A. A student government activity fee may be established pursuant to T.C.A. § 49-8-109. Any increase in this fee shall be subject to a referendum for student body approval or rejection. The fee will be administered in accordance with the provisions adopted by each institution. These fees will be restricted current funds additions. ~~It is~~ **These fees are** refundable on the same basis as maintenance fees or as established by the institution.
- B. Student activity fees (other than student government activity fees) will be approved by the Tennessee Board of Regents. Such fees may be recommended by each institution based on services to be provided which are related to the activity fee. These fees will be unrestricted current funds revenues. ~~It is~~ **These fees are** refundable on the same basis as maintenance fees or as established by the institution.

VI. Specialized Academic Fees

Certain academic programs require expensive maintenance/updating of equipment and software and the employment of highly qualified staff. The high costs of instruction for these programs can be offset by establishing specialized academic fees, with the Board's approval. To receive approval for a specialized academic fee, a program will be required to meet criteria A, High Cost of Instruction as defined below. Additionally, the program should document meeting criteria B-G, as applicable.

- A. High Cost of Instruction. Programs qualifying for charging specialized academic fees must demonstrate that they are more costly than other programs offered by the

institution. If appropriate, the extraordinary cost of the program must be validated including benchmarking with similar programs in the region and nation.

- B. High Demand. The number of students enrolled in the program and the student credit hours generated are sufficient to justify additional fees.
- C. High Cost of Updating/Maintaining Equipment and Software. Programs qualifying for charging specialized academic fees are expected to be those that require extensive maintenance and regular updating of equipment and/or software, all of which are very expensive. An average hardware/software cost per student credit hour serves as the basis for determining the amount of the fee.
- D. Accreditation. Meeting standards of specific accrediting agencies may also qualify a specialized program for charging specialized academic fees. The accrediting standards that justify a fee are those that specify the possession and use of certain equipment and unique software that are extraordinarily costly and/or the employment of faculty with specific credentials that demand high salaries.
- E. High Recognition and Quality. The programs approved for specialized academic fees are expected to be distinctive and with a regional or national reputation. The program must demonstrate that it has achieved exceptional recognition in its particular enterprise.
- F. High Value to Tennessee. The program must demonstrate that it is a good investment for the State of Tennessee to justify charging extra fees to the student. The program should be distinctive and not one duplicated in other TBR institutions and should be of integral value to Tennessee. The graduates' earning potential and the associated benefit to the state economy should be projected, as well as the efforts taken by the institution to aid graduates in finding appropriate employment in Tennessee.
- G. Impact on Affected Students. Through surveys, questionnaires, or other suitable means, the program must demonstrate that the charging of additional fees will not diminish enrollment. The program should demonstrate that enrolled students realize that the potential earning power in the work force justifies their additional investment.

Institution must submit documentation of the above applicable criteria when requesting approval of a specialized academic fee.

VII. Miscellaneous Course Fees

~~Unless specifically approved by the Tennessee Board of Regents, miscellaneous course fees are not authorized.~~ **All miscellaneous fees must be approved by TBR.** However, fees **Fees** for courses requiring special off-campus facilities or services ~~may be charged and do not require Board approval but~~ should reflect the cost of the facilities or services.

VIII. Incidental Fees and Charges

A. Uniform Rates and Policies

Institutions

The following fees will be uniformly charged (or, if applicable, to the extent that they remain within the set range) at all institutions both as to the amount and condition of assessment. Charges are subject to approval by the Tennessee Board of Regents.

1. Application Fee: Undergraduate - Not less than \$5.00 nor more than \$25.00. Graduate - Not less than \$5.00 nor more than \$35.00. ETSU College of Medicine and College of Pharmacy - ~~\$100~~; **Not less than \$50 or more than \$100**. This is a non-refundable fee paid by an individual who applies for admission to the institution. A student is required to pay this fee when he/she applies for admission as a graduate student even if the student attended ~~an a~~ **TBR** institution as an undergraduate student. Additionally, the student is required to pay this fee when he/she applies for admission to a doctoral-level program after receiving a masters-level degree from the institution.
2. Graduation Fee: This fee shall be assessed according to degree level as follows and shall include the cost of the diploma and rental of academic regalia:

Associate Degree	\$25.00
Baccalaureate	30.00
Master and Specialist	35.00
Doctor and Juris Doctor	45.00

The fee is refundable only if the institution has incurred no costs on the student's behalf. Other items may be included in the fee, as determined by the institution. Additional fees may be charged for optional graduation-related activities or services.

3. Late Exam Fee: None

Institutions and Technology Centers

4. Returned Check Fee: \$30.00 per check - nonrefundable. All institutions ~~and technology centers~~ will charge a returned check fee that is the maximum set by state law. This fee will apply to all returned checks received by the institution ~~or technology center~~, whether from students, faculty, staff, or other parties. The Board will review state statutes each spring to determine any changes.

Technology Centers

Each technology center will assess a nonrefundable fee for individual instructional projects pursuant to a schedule approved by the Tennessee Board of Regents.

B. Other Fees and Charges Subject to Board Approval

Institutions

The following fees may be assessed by all institutions. Specific rate recommendations will be developed separately by each institution for approval by the Tennessee Board of Regents. In review of the recommendations, the Board staff will consider the consistency of fees for comparable services among institutions.

1. Motor Vehicle Registration - nonrefundable. A fee ~~will~~**may** be levied by each institution per academic year, per fiscal year and/or per academic term for motor vehicle registration, and such fee shall be applicable to each student, faculty and staff member.
2. Campus Access Fee - At institutions where registration of specific vehicles is not necessary and where traffic control is not a significant concern, a campus access fee may be assessed in lieu of a motor vehicle registration fee. It is refundable on the same basis as maintenance fees or as established by the institution.
3. Post Office Box and/or Postal Service Fee - nonrefundable. There ~~will~~**may** be a charge for the U.S. Post Office box or for any special arrangements for delivery of U.S. mail and it will be applicable to any person who has a U.S. Post Office box or who has made special arrangements through which regular U.S. mail may be received.
4. Traffic Fines - nonrefundable. These fines will apply to all employees and students.
5. Applied Music Fees. This fee is charged for private music lessons or small group training sessions. It is refundable on the same basis as maintenance fees or as established by the institution.
6. Late Registration Fee. A late registration fee up to \$100 will be charged during the entire period of late registration. The effective date of the fee will be determined by each institution.
7. Facilities Fee. This fee will be used to improve facilities and fund expenditures such as replacing carpets in student lounges, remodeling classrooms, etc. The fee would not be used for routine maintenance or new construction, but would be used to make improvements to areas that have an impact on students. The intended projects will be disclosed during the normal budget cycles. The fee is refundable on the same basis as maintenance fees.

Institutions and Technology Centers

1. (A) Technology Access Fee - A fee shall be levied by each institution for the purpose of providing student access to computing and similar

technologies. It is refundable on the same basis as maintenance fees or as established by the institutions.

(B) A detailed spending plan of the funding generated by the access fee shall be submitted during the July budget process for approval by the Chancellor or his designee. Revisions to approved spending plans that expand existing projects or add new projects must be approved by the Chancellor or the Chancellor's designee. At the end of the fiscal year, a summary of the actual money generated and actual use of the money shall be submitted during the financial statement process for review by the Chancellor or his designee.

(C) In both the spending plan and the actual expenditure of the technology access fee as indicated in (B) above, institutions shall report designated expenditure accounts and designated revenue accounts for purposes of recording technology access fees and expenditures.

2. Transcript Fee. There will be no charge for transcripts; however, institutions and technology centers shall set a limit on a reasonable number of copies at any one time and may establish a nonrefundable charge for the cost of copying transcripts in excess of that number.

C. Fees and Charges to be Established and Administered by the Institution or ~~Technology Center~~

The following fees and charges may be established and administered by each institution ~~and technology center~~. No specific approval or notification to the Tennessee Board of Regents will be required unless subject to other Board or State requirements. The institution or technology center will establish appropriate refund policies. Technology center fees and charges in this category must be approved by the Vice Chancellor for ~~Vocational-Technical Education~~. **Technology Centers.**

1. Sales of goods and services of a commercial nature, including bookstores, food services, vending, laundry and similar activities.
2. Rental of non-student housing and facilities.
3. Admissions fees to athletic and other events open to the public, including special events sponsored by campus organizations and activities.
4. Sales and services of educational activities such as clinical services, publications, etc.
5. Registration for conferences, institutes, and non-credit activities (see X.D.).
6. Fees for use of campus facilities for recreational purposes.
7. Parking permits and parking meters for use by guests and visitors.

8. Technology centers may assess a fee for specific school instructional projects to defray incidental costs incurred by the technology center in performing the project.
9. Nonrefundable library fines, which will apply to students, faculty, staff, and other library users.
10. Thesis and dissertation fee - nonrefundable. The fee will be determined based upon cost to the institution.
11. Child Care Fees - Kindergarten, Preschool, Early Childhood, Day Care, or similarly defined activities. The refund policy will be established by the institution.
12. Special Exam Fee - nonrefundable. The fee will be determined based upon cost to the institution.
13. Standardized Test Fees - nonrefundable. The fee will be determined based upon the cost for administering the tests.
14. Identification Card Replacement - nonrefundable. There will be no charge for the original identification card. A fee may be set by each institution to offset the cost of replacing the card. This fee applies only to student ID cards and not to faculty and staff ID's.
15. Change of Course or Section Fee - nonrefundable. If the change is caused by the institution, there will be no charge for the change. If two or more forms are used at one time, they will be treated as one change/form. Institutions may waive the fee for schedule changes.

IX. Deposits

- A. Breakage deposits may be recommended by the institution ~~or technology center~~ for Board approval for courses in which it can be shown that there is a reasonable chance of loss or damage to items issued to students. The amount of the deposit should be related to the materials issued and subject to a 100% refund.
- B. A deposit may be established by the institution ~~or technology center~~ for rent or lease of buildings and facilities or for the issuance of other institutional ~~or technology center~~ property or equipment. Deposits should be subject to a 100% refund if no damage or loss occurs. The amount of such deposits should be related to the value of the facilities or equipment subject to loss and the general ability of the institution to secure reimbursement should loss or damage occur.
- C. Pursuant to Tennessee Board of Regents Policy on Student Residence Regulations and Agreements (No. 3:03:01:00), each institution is authorized to require a security deposit for residence hall facilities which may be forfeited by the student for failure to enter into a residence agreement or non-compliance with applicable agreement terms.

X. Student Residence Hall and Apartments

All regular and special rental rates for student dormitories and student apartments will be approved by the Tennessee Board of Regents upon the recommendation of the institution. A \$5.00 late payment fee shall be assessed. Each institution may recommend special rates for non-student groups during summer periods, etc.

Pursuant to Tennessee Board of Regents Policies on Student Resident Regulations and Agreements (No. 3:03:01:00) and Payment of Student Fees and Enrollment of Students (No. 4:01:03:00), rental for student dormitory or residence hall units shall be payable in full in advance of the beginning of a term. However, each institution shall offer an optional payment plan under which a prorated amount of the rental shall be payable monthly in advance during the term. Specific provisions for the payment plan must comply with those cited in Policy No. 3:03:01:00. A ~~\$5.00~~ monthly service charge and a ~~\$15.00~~ late payment charge may be assessed. Residence Hall students can participate in either the deferred payment plan (Guideline B-070) or the optional monthly housing payment plan. Each institution has the option of allowing students to participate in both the deferred payment plan and the optional monthly housing payment plan.

XI. Other Fee and Charge Considerations

Institutions and technology centers may submit for Board of Regents approval fees and charges not specifically covered by those guidelines when the establishment of a fee or charge is justified by the institution ~~or technology center.~~

- A. Fees may be established to control the utilization of facilities and services or to offset the cost of extraordinary requirements as a result of specific programs or activities. [Reference Tennessee Board of Regents Policy on Use of Campus Property and Facilities (No. 3:02:02:00).]
- B. ~~Where~~ **When** fees and charges are incorporated in agreements with outside contractors and vendors, specific rates, refunds and conditions must be clearly stated.
- C. Fees for auxiliary services must take into consideration that Auxiliary Enterprises should be a break-even operation with rates and charges generating revenue sufficient to cover all expenses as defined in operating budget guidelines.
- D. Fees established for non-credit courses and activities shall be sufficient to cover the total costs incurred in providing instruction plus a minimum of 25% of the annual instructional salary costs including contractual salary costs or personal services contracts.
- E. Students enrolled for six or more hours are eligible for full-time privileges, i.e., access to social, athletic, and cultural functions, pursuant to T.C.A. § 49-8-109.

XII. Refunds

Refunds of all fees and charges must be in accordance with the following provisions except ~~where~~ as previously stated, or ~~where~~ when required by federal law or regulation to be otherwise.

Pursuant to T.C.A. § 49-7-2301 and 49-7-2302, students called to active military or National Guard service during the semester are entitled to a 100% refund or credit of mandatory fees. Housing and meal ticket charges may be prorated based on usage.

A. Maintenance Fee Refunds

1. Refunds are 100% for courses canceled by the institution.
2. Changes in courses involving the adding and dropping of equal numbers of SCH's for the same term at the same time require no refund or assessment of additional maintenance fees. The change of course fee would be applicable.
3. The basic refund for withdrawals or drops during regular terms (fall and spring) is 75% from the first day of classes through the fourteenth calendar day of classes and then reduced to 25% for a period of time which extended 25% of the length of the term. There is no refund after the 25% period ends.
4. For summer sessions and other short terms, the 75% refund period and the 25% refund period will extend a length of time which is the same proportion of the term as the 75% and 25% periods are of the regular terms.
5. All refund periods will be rounded to whole days and the date on which each refund period ends will be included in publications. In calculating the 75% period for other than the fall and spring and in calculating the 25% length of term in all cases, the number of calendar days during the term will be considered. When the calculation produces a fractional day, rounding will be up or down to the nearest whole day.
6. A full refund (100%) is provided on behalf of a student whose death occurs during the term. Any indebtedness should be offset against the refund.
7. A 100% refund will be provided for students who enroll under an advance registration system but who drop a course or courses prior to the beginning of the first day of class.
8. A 100% refund will be provided to students who are compelled by the institution to withdraw when it is determined that through institutional error they were academically ineligible for enrollment or were not properly admitted to enroll for the course(s) being dropped. An appropriate official must certify in writing that this provision is applicable in each case.
9. When courses are included in a regular term's registration process for administrative convenience, but the course does not begin until later in the term, the 75%/25% refunds will be based on the particular course's beginning and ending dates. This provision does not apply to classes during the fall or

spring terms which may meet only once per week. Those courses will follow the same refund dates as other regular courses for the term.

10. The refund percentage is applied to the difference between the per hour rate (or maximum) for the number of credit hours immediately before the drop or withdrawal and the number immediately afterward.

B. Out-of-State Tuition Refunds

The refund provision for out-of-state tuition is the same as that for maintenance fees. A 75% refund is made for the same period and a 25% refund is made for the same time period. When 100% of maintenance fees are refunded, 100% of out-of-state tuition also is refunded. Calculation procedures are the same as those specified for maintenance fees.

C. Debt Service Fee Refunds

Debt service fees will be subject to the same refund policy as maintenance fees.

D. Student Residence Hall/Apartment Rent and Deposit Refunds

1. Refund of residence hall rent after registration will be prorated on a weekly calendar basis when the student is forced to withdraw from the residence hall: (1) because of personal medical reasons confirmed in writing by a licensed physician, or (2) at the request of the institution for other than disciplinary reasons. Full refund will be made in the case of the death of the student. Withdrawals for other reasons will be subject to the same 75%/25% amounts and time periods as maintenance fees. No refund will be made other than under the above conditions.
2. Residence hall reservations and breakage deposits will be refunded in full if: (1) the institution is notified by a specific date which it establishes, but which may not be later than 14 calendar days prior to the first official day of registration, (2) the student is prevented from entering the university because of medical reasons confirmed in writing by a licensed physician, or (3) residence hall space is not available. Full refund also will be made in the case of the death of the student.

E. Meal Plan Refunds

Each institution with meal plans should develop appropriate refund procedures.

Source: December 2, 1977 TBR meeting. Revised March 14, 1980 TBR meeting; November 13, 1991 presidents meeting; November 8, 1982 presidents meeting; July 1, 1984; November 1, 1988; May 15, 1990 presidents meeting; August 14, 1990 presidents meeting; November 10, 1992 presidents meeting; August 10, 1993 presidents meeting; November 9, 1993 presidents meeting; August 9, 1994 presidents meeting; May 8, 1995 presidents meeting, August 8, 1995 presidents meeting, November 8, 1995 presidents meeting, February 6, 1996 presidents meeting, May 14, 1996 presidents meeting, November 12, 1996 presidents meeting, May 6, 1997 presidents meeting, July

16, 1997 called Board meeting, November 5, 1997 presidents meeting, February 17, 1998 presidents meeting via conference call, August 25, 1998 presidents meeting, May 9, 2000 presidents meeting, August 8, 2000 presidents meeting, November 8, 2000 presidents meeting, February 13, 2001 presidents meeting, August 21, 2001 presidents meeting, May 21, 2002 presidents meeting, February 11, 2003 presidents meeting, May 20, 2003 presidents meeting, February 10, 2004 presidents meeting, August 17, 2004 presidents meeting, February 8, 2005 presidents meeting, May 17, 2005 presidents meeting, February 8, 2006 presidents meeting, May 16, 2006 presidents meeting, August 16, 2006 presidents meeting.

**EDUCATIONAL ASSISTANCE FOR STATE EMPLOYEES AND DEPENDENTS OF STATE
EMPLOYEES AND PUBLIC SCHOOL TEACHERS**

B-061 - Support for Educational Assistance

The Tennessee Board of Regents is committed to the need for the continued professional growth and development of employees. Support for educational assistance of personnel and their dependents is an important vehicle for addressing that need. The programs for TBR employees and dependents are available subject to funds being budgeted and available within the institution/technology center/Central Office. The Office of Human Resources is responsible for the administration of the various programs with the exception of the program for dependents of veterans (B-061) and two programs offered to general state employees and the dependents of licensed teachers and State employees (B-062). Exceptions to the provisions of the programs for TBR employees can be made upon recommendation of the president/director and approval by the Chancellor.

Types of Support for Educational Assistance

The guidelines for Educational Assistance (P-130, P-131, B-061, B-062) contain a total of eleven (11) programs. The Programs in P-130 provide benefits to personnel at TBR institutions, Tennessee Technology Centers and the Central Office to further their formal education. The Program in P-131 provides benefits for dependents of TBR employees. The programs in B-061 provide assistance to dependents of veterans and to state employees 65 years of age and older. The programs in B-062 provide assistance to state employees and dependents of public school teachers. The programs are:

P-130 – Educational Assistance for TBR Employees

- I. Faculty or Administrative/Professional Staff Grant-in-Aid Program
- II. Faculty or Administrative/Professional Staff Tuition or Maintenance Fee Reimbursement Program
- III. Employee Audit/Non-credit Program
- IV. Clerical and Support Staff Maintenance Fee Payment Program
- V. Fee Waiver for TBR/UT System Employees Program (PC 191)

P-131 – Educational Assistance for Spouse and Dependents of TBR Employees

- I. Fee Discount for Spouse and/or Dependent Children Program

B-061 – Educational Assistance for State Employees and Dependents of State Employees or Public School Teachers

- I. Public Higher Education Fee Waiver for State Employees Program

- II. Fee Discount for Dependent Children of Licensed Public School Teachers or State Employees Program

B-062 – Other Educational Assistance Programs

- I. Veterans' Dependents' Post-Secondary Education Program
- II. Age 65 or Above Program

Complete eligibility information is contained within each Guideline.

Taxation of Educational Assistance Programs

Undergraduate and graduate course tuition, up to \$5250 per year, paid by the Tennessee Board of Regents institutions and the University of Tennessee System for their employees is eligible for exclusion from the employees' gross annual income, in accordance with Internal Revenue code (IRC) Section 127.

I. Public Higher Education Fee Waiver for State Employees Program

(This fee waiver program is for general state employees exclusive of TBR and UT system employees.)

These rules implement the provisions of the T.C.A. § 8-50-1. The Code enables full-time employees of the State of Tennessee to be eligible for enrollment in one course per term at any State supported college or university or Tennessee technology center without paying tuition charges, maintenance fees, debt service fees, student activity fees, technology access fees, or registration fees. Employees are responsible for special course fees, books and supplies, application fees, applied music fees, lab fees, off-campus facilities fees, parking fees and traffic fines.

Pursuant to T.C.A. § 10-5-101 et seq., employees of the State's regional library system became employees of the Department of State, effective July 1, 1999. As such, they became eligible to participate in the State's educational assistance programs. In addition, effective September 8, 1999, the Tennessee Higher Education Commission determined that Human Resource Agency employees are not State employees as that term is defined in the Commission's rules governing these programs and thus are not eligible for fee waivers.

Course enrollment will be permitted on a "space available" first-come-first-~~serve~~ **served** basis. State employees may register no earlier than four (4) weeks prior to the first day of classes. No tuition paying student shall be denied enrollment in a course because of state employee enrollments pursuant to this section.

State employees must receive credit for the course in which they are enrolled. In addition, changes may not be made from credit to audit during the course of the term. Other guidelines and procedures for administration of this program are printed on the reverse side of the Request for Public Higher Education Fee Waiver for Employees of the State of Tennessee form. These forms are available from the Tennessee Higher Education Commission.

II. Fee Discount for Dependents of Licensed Public School Teachers or State Employees Program

These rules implement the provisions of T.C.A. § 49-7-101 et seq. and § 8-50-101 et seq. The Codes enable children under the age of twenty-four (24) to receive a twenty-five percent (25%) discount on tuition at any state operated institution of higher learning if their parent: (1) is employed as a full-time licensed teacher in any public school in Tennessee or as a full-time employee of the state of Tennessee, (2) is a retired employee of the state of Tennessee who retired after a minimum of twenty-five (25) years of full-time creditable service, (3) was killed in the line of duty while a full-time employee of the state of Tennessee, or (4) died while a full-time employee, though not "in the line of duty."

Tuition includes undergraduate maintenance fees, technology center program fees, and technology access fees; it does not include application for admission fees, student activity fees, debt service fees, lab fees, applied music fees, books and supplies, dormitory charges or meal plans.

Other guidelines and procedures for administration of this program are printed on the reverse side of the Request for Public Higher Education Fee Discount for Dependents of Certified Public School Teachers form. These forms are available from the Tennessee Higher Education Commission.

Source: Presidents Meeting, February 7, 2006; Presidents Meeting, November 6, 2006