BUSINESS AFFAIRS SUB-COUNCIL

April 16, 2013

MINUTES

The meeting began at 9:00 a.m. in the TBR Board Room. Present were Ms. Cynthia Brooks (TSU); Mr. Steve Campbell (NeSCC); Mr. Horace Chase (JSCC); Dr. David Collins (ETSU); Ms. Beth Cooksey (VSCC); Mr. John Cothern (MTSU); Ms. Mary Cross (NaSCC); Mr. Danny Gibbs (RSCC); Mr. Mike Gower (MTSU); Mr. Lowell Hoffman (DSCC); Mr. Ken Horner (CoSCC); Mr. Tim Hurst (APSU); Dr. Rosemary Jackson (WSCC); Mr. Ron Kesterson (PSCC); Ms. B.J. King (ETSU); Mr. Mitch Robinson (APSU); Mr. Stanley Robinson (STCC); Ms. Jeannie Smith (UOM); Dr. Claire Stinson (TTU); Ms. Tammy Swenson (ChSCC); Ms. Hilda Tunstill (MSCC); Dr. Tommy Wright (ClSCC); Mr. Jeff Young (TTU); Mr. David Zettergren (UOM); Chancellor John Morgan, Ms. Tammy Birchett, Mr. Blayne Clements, Mr. Tom Danford, Ms. Angela Flynn, Ms. Alicia Gillespie, Ms. Deanna Hall, Ms. Pat Massey, Ms. Mary Moody, Ms. April Preston, Ms. Brooke Shelton, Mr. Dale Sims, Ms. Renee Stewart, and Mr. Bob Wallace (TBR).

1. **Chancellor's Remarks**

   Chancellor Morgan discussed Western Governor's University. They are an online competency-based program that have been invited into Tennessee by the Governor. A WGU representative attended the Board retreat and provided some information about their program.

   Their focus is on adults who have completed a significant number of hours already and are looking to complete their degree. They are a self-paced competency based program. Students pay a flat rate for a six month period, and may complete as many courses as they can during that time frame. Based on this fee structure, it would not be beneficial to take only a couple of classes from them. Therefore, it does not appear that they will be significant competition to the TBR system with degree seeking students.

   By 2018, 55% of Tennessee jobs will require a post-secondary degree. Currently, only 32% of Tennesseans have a post-secondary degree, and the Governor's goal is to reach 55% by 2025. Randy Boyd, special advisor to the governor on higher education, is focusing on Massive Open Online Courses (MOOC's). There was originally $3 million in the budget for online initiatives, which has now been reduced to $2.5 million for online initiatives, with the remaining $500,000 being moved to reverse articulation. Mr. Boyd would like the online initiative money to help establish MOOC's in some fashion.

   The Chancellor also discussed some items from the Governor's budget. The Governor has recommended funding the outcome based formula. There is also $16 million in community college and technology center one-time funds. These funds can be used for equipment, including hardware and software, as well as possible curriculum development. TBR will need to submit an allocation to the governor and the Finance Committee for their approval before any funds will be disbursed. It is important for the proposal to address how this investment will translate into creating jobs.

2. Report of the Committees

A. Finance Committee

Dr. Collins highlighted the following issues from the April 2, 2013 Finance Committee meeting:

- Discover Rebate

  The committee discussed the disposition of the rebate received from the Discover card agreement. There were four institutions who did not accept the Discover card. As a marketing incentive, these four institutions each received $5,000 from Discover. In addition, Discover is rebating $5,000 a month ($60,000 annually) to the TBR system for a period of three years. The question of how the $60,000 will be allocated among the institutions was asked. It was suggested by TBR staff that $10,000 to $15,000 be kept at the TBR office to fund training for institutions in the areas of Finance, Human Resources and Purchasing. Some of the training would include online training tools.

  The committee discussed several different options about how to allocate the remaining $45,000 to $50,000. The committee discussed whether to base it on the number of transactions or volume of transactions. The committee discussed that the flex account money is only sent out once a year to the institutions and that perhaps this allocation should be modeled after that. After discussion and due to the small amount of $2,300 to $2,400 per institution, it was determined to divide the $45,000 to $50,000 equally among the 19 institutions and disburse it annually.

- Travel Policy 4:03:03:00

  The committee discussed the out-of-country travel in the travel policy. A question had been raised a while ago as to why Canada is listed separately as out-of-country in the travel policy. The committee discussed that Canada used to require the Chancellor's authorization but when the policy was updated to only require approval from the President, the section of Canadian travel did not get combined with the All Other Travel section.

  The committee decided to delete the Canada travel section since the All Other Travel section includes travel to Canada when referring to out-of-country travel. (Attachment A)

- Abandoned Personal Property

  The committee discussed procedures for the disposal of abandoned personal property as required by the Unclaimed Property Act. The State Treasurer's office was contacted by TBR to determine the proper procedures for disposing of personal property. Once an institution determines that personal property is unclaimed, they should send a list of the items to Treasury. Treasury will notify the campus of their rejection of the items and then the campus keeps those items as lost and found for 180 days. After 180 days, the campus should donate the items to an unrelated charitable organization. Attached are the procedures from Treasury. (Attachment B)

There may be a need to put abandoned personal property on the legislative agenda in the fall. Procedures may need to be put in place so that if the personal property is never claimed, the institution will have additional options available to properly dispose of unclaimed personal property.

- Enrollment for Students with Outstanding Debts Less Than $100

The committee discussed allowing students to enroll when their debt is $100 or less. TCA was reviewed and it states that if there is debt, you must withhold the student's diploma, transcripts and grade report. It does not state that the student is prohibited from re-enrolling. Proposed revisions were made to Policy 4:01:03:00 Payment of Student Fees and Enrollment of Students and Guideline B-010 Collection of Accounts Receivable to give discretion in re-enrolling the student when the debt is $100 or less.

The committee discussed this issue and some schools have been using a threshold of $200 to purge students. Federal regulations allow up to $200 of financial assistance to be used for a prior semester's unpaid fees. Most schools have been giving exceptions to these students.

There was much discussion of the magnitude of students with up to $200 debt. Subsequent to the Finance Committee meeting, institutions provided information to TBR staff that indicated that there were very few students at each institution that were being purged after the 14^{th} day.

The committee proposed revising the debt amount from $100 or less to $200 or less. Language was also added to clarify that all outstanding debts must be fully satisfied by the 14^{th} day purge of the semester in which enrollment with outstanding debt was allowed. (Attachments C & D)

- Findings and Weaknesses

The committee was given all findings and weaknesses published since the last quarterly Finance Committee meeting. There were four audit reports released in the last quarter, with a total of one finding. The finding was that notifications required by federal regulations were not performed for Perkins Loans in default status. The institution with the finding stated that their third party contractor for Perkins Loans had not followed the federal regulations. It was discussed that other institutions with a third party contractor for Perkins Loans need to monitor the procedures being followed.

The committee was made aware that one institution has a draft finding concerning Banner controls. Institutions need to be aware that State Audit is reviewing the controls that are in place for Banner.

The committee was also made aware that one institution has a draft finding regarding endowments that may have to be reclassified. Original paperwork is being reviewed to determine that the endowment is classified correctly. Schools were asked to go back and review their endowments and to ensure that the original source documents can be located. (Attachments E & F)

- Moving Allowances

  The committee discussed the feasibility of changing moving expenses to a non-accountable plan. UT is changing the payment of moving expenses from a reimbursement plan (accountable plan) to a moving allowance (non-accountable plan). The committee was in full agreement to change moving expenses to a non-accountable plan. Employees will need to be reminded that their moving allowance will be taxable income and that they will need to keep their receipts to use as tax deductions.

  The General Personnel policy will be reviewed to determine what changes will need to be made regarding moving expenses. It was also suggested that we consider including a limit. The revisions will be presented at a future Finance Committee meeting and will include a January 1, 2014 effective date. (Attachment G)

- GASB Update

  The GASB subcommittee met regarding the implementation of GASB 60, 62, 63 and 65. There will be an early implementation of GASB 65 since GASB 63 is required and GASB 65 covers similar topics. A list of questions will be sent to Larry Goldstein for the May 17th training session. (Attachment H)

- Advanced Refunding of Outstanding TSSBA Bonds

  The committee discussed the advanced refunding of outstanding bonds from TSSBA last August. In the past, we have not recorded bond premiums as deferrals, but have expensed them. Now that we amortize the premiums over the life of the bonds, the entries have changed. Renee Stewart has an example of how the entries should be made. Some institutions may use different balancing accounts for the debits and credits but as long as the end results are the same, there will not be a problem. The example entries have been added to the TBR website. (Attachment H)

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

B. Council of Buyers

Ms. Flynn highlighted the following issue from the March 28, 2013 Council of Buyers meeting:

- SciQuest

  Ms. Flynn informed the committee that based upon the activities that occurred during Wave 1 implementation, it had been suggested that Waves 2 and 3 may need additional time for implementation/Go Live. The Central Office approached SciQuest about this issue, and due to the significant fiscal impact, it has been decided that the Go Live dates for Waves 2 and 3 will remain unchanged.

  The Central Office has also been working with SciQuest regarding the number of enabled catalogs and the Central Office is proposing the following new arrangements for enabled suppliers: 3 Premium Suppliers, 14 Consortium Suppliers and 10 E & I Suppliers.

  This new arrangement will allow institutions to have access to 27 suppliers instead of the originally proposed 20. Ms. Flynn is working with SciQuest regarding the E & I suppliers, as Tennessee has state law restrictions on the E & I suppliers that we can utilize.

  In addition, it has been worked out with SciQuest that the TBR Central Office will buy the additional packs of consortium and premium suppliers and issue these to the institutions as they need to add suppliers. This will be a significant cost savings to the institutions as they will only be required to buy a single supplier instead of the original plan of purchasing a pack of ten at one time.

The Council of Buyers minutes were approved.

C. Human Resources

Ms. Preston highlighted the following issues from the March 20, 2013 Human Resource Officers meeting:

- Policy 5:01:01:20 Alternative Work Arrangements (formerly Telecommuting)

  The proposed revisions are to expand the policy to include other arrangements, such as flex time, compressed work weeks and job sharing, in addition to telecommuting. This policy provides the opportunity for institutions to offer alternate work arrangements, but does not require it. It is recommended that the requirements and determination of eligibility be left to each institution to address.

  A concern was expressed over the fact that the proposed policy no longer required the inspection of the employee’s home before beginning telecommuting. General Counsel was asked to look into the issue of possible worker’s compensation claims for employees working in their homes. There was concern that if institutions were no longer obligated to inspect the work environment in employees’ homes, that the institution could be held liable. (Attachments I & J)

- TBR Guideline P-110 Employee Grievance/Complaint Guideline

  The proposed revisions are to provide clarity, to include the language related to unlawful discrimination and harassment being covered under a separate Guideline (P-080), and to correct the records retention requirement. The revisions are also to specifically clarify that the employee should begin the face-to-face meetings with the individual who initiated the employment action, which may not necessarily be the supervisor. (Attachment K)

- TBR Guideline P-111 Support Staff Grievance

  The proposed revisions are to provide clarity, to include the language related to unlawful discrimination and harassment being covered under a separate Guideline (P-080), and to correct the records retention requirement. The revisions are also to specifically clarify that the employee should begin the face-to-face meetings with the individual who initiated the employment action, which may not necessarily be the supervisor. (Attachment L)

- TBR Guideline P-130 Educational Assistance for TBR System Employees

  The proposed revisions are to consolidate the Guideline and reorganize it based on the programs used the most. Additionally, the proposed revisions allow for the use of the various tuition programs in each of the sessions, including the winter sessions and removes the mandatory limit of four (4) classes per year. With the exception of the fee waiver program, which is mandated by state law, all other programs are at the discretion of each institution. (Attachments M, N, O & P)

  After much discussion, the committee decided to delay the approval of this guideline change in order to allow the institutions to assess the fiscal impact of removing the four classes per year limit.

- TBR Guideline P-160 Post Retirement Service Program for Tenured Faculty

  The proposed revisions are to provide clarification and consistency between the Guideline and the sample forms without duplicating the Guideline within the forms. (Attachment Q)

- Affordable Care Act

  Ms. Preston was asked for an update on the Affordable Care Act and how it will affect adjuncts and other part-time employees. An employee must work 1560 hours per year, which averages out to 30 hours per week, to be eligible for health care benefits. If a 12 hour course load was used as the guideline for adjuncts, community colleges would have approximately 500 eligible employees and the universities would have approximately 200. There are also between 1,600 – 2,000 temporary workers system-wide that would qualify for benefits. The employer is responsible for paying 80% of the premium, which is approximately $1,000 per month, per employee. It was also noted that each institution is a separate employer.

Ms. Preston informed the committee that the measurement period for determining eligibility can be no less than 90 days, but no more than one year. She also stated that we cannot use the summer as our measurement period. However, we do have the ability to differentiate the measurement period between employee classifications. The guidelines also allow for the use of a different measurement period this year versus future years. Ms. Preston stated that we should know our measurement period by July.

A question was raised as to what will happen if an employee is determined to be eligible, and then later becomes ineligible. If an eligible employee's hours decrease, making them no longer eligible for coverage, the employer must maintain the insurance coverage for the duration of the stability period (ex. through the end of the year). Then, the coverage would be discontinued the following year. In 2014, the coverage must be offered to the employee only. After 2014, we will be required to offer coverage to employees and their eligible children.

The Human Resource Officers minutes, with the policy and guideline changes, with the exception of Guideline P-130, were approved.

D. Internal Audit

Mr. Clements highlighted the following issues from the March 20, 2013 Internal Auditors meeting.

- Athletic Equipment Donations

  An explanation of the NCAA Division I Manual, Item 13.15.1.6.1, regarding the Athletics Equipment policy, was provided. It states that used athletic equipment cannot be donated from a NCAA member institution to a high school, but it does allow donations to a bona fide youth organization. However, TBR Policy 4:02:20:00 Disposal of Surplus Property, does allow donations of surplus personal property to public schools or systems.

- Auditing Using Scanned Documents

  The group discussed potential issues of having and using only scanned images of receipts and other documents for audit purposes. Several auditors discussed their school's procedures for storing documents electronically. Ms. Birchett referenced TBR Guideline B-095 Use of Electronic Signatures and Records. Ultimately, when a school is storing electronic or scanned documents, proper control procedures should be used to ensure the integrity of the documents.

There was some discussion on whether or not State Audit was willing to accept scanned documents. Institutions were asked to notify TBR staff if they experienced state auditors who were unwilling to accept scanned documents. If this seems to be the case, we may need to revise the policy wording.

- TSU Draft State Audit Findings - Re: Information Technology

  The group discussed recent issues noted regarding IT controls and procedures by state auditors on draft findings. Once the audit report is released, the findings will be available on the Comptroller's website and will be shared as needed with other institutions. Mike Batson, of TSU, will provide a summary of key controls and best practices to share with the internal auditors. State auditors may continue to have a focus on IT when auditing other TBR campuses.

- Comptroller's Office Hotline

  The group was informed that any documents related to a Comptroller's hotline call are confidential documents, not subject to the open records law. The transcripts of such calls, working papers and reports generated should be marked and treated as confidential documents.

The Internal Audit minutes were approved.

3. <u>TTU Audit – Graduate Assistantships</u>

The committee was informed that State Audit has questioned the way graduate assistantships are being accounted for at TTU. Currently, part of a graduate assistant's pay goes through payroll as a stipend and the other portion is classified as educational assistance and goes through the scholarship allowance. State Audit feels that the entire portion should go through payroll, and should be classified as an institutional expense and not scholarship allowance. According to IRS regulations, if the graduate assistant's main duties are in instruction or research, it is not considered taxable income, and is not included on the W-2.

TTU has not made the change requested by State Audit. They feel that it is a TBR decision because this would affect all TBR universities. Mr. Zettergren is going to forward TTU some guideline information that they use.

4. <u>TSSBA Appropriation Intercept Program Policy</u>

The committee discussed the TSSBA intercept legislation that was recently passed. A policy has been developed to outline how to distribute the intercept in the event it is ever needed. The committee approved the proposed policy. (Attachment R)

5. <u>Adjunct Pay Rate Policy</u>

The committee discussed the proposed adjunct pay rate policy. According to the new policy, the current maximum amounts would be converted to minimum amounts. This is expected to have a significant financial impact on the institutions. Ms. Preston is going to contact the HR personnel at the institutions to get their best estimate of cost. However, preliminary studies predict that most community colleges will see an increase of $250,000 to $300,000, and a few will see increases of $500,000 to $1,000,000 annually. Although this is an Academic Affairs policy, due to the large financial implications, it needs to come before the BASC before moving forward.

6. Other Items

- Mr. Sims encouraged the group to remain on the low side of the THEC range when submitting fee increase requests. Committee members were told to be prepared to defend how it will affect their completions, etc.
- Mr. Sims was asked about employee bonus and incentive payments. He informed the group that if an institution was going to propose a bonus/incentive payment, they need to provide justification as to why they feel it is needed at this time.

7. Election of BASC Chair

The committee elected Mr. David Zettergren as the BASC chair.

The meeting was adjourned at 11:25 a.m.

III. Authorization of Travel

l. 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 Technology Centers for employees of the schools, and the Chancellor for employees of the Board.~~

4. All Other Travel - Authorization for travel by an employee to Alaska, Hawaii, and all out-of-country travel shall be subject to approval by the president. 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.

(B) If required by rule and regulation promulgated pursuant to § 66-29-115(d), securities or security entitlements under title 47, chapter 8.

(2) The treasurer may create separate and distinct unclaimed property report forms for the reporting of such property. The report forms shall elicit such information as the treasurer deems appropriate.

(d) If the person holding property presumed abandoned is a successor to other persons who previously held the property for the owner, or if the holder had a change of name while holding the property, that person shall file with the report all prior known names and addresses of each holder of the property.

(e) The report shall be filed before May 1 of each year, reporting property held as of the previous December 31. The treasurer may postpone the reporting date upon written request by any person required to file a report.

(f) Not more than one hundred twenty (120) days or less than sixty (60) days before filing the report required by this section, the holder in possession of property presumed abandoned and subject to custody as unclaimed property under this part shall send written notice to the apparent owner at such person's last known address, informing such person that the holder is in possession of property subject to this part, if the holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate and the property has a value of fifty dollars ($50.00) or more. The holder shall exercise due diligence to ascertain the whereabouts of the owner. The treasurer shall promulgate rules and regulations to clarify the provisions of this subsection (f) with respect to the duties of holders.

(g) Verification, if made by a partnership, shall be executed by a partner; if made by an unincorporated association or private corporation, by an officer; and if made by a public corporation, by its chief fiscal officer. The holder of property presumed abandoned shall file with the report an affidavit stating that the holder has complied with subsection (f).

(h) The treasurer shall keep a record of all final reports submitted to such treasurer.

(i) Every holder required to file a report under this section as to any property for which it has obtained the last known address of the owner shall maintain a record of the name and last known address of the owner for ten (10) years after the property becomes reportable.

66-29-114. NOTICE AND PUBLICATION OF LISTS OF ABANDONED PROPERTY.

(a) The treasurer shall have notice published of the names and last known addresses of the apparent owners of property in a manner designed to inform owners that property has been reported under the law and is in the protective custody of the treasurer to whom claims to the property may be directed.

(b) The treasurer may set a minimum dollar value for items to be advertised which takes into consideration the cost of advertising and the interests of the owners of property. Property which is not advertised shall be accumulated in an organized fashion and shall be made available to the public.

(c) Within the calendar year next following the year in which unclaimed property has been paid or delivered to the treasurer, the treasurer shall mail a notice to each person having an address reported who appears to be entitled to property presumed abandoned under this part. The treasurer may set a minimum dollar value for property that requires the mailing of a notice under this subsection (c).

(d) The mailed notice shall contain:

(1) A statement that, according to a report filed with the treasurer, property is being held to which the addressee appears entitled; and

(2) A statement that the property is in the custody of the treasurer and will be held for the owner until satisfactory proof of claim is presented.

(e) This section is not applicable to sums payable on traveler's checks or money orders presumed abandoned under § 66-29-103.

66-29-115. PAYMENT OR DELIVERY OF ABANDONED PROPERTY.

(a) Except as otherwise provided in this section, every person filing a report under § 66-29-113 shall, at the time of filing such report and with that report, pay or deliver to the state treasurer all unclaimed funds and intangible property specified therein. However, any unclaimed checks held by the state which were derived from one hundred percent (100%) federal funding need not be delivered to the state treasurer pursuant to this part if such delivery would render the state ineligible for future federal funding. Upon written request showing good cause, the state treasurer may postpone the payment or delivery upon such terms or conditions as the state treasurer deems necessary and appropriate.

(b) Except for military medals as described in § 66-29-102, tangible property shall not be delivered to the state treasurer at the time of filing the report. Instead, the state treasurer shall review the report of such property and be given an opportunity to decline to receive any such property reported which the state treasurer deems to have a value less than the cost of giving notice and holding sale, or may, if the state treasurer deems it desirable because of the small sum involved, postpone taking possession until a sufficient sum accumulates. Unless the holder of such property is notified to the contrary within one hundred twenty (120) days after filing the report required under § 66-29-113, the state treasurer shall be deemed to have elected to receive custody of the property and the holder thereof shall, at the end of such one hundred twenty-day period, pay or deliver such property to the state treasurer.

(c) Notwithstanding anything in subsections (a) and (b) to the contrary, contents removed from any safe deposit box or any other safekeeping repository or agency or collateral deposit box described in § 66-29-104(4)(B), except for military medals as defined in § 66-29-102, shall be sold or disposed of by the holder in accordance with the procedures set forth in § 45-2-907, or pursuant to instructions received from the state treasurer, and the proceeds, less reasonable costs of sale and storage, shall be remitted within sixty (60) days of sale. Military medals shall be reported and delivered to the state treasurer pursuant to § 66-29-104(4)(C).

(d) Notwithstanding anything in this section to the contrary, the state treasurer may, by rule and regulation, require that a security or security entitlement under title 47, chapter 8 not be delivered to the state treasurer at the time of filing the report. If the treasurer promulgates such a rule, the state treasurer shall publish the names and last known addresses of the apparent owners of such property pursuant to § 66-29-114 and the holder thereof shall retain the property until claimed by the owner or sold in accordance with this subsection. If the security or security entitlement has not been claimed within the calendar year next following the filing of the report with the state treasurer, then the holder may, as soon thereafter as practical, sell the property in conformity with reasonable commercial practices for the type of security involved. The monetary proceeds resulting from any sale conducted pursuant to this subsection (d), after deducting a proportionate share of the expense of conducting the sale, shall be delivered to the state treasurer within sixty (60) calendar days of the sale along with an updated report. The updated report shall be in such format as prescribed by the treasurer and shall contain all information provided in the initial report. The report shall further contain the following information for each security or security entitlement described in the initial report:

(1) A statement as to whether the security or security entitlement was returned to the owner or sold; and

(2) The net amount realized from the sale of that security or security entitlement.

An issuer, the holder, and any transfer agent or other person acting pursuant to the instructions of and on behalf of the issuer or holder in accordance with this subsection (d) shall not be liable to the apparent owner and shall be indemnified against claims of any person in accordance with § 66-29-116.

(e) Property paid or delivered to the state treasurer shall include all interest, dividends, increments, and accretions due, payable, or distributable on the day that the property is paid or delivered to the state treasurer.

(f) (1) Notwithstanding the provisions of this part, United States savings bonds which are unclaimed and presumptively abandoned under the provisions of this part shall escheat to the state at the time of the presumed abandonment, and all property rights to such United States savings bonds or proceeds from such bonds shall thereupon vest solely in the state.

(2) Within one hundred eighty (180) days after the bonds and obligations thereunder have been reported by a holder pursuant to § 66-29-113, if no claim has been filed in accordance with the provisions of this part for such United States bonds and obligations, the treasurer shall commence a civil action in the chancery court of Davidson County for a determination that such United States savings bonds shall escheat to the state. The treasurer may postpone the bringing of such action until sufficient United States savings bonds have accumulated in the treasurer's custody to justify the expense of such proceedings.

(3) The summons and complaint shall name the last known owner as the defendant, and shall be served and filed as provided by law. At the time of the filing of the summons and complaint, the treasurer shall mail to the last known address of the owner, a notice entitled "Notice of Proceedings to Confirm Certain United States Savings Bonds as Escheated to the State of Tennessee," which shall include the following information:

(A) The name and last known address of the owner, if previously reported;

(B) A statement identifying the action and stating that its purpose is to confirm escheat of the property to the state;

(C) The place, time and date of hearing; and

(D) A direction that any person claiming to be entitled to such United States savings bonds may claim the property before or at the hearing.

(4) At the time the action is commenced, the treasurer, as to all items having a value in excess of fifty dollars ($50.00), shall also cause the notice provided in subdivision (f)(3) to be published once each week for two (2) successive weeks in a newspaper having general circulation in the county of the last known address of the owner according to the records on file with the treasurer. If no address is available, the notice shall be published in such time, place and manner as, in the treasurer's judgment, is most likely to come to the owner's attention.

(5) If no person shall file a claim or appear at the hearing to substantiate a claim, or if the court shall determine that a claimant is not entitled to the property claimed by such claimant, then the court, if satisfied by evidence that the treasurer has substantially complied with this section, shall enter a judgment confirming that the subject United States savings bonds have escheated to the state.

(6) The treasurer shall redeem such United States savings bonds escheated to the state and the proceeds from such redemption shall be deposited in accordance with § 66-29-121.

(7) Any person making a claim for the United States savings bonds escheated to the state under this subsection (f), or for the proceeds from such bonds, may file a claim in accordance with the provisions of § 66-29-123. Upon receiving sufficient proof of the validity of such person's claim, the treasurer may pay such claim in accordance with § 66-29-123.

(g) (1) IF tangible personal property is found within or on the premises of an establishment; AND

IF the operator of such establishment, or the operator's agent, has not contracted for the storage of such property; AND

IF the operator or agent retains such property for a period of one hundred eighty (180) calendar days, or more, following the discovery of such property; AND

IF, after the expiration of such period, the operator or agent accurately describes and reports such abandoned property to the treasurer; AND

IF the treasurer does not request to receive custody of such property within forty-five (45) calendar days following receipt of such report; THEN

Notwithstanding any provision of this chapter or any other law to the contrary, the operator or agent may donate the abandoned, tangible personal property to a nonrelated entity qualifying as a charitable entity under Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. § 501(c)(3)), or, alternatively, may sell the property and donate the proceeds to a nonrelated entity qualifying as a charitable entity under Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. § 501(c)(3)). The owner of the property shall have no right of recovery or right of action against the operator of the establishment, or the operator's agent, after the expiration of the aforementioned forty-five-day period.

(2) The provisions of this subsection (g) shall not be construed to prevent or restrict the ability of parties, including landlords and tenants, to contractually establish alternative procedures for disposal of abandoned, tangible personal property.

66-29-116. RELIEF FROM LIABILITY BY PAYMENT OR DELIVERY.
Upon the payment or delivery of abandoned property to the treasurer, the state shall assume custody of the property and shall be responsible for its safekeeping. Any person who pays or delivers abandoned property to the treasurer under this chapter is relieved of all liability to the extent of the value of the property so paid or delivered for any claim which then exists or which thereafter may arise or be made in respect to the property. Any holder who has paid moneys to the treasurer pursuant to this part may make payment to any person appearing to such holder to be entitled thereto, and upon proof of such payment and proof that the payee was entitled thereto, the treasurer shall forthwith reimburse the holder for the payment.

66-29-117. INCOME ACCRUING AFTER PAYMENT OR DELIVERY.
(a) When noninterest-bearing property is paid or delivered to the treasurer under this part, the owner is not entitled to receive income or other increments accruing thereafter.

(b) When interest-bearing property is paid or delivered to the treasurer under this part, the owner is entitled to receive interest accruing thereafter under the following conditions:

(1) Interest will be paid at the stated rate the property was earning at the time it was turned over to the treasurer; and

(2) Interest will be computed by the treasurer at the time a valid claim is established by the owner. The interest will be compounded annually.

66-29-118. PERIODS OF LIMITATION NOT A BAR - ACTIONS MAINTAINED BY THE TREASURER.
(a) The expiration of any period of time specified by statute or court order, during which an action or proceeding may be commenced or enforced to obtain payment of a claim for money or recovery of property, shall not prevent the money or property from being presumed abandoned property, nor affect any duty to file a report required by this part or to pay or deliver abandoned property to the treasurer.

(b) An action or proceeding may not be maintained by the treasurer to enforce this part in regard to the reporting, delivery, or payment of property more than ten (10) years after the holder either files a report for the period in which the property was reportable or gave express notice to the treasurer of a dispute regarding the property. Notwithstanding this subsection (b), the period of limitation shall be tolled under the following circumstances:

(1) The holder failed to file such a report or other express notice with the treasurer;

(2) The holder failed or refused to allow the treasurer to examine the holder's books and records pursuant to § 66-29-127;

(3) The treasurer or an agent of the treasurer has initiated an audit of the report; or

(4) The report was fraudulent.

66-29-119. SALE OF ABANDONED PROPERTY.
(a) All abandoned property delivered to the treasurer under this part other than money or property of a type customarily sold in a recognized market, or of a type which is the subject of widely distributed price quotations, may be sold by the treasurer, in accordance with procedures approved by the attorney general and reporter, to the highest bidder at public sale at whatever place affords, in the judgment of the attorney general and reporter, the most favorable price for the property involved, or may be disposed of by the treasurer pursuant to § 12-2-112 if real property, or the State Surplus Personal Property Act of 1976, compiled in title 12, chapter 2, part 4. United States government savings bonds and United States war bonds shall be presented to the United States for payment.

(b) (1) Property of a type customarily sold in a recognized market, or a type which is the subject of widely distributed price quotations, shall, within twelve (12) months following the date the property was advertised, be sold by the treasurer in accordance with the customs prevailing for the sale of such property at the price considered most advantageous by the treasurer.

(2) Notwithstanding the provisions of subdivision (b)(1) relative to the timing of the sale of property, the treasurer is authorized to immediately sell such property if such properties are marketable securities and:

(A) The records of the holder do not reflect the identity of the person entitled to the property; or

Guideline B-010
Subject: Collection of Accounts Receivable

1. GENERAL

This guideline applies to the collection of all accounts and notes receivable by institutions and technology centers in the Tennessee Board of Regents System. Institutions and technology centers shall, to the maximum extent practicable, require payment in advance for all services and goods to avoid the creation of receivables.

A. TBR Policy on the Payment of Fees. Policy No. 4:01:03:00 requires (with limited exceptions) that all assessed fees be paid in advance by a student before he or she is considered enrolled for any academic term.

B. Types of Receivables. Accounts and notes receivable may be generated from programs and activities including but not limited to: student loan programs, traffic and parking fines, library fines, bad checks, contracts, property rental, and damage, loss, or liability to the institution/technology center by others.

C. Security Deposits. Institutions and technology centers are authorized to require any person to post a deposit or security bond, or provide appropriate insurance to offset potential obligations to the institution or technology center arising from programs or activities.

D. Statute of Limitations. Pursuant to T.C.A. Section 28-1-113, there is no time limit on the institutions' or technology centers' authority to collect receivables unless otherwise expressly provided by statute.

2. GENERAL COLLECTIONS PROCEDURES

A. Institution and Technology Center Procedure. Each institution and technology center shall establish a systematic process and procedure for collecting receivables from all persons including students and employees. The provisions included in this guideline may be modified by an institution based on sound and responsible management practices. Any modifications should result in more cost-effective procedures or provide better or more convenient service to debtors of the institution without compromise to collection.

B. Billing. Collection efforts should begin no later than thirty days after the obligation has been incurred or other fixed due date. An institution may negotiate alternative payment arrangements with debtors when such arrangements offer the best prospect of collecting the debt.

C. Delinquent Accounts. A minimum of three billings or letters of contact shall be sent by the institution at thirty-day intervals once an account becomes delinquent. For debts greater than $100, the third letter should indicate that the account will be referred to a collection agency if payment is not made within a specified date. Sending letters by certified mail is optional.

An account becomes delinquent based on the payment criteria established by the institution for the type of debt involved. For example, debts from students may not be classified as delinquent until a student fails to enroll in a subsequent fall or spring semester where the provisions of the "Enrollment and Record Holds" in 2.e. below would apply. On the other hand, rent for an apartment may become delinquent when rent is not paid by the tenth day after the due date.

D. Defaulted Accounts. Accounts are classified as defaulted when the institution's established collection efforts for the type of debt have failed to produce payment. Receivables of $100 or more shall be referred to a collection agency if the institution's/technology center's collection efforts are unsuccessful. The accounts should be submitted to the agency within a reasonable time after the final collection letter is sent if the debtor has not responded. Referral of accounts under $100 to a collection agency is not required. No additional collection efforts are required for receivables under $100 except as provided for under Enrollment and Record Holds (Section 2e) and Employee Receivables (Section 3). See Section 10 for write/off procedures.

E. Enrollment and Record Holds. A student must pay any past due debts and obligations incurred in prior academic terms before being permitted to register. Additionally, all known debts and obligations incurred during the current term must be paid prior to a student being allowed to pre-register for any future terms. **Institutions have the discretion to allow enrollment in the following semester when the outstanding obligation is $200 or less. Institutions will continue to withhold certificates of credit, diplomas, grade reports, and transcripts for these accounts until they are paid in full or meet the criteria established in T.C.A §49-9-108. All outstanding debts must be fully satisfied by the 14th day purge of the semester in which enrollment with outstanding debt was allowed.**

An amount owed under the institution's installment payment plan for enrollment fees which is not yet due shall not cause a hold to be applied. A notice stating the specific amount due should be sent to each such student prior to completion of registration. ~~In addition,~~ Pursuant to T.C.A. Section 49-9-108, no grade reports, certificates of credit, diplomas or transcripts will be issued to any student with any unpaid or delinquent debt or obligation owed to the institution or technology center unless such debt or obligation is evidenced by notes or other written contracts providing for future payment, such as, but not limited to, loans authorized under federal or state education or student assistance acts. Additionally, once a petition in bankruptcy has been filed, all holds should be lifted. See Section 9. However, the institution/ technology center has no obligation to provide student grade reports, etc., unless specifically requested to do so. TCA 49-9-108 further provides that the withholding of grade reports, certificates of credit, and diplomas does not apply to debts that are both less than $25 and more than 10 years old.

F. Aging. All receivables should be aged at least annually.

G. Documentation. Accurate records of correspondence, telephone calls, and personal contacts with borrowers shall be maintained. Institutions/ technology centers shall comply with record maintenance, safekeeping, and retention regulations for federally funded loans.

3. <u>EMPLOYEE RECEIVABLES</u>

A. Procedure for Withholding. Employee receivables (including student employees) may result from, among other things, traffic and parking fines, library fines, institution/technology center services or bad checks. In order to recoup the amount owed from the employee's paycheck, notice of intent to withhold must be sent to the employee by registered or certified mail, or personally delivered. The notice should inform the employee of the amount alleged to be owed and should specify that he may elect to pay the debt in full, authorize deductions from his paycheck or, if the employee is terminating, the check for accrued but unused annual leave, or contest the intent to withhold through an institutional or TUAPA hearing. Subsequent to receiving a predeprivation notice of the debt owing, the employee, within 15 calendar days of receipt of such notice, must:

1. Pay the debt in full;

2. Authorize the institution/technology center to withhold a designated amount from each subsequent paycheck or, if the employee is terminating, from the accrued but unused annual leave until the debt is paid in full;

3. Elect to contest the intent to withhold through an institutional hearing; or,

4. Elect to contest the intent to withhold through a contested case hearing held pursuant to TCA Section 4-5-301, et. seq.

If the employee elects an institutional hearing, the employee shall appear on behalf of himself but is entitled to be advised by counsel. The Chief Business Officer of a campus or unit or his/her representative, or a representative of the department involved in the debt, shall be present to represent the Institution/Technology Center. The case will be heard before one hearing officer designated to hear all cases on that date. The hearing officer must be an individual who is not so closely connected with the collection of the debt that he/she cannot render an unbiased and objective decision on the validity of the debt. Such hearing should be held within one week of the decision to elect the hearing. The hearing officer shall render his/her decision on the validity of the debt. If the debt is ruled valid, the debt shall be deducted from the employee's payroll check beginning at the end of the next appropriate pay period in accordance with deduction schedules. If the employee elects a TUAPA hearing, the Office of General Counsel should be notified immediately. If the employee refuses to pay, authorize deduction, or specify or waive a hearing process, a TUAPA hearing must be initiated. The employee's failure to appear at either an institutional or TUAPA hearing will constitute default, and, if a prima facie case is presented that the debt is owed, it will be deemed valid; the appropriate deductions may then be made. Additionally, if a TUAPA hearing, a Default Order must be issued. If the employee does not appeal the Default Order, funds may be deducted as specified.

B. Limitations on Amounts to be Withheld. The deduction from any check shall not exceed the maximum deductible under state garnishment laws. The maximum amount of disposable earnings of an individual for any work week which is subjected to garnishment may not exceed: (1) Twenty-five percent (25%) of his disposable earnings for that week; (2) or thirty (30) times the federal minimum hourly wage at the time the earnings for any pay period become due and payable, whichever is less. In the case of earnings from any pay period other than a week, an equivalent amount shall be in effect. ("Disposable earnings" means that part of the earnings of an individual remaining after the deduction from those earnings of any amounts required by law to be withheld.) These limits are applicable to retirement funds, but are not applicable to checks for accumulated annual leave. Additionally, the above limits do not apply to employee overpayments.

C. Retirement Funds. If a former employee is found to owe a debt to the state, retirement funds may be utilized to pay off the amount owing to the extent permitted by Tennessee law. The same procedural steps outlined in 3.a. for notice and the opportunity for a hearing must be followed. Accumulated retirement contributions of a former employee terminated for any reason and for which he has made application, or monthly benefits of a retired employee are subject to withholding to the extent permitted by Tenneess law.. A copy of the final order resulting from an institutional or TUAPA hearing, or a signed waiver of hearing and written agreement of the former employee authorizing deductions should be sent to the director of the retirement system along with a written request to withhold, specifying the reason for the claim and the total amount involved.

D. Recovery of Overpayments to Employees. Unlike cases in which the employee owes the institution money, in instances of overpayments to employees there is no obligation to provide a hearing. The institution is obligated, however, to attempt to recoup the funds. The institution should advise the employee in writing of the overpayment and the institution’s proposed actions to correct the overpayment. The method of repayment will depend upon the amount of the overpayment, the time which has elapsed between the overpayment and its discovery, the hardship which immediate repayment might cause the employee because of amount of current salary and personal expenses, the culpability of the employees in not reporting the overpayment, and the longevity as well as the expectation that the employee will remain in state government until the repayment is completed.

If a current employee receives overpayment, the refund may be made in one of the following ways:

1. Repayment by the employee by cash or check; or,

2. Adjustment of deductions to be made automatically from the employee's paycheck, either with a single deduction or a series of deductions made from each paycheck until the full amount is recovered. The amount of partial payments recovered by the latter method should be reasonable and systematic so that full recovery will be completed within the shortest period possible.

If overpayment is discovered after the employee terminates employment with the state, an account receivable should be established. The former employee should be notified of the overpayment, the circumstances of the overpayment and a request that the employee contact the appropriate campus official. If the employee has not received his final paycheck, the appropriate deduction from that check can be made. If the final paycheck has been received, negotiations for reimbursement should be initiated. If repayment cannot be negotiated or collected, the account should be turned over to the collection agency. In the event collection is not possible, proper write/off procedures should be followed.

In instances in which the employee has agreed to systematic deduction(s) from his paycheck(s), written authorization from the employee is encouraged. Each campus shall draft forms to document overpayments, the steps taken to recoup same, any negotiated repayment plan, the amounts received, and any write/off of the overpayment.

4. RETURNED CHECKS

A. Enrollment Fees. Pursuant to the Board Policy on the Payment of Fees and Enrollment of Students (4:01:03:00), if any student tenders payment of fees by a check that is subsequently dishonored by the bank, and the check is not redeemed within the time period specified below, the institution has the option to not consider that student enrolled at the institution or technology center. At the discretion of the institution, the student may be considered enrolled and will be assessed the applicable returned check fee, the late registration fee, and will be denied grade reports, transcripts and future registration privileges until such dishonored check is redeemed. **Institutions have the discretion to allow enrollment when the outstanding obligation is $200 or less.** Institutions and centers may deny future check writing privileges to students that have paid registration fees with checks that are subsequently dishonored.

A student paying enrollment fees with a check that is dishonored must redeem the check within 10 calendar days from receipt of the notice. Notice should be sent by the institution/technology center to the student no more than three (3) working days from receipt of notice of a bad check from the bank. Notice by certified mail is optional. The institution/technology center will have 5 working days after the expiration of the 10 calendar days to pursue any additional collection efforts deemed necessary. Immediately after the 5 working days, the student will be deleted if the check has not been redeemed in full if that option is selected by the institution. Enrollment fees including returned check fees for students de-enrolled for bad checks should be reversed.

B. Non-Student or Non-Employee. Any person other than a student or employee who tenders a check for payment for goods or services which is subsequently dishonored shall be given the opportunity to redeem the check and pay the amount due in cash. The person shall be given notice of the dishonored check, sent certified mail, demanding payment within ten (10) days.

C. Collection of Dishonored Checks. A check presented for payment of any goods or services which is subsequently dishonored shall be treated as an account receivable under Section 2. Any transactions that have been processed should be reversed when possible and appropriate.

D. Future Check-Writing. Receipt of one or more bad checks from any person may result in that person becoming ineligible to make payments by check thereafter, or to have any check cashed by the institution/technology center. A record of individuals who have written bad checks should be maintained.

5. RENT COLLECTIONS

The terms of the lease should be consulted in the event of failure by the tenant to timely pay rent. In counties with populations more than 200,000 according to the 1970 federal census, the Tennessee Residential Landlord and Tenant Act (the ACT) applies and provides, at T.C.A. Section 66-28-505, that upon noncompliance with the rental agreement, the landlord shall deliver a written notice to the tenant specifying the noncompliance and stating that the rental agreement will terminate upon a date not less than thirty (30) days after receipt of the notice. If the noncompliance is not remedied in fourteen (14) days, the rental agreement shall terminate as provided in the notice. If the tenant remits the rental but subsequently again fails to pay rent within a 6 month period, the rental agreement may be terminated upon at least fourteen (14) days written notice specifying the noncompliance and the date of termination of the rental agreement. In counties where the Act applies, written notice is required when rent is unpaid unless otherwise specifically waived in a written rental agreement. In counties where the Act does not apply, it will provide guidance concerning landlord/tenant issues. Generally, the length of the notice period equals the rental period, for example, 30 days notice is required where rent is due monthly. In the event the rent remains unpaid at the end of the month, the institution/technology center should proceed with an action to evict the tenant. The Office of General Counsel may be notified to provide any required assistance in the proceedings. Accrued rents which are unpaid shall be treated as accounts receivable of the institution/technology center; refer to Section 2.

6. FEDERAL LOANS

A. Federal Regulations. Collection officers should be certain that they are consulting the most recent legal authorities concerning Federal loans. These authorities include interpretative materials, issues letters, manuals, Congressional Enactments and Federal Department of Education Regulations.

B. Pre-Loan Counseling. Federal regulations require a school to conduct entrance counseling to stress the importance of repayment, describe the consequences of default and emphasize the terms of repayment. An individual with Federal Regulations expertise should be available during and after the session to answer questions.

C. Exit Interview. An individual or group exit interview must be conducted to discuss the borrower's financial responsibilities and to obtain updated information. Exit interview materials may be sent by certified mail to borrowers who do not attend the exit interview.

The borrower should be provided with a copy of the note and two copies of the repayment schedule. These schedules can be provided either in person or by certified mail. The borrower should promptly sign and return one of the schedules to the institution/~~school~~ technology center. A minimum payment of $30 per month should be required for Perkins Loans made prior to October 1, 1992, $40 per month for Perkins Loans made after October 1, 1992, and $15 per month for Health Professions Student Loan (HPSL) and Nursing Student Loan (NSL) programs.

D. Grace Period Notices. Contact with the borrower should be made during the initial and post-deferment grace periods. For a nine-month grace period, notices are required 90 days, 180 days and 240 days after the grace period begins. For a six-month grace period, notices are required at 90 days and 150 days. The ~~lost~~ last contact should coincide with the first billing notice.

E. Billings. A written notice and statement of account should be sent at least 30 days before the first payment is due. If a coupon system is used, coupons should be sent instead of statements. Future statements should be sent at least 15 days before each payment is due.

F. Late Payments or Delinquent. Three past due notices should be sent beginning when the debt is fifteen days past due. The second notice is sent 30 days from the first notice. A final demand letter should be sent within 15 days of the second past due notice. If all past-due follow-up procedures have failed to elicit a response, a telephone call is required within 30 days of the final demand letter.

G. Cancellations or Deferments. An institution/technology center may postpone loan repayments for a 12 month period if the borrower will be providing services eligible for loan cancellation or deferment. Interest does not accrue and the loan is not considered delinquent when in a deferred status. The borrower must request deferment and cancellation status on an annual basis. If, at the end of the postponement period, the borrower does not qualify for cancellation or deferment, the postponed payments are due.

H. Acceleration. The borrower must be given written notice of intent to accelerate at least 30 days in advance. This can be included in the final demand letter.

I. Federal Loans Not Written Off. Annual collection efforts should be pursued for Federal loans that are not able to be written off or turned over to the U.S. Department of Education.

J. Perkins Loans. The IRS/ED skip-tracing service should be used for Perkins Loans.

7. COLLECTION AGENCIES

A. General. The Tennessee Board of Regents shall provide, on a system-wide basis, collection services through one or more companies. The service should provide for the referral of all types of delinquent accounts and notes from the institutions and technology centers to the designated company only after campus collection efforts have been exhausted. The terms of the contract and RFP govern all collection actions. Unless otherwise prohibited by law or regulation, any note, contract or lease which may result in accounts receivable to the institution or technology center should contain a provision pursuant to which the person will be responsible for the costs of collection and reasonable attorneys' fees in the event of default, and should further provide for the assignment of the account or note to the proper agency.

B. Billing Services. Institution/technology center may use an outside billing service to collect payments on accounts receivable. The service should be familiar with all provisions of loan programs and provide prompt, clear and accurate bills.

C. Credit Bureaus. Institution/technology center may report all loans when made to a credit bureau. The institution/technology center must obtain the borrower's consent to report loans not in default by including a statement in the promissory note or some other document that is signed by the borrower at the time the loan is made.

D. Collection Agency. Accounts that are still delinquent 30 days after the final collection letter should be turned over to a collection agency. Receivables less than $100 are not required to be turned over to a collection agency.

E. Reporting Requirements. The collection agency should be required to report the status of delinquent loans periodically to each institution/technology center and to the Tennessee Board of Regents.

F. Revised Repayment Plan. A revised repayment plan agreement should be signed by the borrower if the borrower returns to repayment status.

G. Recalling Accounts From Collection Agency. No account should be recalled from a collection agency other than debts eligible for deferment, postponement, cancellation, bankruptcy, death, disability or some other mitigating circumstance (institutional error, etc.). No account should be recalled in order for a borrower to re-enroll or obtain a transcript. The borrower should pay the accelerated amount plus collection costs to the collection agency.

8. <u>LITIGATION</u>

A. General. After all other attempts at collection have failed, the institution/technology center must authorize litigation of accounts of $2,000 or more providing litigation costs do not exceed the amount which can be recovered. Generally the collection services contract will provide for litigation when appropriate.

B. Federal Loans. If a Federal loan cannot be litigated for any of the following reasons, it should be assigned to the U.S. Department of Education: (1) Borrower has no assets, (2) Address unknown, (3) Debtor is incarcerated, (4) Debtor is on Public Assistance, (5) Unable to serve borrower with court papers, (6) Litigation is in process and debtor skips, (7) Expected cost of litigation exceeds amount to be recovered from borrower.

9. <u>BANKRUPTCY</u>

A. General Information - Each institution/technology center shall designate a bankruptcy contact person to serve as a liaison between the institution and the Attorney General's office. Once notice of, or a petition for, bankruptcy is received, all collection efforts against the debtor must cease immediately. If the account is at a collection agency, the file must be returned to the institution/technology center immediately. The institution/technology center should immediately forward the file to the Attorney General's office with a Referral Form and the documentation specified on the Referral Form. The institution/technology center should also provide a copy of this information to the TBR General Counsel's office. The Attorney General's office will advise the institution/technology center when and if collection efforts may resume, depending on the debt's dischargeability.

NOTE: Effective for actions filed on or after 5/28/91, the period during which an educational loan may not generally be discharged will increase from five (5) years to seven (7) years. This period is calculated from the date the loan first came due to the date the bankruptcy action was filed, exclusive of periods during which repayment obligations are suspended. Additionally, obligations to repay an "overpayment" of, or any other obligation to repay an "educational benefit" provided by a governmental unit or under a program funded by a government unit or non-profit institution will be excepted from discharge during the same seven year period under either Chapter 7 or 13 unless the borrower establishes that repayment constitutes undue hardship.

B. Chapter 7 / (Liquidation) Upon receiving any notice of the filing of a petition, all collection efforts against the debtor must be suspended immediately until the bankruptcy has been discharged. Collection efforts may continue against an endorser. The institution/technology center shall immediately forward the file to the Attorney General's office with a Referral Form and the documentation specified on the Referral Form. A copy of this information should also be provided to the TBR General Counsel's office.

Educational loans: If the date of bankruptcy filing is after the expiration of the exception period, the loan should be written off once the notice of discharge is received unless there is some other basis upon which to challenge dischargeability. The Attorney General's office will contact the institution/technology center to advise whether the debt is dischargeable. However, if there is an endorser, collection efforts may proceed against him. If the date of bankruptcy filing is before the expiration of the exception period, collection activity may be reinstated once the notice of discharge is received due to the self/executing nature of the exception unless the debtor has been able to establish dischargeability of the debt through an adversary proceeding. If the institution/technology center is served with a summons and complaint, the institution/technology center shall immediately fax to the Attorney General's bankruptcy unit a copy of the Summons and Complaint, the debt payoff amount, the date the note went into repayment, and any deferment and/or forbearance history. A copy of this information should also be provided to the TBR General Counsel's office.

Other debts: The institution/technology center shall immediately forward the file to the Attorney General's office with a Referral Form and the documentation specified on the Referral Form. A copy of this information should also be provided to the TBR General Counsel's office. When the notice states "No assets," unless the institution/technology center is a secured creditor (in which case a proof of claim would have been filed), the debt must be written off once the Attorney General's office provides the institution/technology center with notice of discharge.

C. Chapter 13 (Reorganization)

NOTE: For petitions filed on or after 11/5/90, an educational loan is non-dischargeable if the loan first became due within five years calculated from the date the loan first came due to the date the bankruptcy action was filed, exclusive of periods during which repayment obligations are suspended. Effective for bankruptcies filed on or after 5/28/91, that same five (5) year period was increased to seven (7) years. See NOTE above for further details.

Regardless of the date of filing or the nature of the debt owing, upon receiving any notice of the filing of a petition, all collection efforts against the debtor and endorser must cease immediately. The institution/technology center shall immediately forward the file to the Attorney General's office with a Referral Form and the documentation specified on the Referral Form. A copy of this information should also be provided to the TBR General Counsel's office. The Attorney General's office will advise the institution/technology center whether the debt is dischargeable and the extent to which collection activities may be reinstated.

If the seven (7) year exception period applies and the debtor serves the institution/technology center with a summons and complaint the institution/technology center shall immediately fax to the Attorney General's bankruptcy unit a copy of the Summons and Complaint, the debt payoff amount, the date the note went into repayment, and any deferment and/or forbearance history. A copy of this information should also be provided to the TBR General Counsel's office.

Other debts: The institution/technology center shall immediately forward the file to the Attorney General's office with a Referral Form and the documentation specified on the Referral Form. A copy of this information should also be provided to the TBR General Counsel's office. The Attorney General's office will advise the institution/technology center as to the dischargeability of the debt.-

10. <u>WRITE/OFFS</u>

A. Authority. The Tennessee Board of Regents and its institutions/technology centers are authorized to write off uncollectible receivables pursuant to policies outlined in Chapter 0620-1-9 of the rules of the Department of Finance and Administration. This includes the write/off of any account of five thousand dollars ($5,000) or greater and/or accounts aggregating twenty-five thousand dollars ($25,000) or more. Receivables submitted for write/off must have been subjected to appropriate collection efforts in accordance with this guideline and institution/technology center procedures. (See Attachment C)

B. Reserve. A reserve for doubtful accounts should be established for activities for which accounts receivable represent a material amount to the activity income. The reserve should be reported in the financial records of the institution/technology center. Receivables which prove to be uncollectible after prescribed collection efforts have been exhausted should be written off by a charge to the reserve for doubtful accounts after appropriate approvals are obtained.

C. Approval. The proposed write/offs must be approved by institution/technology center officials not directly involved in recording and collection of accounts receivable. The institution/technology center president and chief business officer should certify compliance with the prescribed statute and collection guidelines. The accounts submitted for write/off should be single accounts of $5,000 or more and/or accounts aggregating $25,000 or more. The write/off request summary and certification, along with a detailed list of the accounts, should be submitted to the Vice Chancellor for Business and Finance's office for approval.

The write/off request must be approved by the Chancellor or designee and General Counsel and forwarded by TBR for approval by the Commissioner of Finance and Administration and the Comptroller of the Treasury. TBR will send approved write/offs to the institution/technology center for the appropriate accounting.

Requests for the write-off of single accounts of less than $5,000 and/or accounts aggregating less than $25,000 shall be approved at the institution level by the appropriate officials. These requests do not require additional approval by the Tennessee Board of Regents office or State Departments.

D. State/TBR Employees. Any debtors identified by the TBR or State as employees with debts $50 and above will not be approved for write/off. Information on the employing institution/technology center or agency will be returned to the institution/technology center for additional collection efforts.

If the debtor is a state employee, the Chief Business Officer of the department employing the debtor should be notified. The department employing the individual will be responsible for taking the appropriate action to collect the debt. If the department is unsuccessful in collecting the debt, written notification will be sent to the institution/technology center. The written notification shall be submitted with the next write/off request for approval.

If the debtor works for another TBR institution/technology center, the Chief Business Officer of the employing institution/technology center should be notified and will be responsible for collecting the debts utilizing the steps in Section 3, Employee Receivables, of this policy. Written notification should be sent to the requesting institution/technology center if collection efforts are unsuccessful. The written notification shall be submitted with the next write/off request for approval. The institution/technology center may agree to payment through payroll deductions if the employee signs a payroll deduction authorization.

E. Former TBR Employees. If a debt or obligation was incurred while a TBR employee, the debt constitutes an account receivable; refer to Section 2.

F. Holds on Written Off Receivables. A hold on transcripts and future registration will continue until the debt is cleared for former students whose receivables were written off if the debt was twenty-five (25) dollars or more. **Institutions have the discretion to allow enrollment in the following semester when the outstanding obligation is $200 or less. Institutions will continue to withhold certificates of credit, diplomas, grade reports, and transcripts for these accounts until they are paid in full or meet the criteria established in T.C.A §49-9-108. All outstanding debts must be fully satisfied by the 14th day purge of the semester in which enrollment with outstanding debt was allowed.**

11. GRAMM-LEACH-BLILEY ACT CONTRACT CLAUSE

Include the standard language printed below in all future contracts with third party service providers that have access to the institution's customers' non-public financial information.

"Throughout the term of this Agreement, Service Provider shall implement and maintain 'appropriate safeguards,' as that term is used in § 314.4(d) of the FTC Safeguard Rule, 16 C.F.R. § 314, for all 'customer information,' as that term is defined in § 314.2(b) of the FTC Safeguard Rule, delivered to Service Provider by Institution pursuant to this Agreement. The Service Provider shall implement an Information Security Program ('the Program') as required by the FTC Safeguard Rule. Service Provider shall promptly notify the Institution, in writing, of each instance of (i) unauthorized access to or use of that nonpublic financial customer information that could result in substantial harm or inconvenience to a customer of the Institution or (ii) unauthorized disclosure, misuse, alteration, destruction or other compromise of that nonpublic financial customer information.

Service Provider shall forever defend and hold Institution harmless from all claims, liabilities, damages, or judgments involving a third party, including Institution's costs and attorney fees, which arise as a result of Service Provider's failure to meet any of its obligations under this provision. Service Provider shall further agree to reimburse the Institution for its direct damages (e.g., costs to reconstruct lost or altered information) resulting from any security breach, loss, or alteration of nonpublic financial customer information caused by the Service Provider or its subcontractors or agents.

Service Provider grants Institution the right to conduct on-site audits, as deemed necessary by the Institution, of the Service Provider's Program to ensure the integrity of the Service Provider's safeguarding of the Institution's customers' nonpublic financial information.

Institution retains the right to unilaterally terminate the Agreement, without prior notice, if Service Provider has allowed a material breach of its Program in violation of its obligations under the GLBA, if Service Provider has lost or materially altered nonpublic financial customer information, or if the Institution reasonably determines that Service Provider's Program is inadequate.

Within thirty (30) days of the termination or expiration of this Agreement, Service Provider shall, at the election of Institution, either: (1) return to the Institution or (2) destroy (and shall cause each of its agents to destroy) all records, electronic or otherwise, in its or its agent's possession that contain such nonpublic financial customer information and shall deliver to the Institution a written certification of the destruction."

Source: November 16, 1977, TBR presidents meeting. Revised July 1, 1984. Revised May 17, 1988. Revised May 12, 1992. Revised August 9, 1994, TBR presidents meeting. Revised November 9, 1994, TBR presidents meeting. Revised May 14, 1996, presidents meeting. Revised August 25, 1998, presidents meeting. Revised May 11, 1999, presidents meeting. Revised May 21, 2001 presidents meeting. Revised May 16, 2006 presidents meeting. Revised November 8, 2006 presidents meeting; Presidents Meeting August 19, 2008; Presidents Meeting November 5, 2008.

Policy 4:01:03:00

Subject: Payment of Student Fees and Enrollment of Students

(1) An applicant for admission to an institution or Tennessee Technology Center governed by the Tennessee Board of Regents will be considered and counted as a student when all assessed fees have been paid in cash, or 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 center has been received by the institution or 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.

(2) When an applicant tenders payment of fees by means of a personal check, the applicant may be considered and counted as a student. When the check is subsequently dishonored and returned, unless the student then pays the fees in cash, the institution has the option to not consider that student as enrolled for the term. At the discretion of the institution, the student may be considered enrolled and will be assessed the applicable returned check fee, the applicable late registration fee, and will be denied grade reports, transcripts and future registration privileges until such dishonored check is redeemed. Pursuant to T.C.A. § 49-9-108, diplomas, certificates of credit, and grade reports cannot be withheld for debts that are both less than $25 and more than 10 years in age. Institutions and centers may deny future check writing privileges to students that have paid registration fees with checks that are subsequently dishonored. While institutions have discretion in how these situations will be handled, all students must be treated the same at that institution. **Additionally, institutions have the discretion to allow enrollment in the following semester when the outstanding obligation is $200 or less. Institutions will continue to withhold certificates of credit, diplomas, grade reports and transcripts for these accounts until they are paid in full or meet the criteria established in T.C.A §49-9-108. All outstanding debts must be fully satisfied by the 14th day purge of the semester in which enrollment with outstanding debt was allowed.**

(3) An acceptable commitment from an agency or organization shall be limited to a commitment which identifies the applicant and promises to pay all unpaid assessed fees for such applicant.

(4) Agencies or organizations which may be approved by the institution for purposes of making acceptable commitments for applicants shall be limited to agencies of the federal or state governments authorized to provide financial aid, established financial institutions within the state, established in-state and out-of-state corporations which employ the applicant, foreign embassies and foreign corporations, and other organizations within the state which have previously demonstrated the ability to pay the commitment. No commitments from individuals will be accepted on behalf of applicants.

(5) This policy shall not affect enrollment of students receiving financial assistance from any federal or state financial aid program(s). All state financial aid granted to a student shall be applied to pay maintenance fees or tuition, student dormitory or residence hall rental, board, and other assessed fees before any excess may be distributed to the student.

(6) All assessed fees shall include maintenance fees, tuition, debt service fees, service charges, and any other incidental fees assessed at the time of registration, and shall include any and all assessed fees outstanding from prior enrollment at the institution by an applicant. All fees shall be assessed and payable at the time of registration to the extent determinable. Assessed fees shall include rental and board fees where such fees are payable in full at the time of registration. Otherwise, assessed fees shall include the first periodic payment of rental and board fees in advance.

(7) Assessed fees for student dormitory and residence hall units may be payable on a monthly basis in advance in accordance with the provisions of an optional monthly payment plan which shall be established by each institution in accordance with the provisions of the policy on student residence regulations and agreements.

(8) No applicant will be considered for admission as a student until all due and payable outstanding fees and charges from prior terms, of whatever nature, have been paid by the applicant. **Institutions have the discretion to allow enrollment in the following semester when the outstanding obligation is $200 or less. Institutions will continue to withhold certificates of credit, diplomas, grade reports, and transcripts for these accounts until they are paid in full or meet the criteria established in T.C.A §49-9-108. All outstanding debts must be fully satisfied by the 14th day purge of the semester in which enrollment with outstanding debt was allowed.**

(9) The institutions are authorized, subject to approval by the Board, to establish charges for late registration and/or checks which are returned dishonored, and such charges shall become assessed fees for purposes of admission.

(10) In accordance with these guidelines, the president of an institution has the authority to determine the applicability of certain fees, fines, charges, and refunds, and to approve exceptions in instances of unusual circumstances. The Vice Chancellor for Technology Centers shall have this authority for the Tennessee Technology Centers. All such actions should be properly documented for auditing purposes.

Source: TBR Meetings, June 20, 1975; September 30, 1983; June 24, 1988; June 29, 1990; June 21, 1996; December 8, 2006; December 4, 2008.

Tennessee Board of Regents
Audit Committee
March 12, 2013
Review of Comptroller's Office Audit Reports
Financial and Compliance Audits—Findings Reported

Institution	For the Year Ended	Fairness of Financial Statement Presentation	Report on Internal Control	Report on Compliance	Findings
East Tennessee State University	June 30, 2012	Unqualified Opinion	No findings identified as material weaknesses	No instances of noncompliance required to be reported	1

Finding – Notifications required by federal regulations were not performed for Perkins Loans in default status.

As noted in the previous audit, the Bursar's Office did not ensure that all notification procedures were performed for Perkins Loans in default status. Even though the university uses an outside vendor to perform billing procedures, the responsibility for compliance with federal regulations lies with the university.

- For 11 of 25 students tested (44%), neither the Bursar's Office nor the university's contracted loan servicing agency mailed the final demand letters.
- For 3 of 25 students tested (12%), neither the Bursar's Office nor the university's contracted loan servicing agency made documented additional attempts to contact borrowers with no phone number or an unlisted or invalid phone number.
- For 12 of 25 students tested (48%), neither the Bursar's Office nor the university's contracted loan servicing agency mailed the "intent to accelerate" letters at least 30 days prior to the effective date of acceleration.

Management's Comment – Management concurred and stated the university will ensure risks of compliance with loan servicing are included in the university's risk assessment. A staff member in the Bursar's Office has been assigned the responsibility to review compliance and monitor loan servicing by the contractor. The Bursar will review the results of the monitoring plan on a periodic basis.

Internal Audit Follow-Up: An internal audit follow-up report on this finding will be presented to the Audit Committee at a subsequent meeting.

FINDING AND RECOMMENDATION

Notifications required by federal regulations were not performed for Perkins Loans in default status

Finding

East Tennessee State University did not ensure that all notification procedures were performed for Perkins Loans in default status. A similar finding was reported in the previous audit.

According to the *Federal Student Aid Handbook*, volume 6, pages 99-100:

> If a payment is overdue and you have not received a request for forbearance, deferment, or cancellation, you must send the borrower:
>
> - the first overdue notice 15 days after the payment due date;
> - the second overdue notice 30 days after the first overdue notice;
> - the final demand letter 15 days after the second overdue notice.
>
> If [a] borrower does not respond to the final demand letter within 30 days, [the school] must try to contact him or her by telephone before beginning collection procedures. As telephone contact is often very effective in getting the borrower to begin repayment, one call may avoid the more costly procedures of collection.
>
> You should make at least two attempts to reach the borrower on different days and at different times. If the borrower has an unlisted telephone number, you must make reasonable attempts to obtain it by contacting sources such as the borrower's employer or parents. If you are still unsuccessful, you should document the contact attempts in your files.
>
> [The school] may accelerate a loan if the borrower misses a payment or does not file for a deferment, forbearance, or cancellation on time. Acceleration means immediately making payable the entire outstanding balance, including interest and any applicable late charges or collection fees.
>
> Because [loan acceleration] marks a serious stage of default, the borrower should have one last chance to bring his or her account current. For that reason, if the school plans to accelerate the loan, it must send the borrower a written acceleration notice at least 30 days in advance.

For the year ended June 30, 2012, we reviewed the files of 25 students whose Perkins Loans went into default during the fiscal year. We noted the following discrepancies:

- For 11 of 25 students tested (44%), neither the Bursar's Office nor the university's contracted loan servicing agency mailed the final demand letters.

- For 3 of 25 students tested (12%), neither the Bursar's Office nor the university's contracted loan servicing agency made documented additional attempts to contact borrowers with no phone number or an unlisted or invalid phone number. If the student has no additional contact sources (e.g., parents or employers) or additional attempts to contact the student are unsuccessful, this should be documented.

- For 12 of 25 students tested (48%), neither the Bursar's Office nor the university's contracted loan servicing agency mailed the "intent to accelerate" letters at least 30 days prior to the effective date of acceleration. These intent to accelerate letters were mailed, but between 27 and 29 days prior to the acceleration date, rather than the required 30 days.

Based on our discussions with the Bursar, the phone calls and letters described above were the responsibility of the loan servicing agency.

Even though the university uses an outside vendor to perform billing procedures, the responsibility for compliance with federal regulations lies with the university. The *Federal Student Aid Handbook*, volume 6, page 108, states:

> Your school may use a contractor for billing or collection, but it is still responsible for complying with due diligence regulations regarding those activities.

Not ensuring the borrowers were adequately notified before being transferred to a collection agency or before loan acceleration could lead to unnecessary collection costs and/or financial hardship for borrowers in default.

Recommendation

The Bursar should ensure that the university follows due diligence procedures regarding Federal Perkins Loans in default status. Specifically, the Bursar should ensure that the university or its designee mail final demand letters to students in default. The Bursar should ensure that the university or its designee makes the required phone calls to students before referring loans to collections. If the required phone call cannot be made or additional attempts to contact the student are unsuccessful, this should be documented. Finally, the Bursar should ensure that the university or its designee mails the intent to accelerate letters at least 30 days prior to the effective date of the loan acceleration.

The Bursar should ensure that risks such as those noted in this finding are adequately identified and assessed in the university's risk assessment activities. The Bursar should identify specific staff to be responsible for the design and implementation of internal controls to prevent and detect exceptions timely. The Bursar should also identify staff to be responsible for ongoing monitoring for compliance with all requirements and take prompt action should exceptions occur.

Management's Comment

We concur with the finding and recommendation.

In the instances of the borrowers who were not mailed a final demand letter, the loan processing contractor had an error in its electronic loan system that removed 60-day letters from the automatic process for a small subset of schools. This was identified and corrected in September of 2011. This was a one-time issue that has been corrected and has not recurred.

The university determined the missing phone numbers for borrowers were the result of incomplete migration of data from the university to the loan processing contractor at the inception of the contract. The university will obtain a listing from the loan processing contractor of all borrowers in its system with no phone number and will review institutional records to identify a phone number. This review will be documented. Phone numbers that are identified will be forwarded to the loan processing contractor to update the borrower's record in the contractor's system. All phone calls to borrowers and the response received are logged on a report maintained by the loan processing contractor.

The loan processing contractor requested the Department of Education review the contractor's interpretation of the letter of intent to accelerate. The Department of Education provided the contactor with the department's intent of this regulation. Based on that review, the loan processing contractor changed the system logic that triggered the letters. This logic was changed in March of 2012 and the pre-acceleration letters are now sent out at least 30 days prior to the acceleration date.

The university will ensure risks of compliance with loan servicing are included in the university's risk assessment. A staff member in the Bursar's Office has been assigned the responsibility to review compliance and monitor loan servicing by the contractor. The Bursar will review the results of the monitoring on a periodic basis.

Tennessee Board of Regents
Audit Committee
March 12, 2013
Review of Comptroller's Office Audit Reports
Financial and Compliance Audits—No Findings Reported

Institution	For the Years Ended	Fairness of Financial Statement Presentation	Report on Internal Control	Report on Compliance	Findings
Middle Tennessee State University	June 30, 2012	Unqualified Opinion	No material weaknesses identified	No instances of noncompliance required to be reported	0
University of Memphis	June 30, 2012	Unqualified Opinion	No material weaknesses identified	No instances of noncompliance required to be reported	0
Jackson State Community College	June 30, 2010 and June 30, 2009	Unqualified Opinion	No material weaknesses identified	No instances of noncompliance required to be reported	0

EAST TENNESSEE STATE UNIVERSITY
LIST OF ITEMS DISCUSSED AT THE FIELD EXIT CONFERENCE
NOT ADDRESSED IN THE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2012

Reporting Error – Statement of Net Assets

1. Per auditor review of the university's June 30, 2012, operating bank account reconciliation, $134,743.03 of cash in the university's operating bank account had not been reported on the university's statement of net assets. The audited statement of net assets was not corrected as the amount was deemed immaterial by the Senior Associate Vice President for Finance and Administration.

Reporting Error – Statement of Cash Flows

2. On the university's statement of cash flows for the year ended June 30, 2012, a $2,443,211.23 prior period adjustment setting up an unamortized bond premium was incorrectly shown as an increase in proceeds from capital debt and as an increase to bond issuance costs. There was no actual effect on cash. The audited statement of cash flows was corrected.

MIDDLE TENNESSEE STATE UNIVERSITY
Responses to Items Discussed at the Field Exit Conference
Not Included in the Audit Report
Fiscal Year End June 30, 2012

RECEIVABLES

1. The foundation recorded negative investment income of $1,506,682.44 as an expense on the Statement of Activities. This amount should have been recorded as a reduction of revenue on the investment earnings line. The State of Activities was revised before submitted to the auditors of the State's CAFR.

   Response: Investment income will be shown on the Statement of Activities as a revenue on the Investment Earnings line for the Foundation, even if there are overall negative earnings, in all future reporting periods.

2. An outstanding student receivable was not placed with a collection agency within the allowable time required by MTSU's collection policy for 1 out of the 10 (10%) items tested. The student last attended MTSU during Spring 2011, and left with a $945.00 balance owed. According to MTSU's collections policy, this account, if not settled, should be sent to the first collections agency during October or November of 2011. As of the morning of 8/30/2012, the receivable had not been placed with the collections agency. The Bursar stated the student was sent monthly bills since May 2011, and a collections letter was sent on 11/5/2011 and 12/5/2011. The student's account cannot be located on any collections records, and it is believed the information may have been deleted in error. The auditor contacted the Bursar in the afternoon of 8/30/2012, and the Bursar stated the account was being placed with Williams & Fudge that day.

   Response: The account has now been placed with the collection agency as indicated. Ad hoc reports are being now being used to identify accounts that should be placed at the collection agency, as well as improvements in the overall collections process.

3. A dependent freshman was awarded Stafford Loans for the award year 2011-12 as though he were an independent student. The difference could be permitted if certain circumstances were met. However, upon his award, there was not record of those circumstances. The overaward was caused by the student completing the FAFSA incorrectly, which caused Banner to generate an award package for an independent freshman. This original mistake was discovered by the financial aid employee as a result of a telephone conversation with the student's mother before the fall 2011 semester began. The employee deleted this federal aid package and deleted the award date. Since the award date was deleted, the system was able to automatically award aid when the FAFSA was resubmitted. The resubmitted FAFSA contained a similar error, causing Banner again automatically to package the aid based on independent status. Subsequently, the student filed out the

FAFSA correctly. However, since the Stafford Loans were already packaged, Banner did not automatically change the award package to the lower amount. After the auditors brought this to the attention of MTSU staff, the financial aid office was able to determine that this particular student did meet the required circumstances to receive the higher aid package. This information was retroactively added to the student's records.

As a result of this issue, financial aid management enacted a control that would prevent a similar effort in the future.

Response: *The Financial Aid Office has revised procedure to preclude the above occurrence in the future. If it is determined that a FAFSA correction is needed after we have awarded federal/state funds, awards will be cancelled as applicable. The record will be unlocked to allow a corrected record to be loaded back into Banner as the current record. A tracking requirement will be placed in Banner to insure that the student will not be repackaged without manual review. A Banner disbursement hold will also be placed on federal/state funds to preclude inadvertent disbursement before manual review.*

THE UNIVERSITY OF MEMPHIS
ITEMS DISCUSSED AT FIELD EXIT CONFERENCE
NOT INCLUDED IN THE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2012

Bank Reconciliations not Timely

1. The Controller did not ensure that bank reconciliations were consistently approved within 60 days, as required. While all reconciliations were prepared within the required 60 days, the bank reconciliation for February 2012 was approved 76 days after the end of the month. The bank reconciliation for March 2012 was approved 62 days after the end of the month.

Capital Assets

2. The Senior Plant Accountant improperly expensed $359,522.58 for the Echles Field Lighting (Green Fee) project when it should have been capitalized. This error was corrected for the audit report.

Password Policy

3. The password policy at the University of Memphis should be improved. The wording of this exception does not identify the specific vulnerabilities that could allow someone to exploit the university's systems. However, we have provided the university with more detailed information.

DRAFT
This is a confidential document.
It is not to be copied or disseminated to other parties
Page 1 of 1

Jackson State Community College
Response to List of Items Discussed at the Exit Conference
Not Included in the Audit Report
For the Years Ended June 30, 2010, and June 30, 2009

1. For 5 of 25 current employees tested (20%), the employee's personnel file did not contain a signed I-9 Employment Eligibility Verification Form. The U.S. Citizenship and Immigration Service requires that all employees hired after November 6, 1986, complete an I-9 form asserting that the employee had the legal right to work in the United States. Based on discussions with management, information pertaining to employees hired prior to 2000 was stored in multiple locations and not consolidated into a single file for each employee. All missing I-9 forms were for employees hired prior to 1997. Management stated that I-9 forms would be obtained for all employees for whom an I-9 form was not currently on file.

   Management Response: The Human Resource Office conducted a review of all active employee files for missing I-9 forms. Each temporary, part-time employee, as well as all full-time employee files were reviewed. Several of the active employees, without completed Form I-9, had completed the form but had not provided the personal identification(s) necessary to complete and certify the form. Each employee that did not have a completed Form I-9 was contacted via e-mail and instructed to complete the form and supply the required or missing documentation. To date, we have received almost all of the missing documentation and newly completed forms. Follow-up e-mails and phone calls are helping secure the remainder of the forms. Under the direction of the new Director of Human Resources, the new employee "in-take" process was changed so that no employee works more than 3 days (as mandated by U. S. Citizenship and Immigration Service) without supplying a completed form I-9.

2. Fiscal staff did not include cash for the eight Tennessee Technology Centers in the cash note in the 2009 Financial Report. As a result, cash in bank was understated by $1,223,022.37, and cash in LGIP was understated by $4,856,742.22. We revised the note for the audit report. Fiscal staff had correctly stated these amounts in the 2010 Financial Report.

   Management Response: TTC cash is not to be disclosed in preliminary statements reported to TBR. It is to be reported in the final statements distributed to TBR. Accounting failed to revise the preliminary numbers in 2009 to include this cash in the final report. Correction made at time of audit. This item has been reported correctly in subsequent financial reports. For future reporting, a second check is made to final statements to ensure TTC cash is added to total of preliminary statements.

3. Current pledges were not reported separately in the component unit note in the Financial Reports for the fiscal years ended June 30, 2010, and June 30, 2009. Pledges due within one year of $187,006.21 at June 30, 2010, were combined with pledges due in one to five years of $299,650.00 with the total reported as due in one to five years. Similarly, pledges due

within one year of $179,171.11 at June 30, 2009, were combined with pledges due in one to five years of $469,650.00, with the total reported as due in one to five years at June 30, 2009. We revised the note for the audit report.

Management Response: Pledges were not noted as current and non-current but were instead compiled into an aggregate amount 1-5 years. Totals were broken out at time of audit and reported correctly in 2011 & 2012. For future reporting, all pledges are aged to ensure appropriate classification.

4. Fiscal staff misclassified the RODP (Regents Online Degree Program) Nursing Grant (fund #230015) on the statement of net assets. Net asset balances of $9,496.20 at June 30, 2010, and $6,900.72 at June 30, 2009, were reported as expendable net assets restricted for instructional department uses. Amounts were not revised on the statement of net assets since the amounts were not material.

   Management Response: RODP nursing grant was reported as restricted for scholarships as opposed to restricted for operating. This was deemed immaterial and no change was made. However, it has been reported correctly in subsequent financials. For future reporting, these grants have been remapped in Banner to ensure appropriate reporting.

5. Fiscal staff improperly classified a certificate of deposit with an original maturity date of three months or less as a current investment on the foundation's statement of net assets at June 30, 2009. As a result, current investments were overstated by $1,002,369.88, and current cash and cash equivalents were understated by the same amount. We reclassified the certificate of deposit as current cash and cash equivalents on the foundation's statement of net assets for the audit report.

   Management Response: A CD was reported as a current investment instead of cash equivalent. Correction was made at time of audit. The CD matured and was redeemed and therefore, no subsequent action was required. For future reporting, all CDs reflected in the financial statements will be reviewed to ensure appropriate classification in regards to current investment or cash equivalent based on maturity date.

6. In the endowment portion of component unit note to the financial statements, temporarily restricted net assets in the schedules at fiscal year end June 30, 2010, or June 30, 2009, or the changes for the years then ended, were not properly included. This will be corrected for the audit report. Ending totals for temporarily restricted endowment accounts (262xxx in Banner) were $71,642.83 at June 30, 2010, and $74,018.10 at June 30, 2009. In addition, there were manor overspent temporarily restricted endowment accounts (donor restricted) at June 30, 2009, for $81.86. Those accounts will be shown as unrestricted in the endowment schedules.

   This also affects the prior period; however, a prior period adjustment is not necessary. The change will be shown as a prior period adjustment in the endowment portion of the component unit note restating the beginning temporarily restricted endowments as $78,851.25 and beginning unrestricted endowments as ($356.04) (both donor restricted) as of July 1, 2009.

In addition, auditor also reviewed foundation endowment agreements. Per the Julie Kay DeVersa endowment, the corpus amount should have been classified as temporarily restricted and not permanently restricted prior to fiscal year ended June 30, 2009. The agreement states that the endowment corpus will become spendable for scholarships in yearly increments of $2,000 upon the death of the donor. The definition of temporarily restricted endowments per FASB Codification 958-205-20 glossary is "the part of the net assets of a not-for-profit entity (NFP) resulting from the following: [FAS 116, paragraph 209] a. Contributions and other inflows of assets whose use by the NFP is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the NFP pursuant to those stipulations..." The stipulations of this endowment will expire by the passage of time; therefore, the endowment cannot be considered permanently restricted. Amount of the corpus was $50,824.66 as of July 1, 2008, with investment income of $50.08 for fiscal year ending June 30, 2010, and $486.87 for fiscal year ending June 30, 2009.

Audit adjustments were proposed accordingly.

Management Response: Review of Foundation endowments produced one correction based on FAS 116 paragraph 209. The endowment in question was restricted from any disbursements until the time of the donor's death. As such it was deemed permanently restricted. It was to be moved to temporarily restricted upon death when increments of the endowment would be used for scholarships. It was deemed that the endowment should have been classified as temporarily restricted from inception. Correction has been made. For future reporting, original trust agreements are reviewed by accounting/business office to ensure proper reporting.

7. Noncurrent investments for the foundation were understated by $674,393.80 at June 30, 2009, and current short-term investments were overstated by the same amount. This error occurred because investments relating to endowments were classified as current rather than noncurrent. Investments representing endowment funds are not available for current operations and therefore should be classified as noncurrent in accordance with Emerging Issues Update, Release 02-4, page 5, paragraph 3, in the National Association of College and University Business Officers' *Financial Accounting and Reporting Manual for Higher Education*. This error was corrected in the audited financial statements.

   Management Response: Investments relating to endowment funds were classified as current investments. However, these investments should have been classified as non-current investments. Correction was made at the time of audit and has been reported correctly in subsequent reports. For future reporting, all endowment investments are to be reported as non-current investments with a second check to ensure accuracy.

Renee'

The University of Tennessee
Moving Allowance Procedures
March 2008

The University recently changed procedures related to the payment of moving expenses for newly hired faculty and staff. The change is to start providing moving allowances (a non-accountable plan) rather than expense reimbursement (an accountable plan). This change resulted from a number of considerations including 1) facilitating proper tax reporting; 2) assisting new employees by funding moving expenses up front during a time of change in their lives. Now, rather than having to work with Purchasing to secure bids, negotiate with the successful bidder (who may not have a presence in the community), and await for the University to reimburse other related expenses, the new employee can secure an upfront lump sum payment and make all their own arrangement for the move. All moving expense documentation is then up to the individual for substantiation of the deducations and does not need to be filed with UT.

This procedure change does not impact the tax status of the new employee because the allowance is reported as taxable income. Moving expenses are deductible in arriving at adjusted gross income rather than from adjusted gross income. Consequently, all eligible moving expenses reduce reported taxable income whether itemizing deductions or not. The employee should be in the same position as if UT reimbursed them for moving expenses. Previously, to the extent UT reimbursed non-deductible moving expenses per IRS guidelines, those reimbursements are reported as taxable income to the individual. IRS publication 521, Moving Expenses, provides a detail of how these various provisions should be handled and reported on individual tax returns.

By example, if UT hires an individual and agrees to pay a moving allowance of $10,000, then the department will process a T-27, Advance Payment form, documenting the approved allowance with a copy of the appointment letter or other document signed by the new employee, the department head, and unit head or designee (chancellor/vice president). Payment will be made to the new employee at the agreed upon allowance amount and used to pay for moving expenses or any other relocation costs. In this example, assume the new employee has to temporarily store household property at a cost of $800, then hires a moving company to move for $8,750, and incurs costs on driving family to new location (mileage and lodging) of $450. These are all deductible moving costs so when completing the year end tax return, there is additional taxable income of $10,000 (moving allowance) and a related $10,000 deduction on line 26 of form 1040 (IRIS form 3903). Accordingly, the employee is not impacted by this procedural change. If the allowance is more than the deductible expenses incurred then there is a tax implication but the employee is still better off since the related tax will be less than the excess allowance.

This procedural change should make the moving experience for our new employees easier and less confusing while reducing administrative oversights. The moving allowance requires departments to negotiate the allowance amount but this is already happening by providing a reimbursement "up to" a specified dollar amount.

Renee'

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The University recently changed procedures related to the payment of moving expenses for newly hired faculty and staff. The change is to start providing moving allowances (a non-accountable plan) rather than expense reimbursement (an accountable plan). This change resulted from a number of considerations including 1) facilitating proper tax reporting; 2) assisting new employees by funding moving expenses up front during a time of change in their lives. Now, rather than having to work with Purchasing to secure bids, negotiate with the successful bidder (who may not have a presence in the community), and await for the University to reimburse other related expenses, the new employee can secure an upfront lump sum payment and make all their own arrangement for the move. All moving expense documentation is then up to the individual for substantiation of the deducations and does not need to be filed with UT.

This procedure change does not impact the tax status of the new employee because the allowance is reported as taxable income. Moving expenses are deductible in arriving at adjusted gross income rather than from adjusted gross income. Consequently, all eligible moving expenses reduce reported taxable income whether itemizing deductions or not. The employee should be in the same position as if UT reimbursed them for moving expenses. Previously, to the extent UT reimbursed non-deductible moving expenses per IRS guidelines, those reimbursements are reported as taxable income to the individual. IRS publication 521, Moving Expenses, provides a detail of how these various provisions should be handled and reported on individual tax returns.

By example, if UT hires an individual and agrees to pay a moving allowance of $10,000, then the department will process a T-27, Advance Payment form, documenting the approved allowance with a copy of the appointment letter or other document signed by the new employee, the department head, and unit head or designee (chancellor/vice president). Payment will be made to the new employee at the agreed upon allowance amount and used to pay for moving expenses or any other relocation costs. In this example, assume the new employee has to temporarily store household property at a cost of $800, then hires a moving company to move for $8,750, and incurs costs on driving family to new location (mileage and lodging) of $450. These are all deductible moving costs so when completing the year end tax return, there is additional taxable income of $10,000 (moving allowance) and a related $10,000 deduction on line 26 of form 1040 (IRIS form 3903). Accordingly, the employee is not impacted by this procedural change. If the allowance is more than the deductible expenses incurred then there is a tax implication but the employee is still better off since the related tax will be less than the excess allowance.

This procedural change should make the moving experience for our new employees easier and less confusing while reducing administrative oversights. The moving allowance requires departments to negotiate the allowance amount but this is already happening by providing a reimbursement "up to" a specified dollar amount.

GASB Subcommittee

April 1, 2013

Minutes

The meeting began at 2:00 p.m. Attending were Dr. David Collins (ETSU); Tim Hurst (APSU); BJ King (ETSU); Ron Maples (UT), Valerie Petty (TTU); Aldena Phillips (UT); Jeannie Smith (UOM); Claire Stinson (TTU); Jeff Young (TTU); David Zettergren (UOM); and Renee Stewart (TBR).

Order of Business

I. GASB 60 – Accounting and Financial Reporting for Service Concession Arrangements

The subcommittee discussed issues related to the implementation of GASB 60. A list of questions was developed and will be forwarded to Larry Goldstein (see Attachment A). Mr. Goldstein has promised to address our questions at the May 17^{th} training.

Ms. Stewart presented two draft disclosures related to GASB 60 (see Attachment B). It was noted that while the drafts only addressed bookstore and food service contracts, other type of contracts were subject to GASB 60 and a similar disclosure would be required for them as well. The subcommittee recommended the draft disclosures as presented.

The subcommittee discussed the proper placement of the SCA disclosures within the current TBR template. It was determined that just before the subsequent events disclosure was the appropriate place for the SCA disclosure.

II. GASB 62 – Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements

The subcommittee discussed whether TBR institutions were currently in compliance with GASB 62. No areas of noncompliance were identified.

Implementation of GASB 62 will result in the elimination of the second paragraph in the Basis of Accounting section of the Summary of Significant Accounting Policies note disclosure (see Attachment C).

III. GASB 63 – Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position

The subcommittee discussed issued related to the implementation of GASB 63. A list of questions was developed and will be forwarded to Larry Goldstein (see Attachment A).

Ms. Stewart presented draft revisions to the financial statement formats related to GASB 63 (see Attachment D). The subcommittee recommended the revisions as presented.

Ms. Stewart presented draft revisions to the current TBR chart of accounts related to the implementation of GASB 63 (see Attachment E). While the GASB Subcommittee is not the approving authority for the chart of accounts revisions, the subcommittee was asked to review the proposed revisions to determine if they appeared adequate. No omissions were noted. The proposed revisions will be forwarded to the ERP Finance work group for review and approval.

IV. GASB 65 – Items Previously Reported as Assets and Liabilities

The subcommittee discussed issues related to the implementation of GASB 65. A list of questions was developed and will be forwarded to Larry Goldstein (see Attachment A).

The subcommittee discussed whether TBR institutions should early implement GASB 65. It was determined that GASB 65 is a companion statement to GASB 63 and should logically be implemented at the same time. A draft disclosure regarding early implementation was presented for the subcommittee's review (see Attachment C). The subcommittee recommended the draft as presented.

The subcommittee reviewed the draft revisions to the TBR chart of accounts related to the implementation of GASB 65 (see Attachment E). No problems were noted.

V. Debt Refunding (GASB 7 and 23)

In August 2012, TSSBA advance refunded outstanding bonds payable for several TBR and UT universities. The subcommittee received a request to provide the accounting entries for the advanced refunding.

Ms. Stewart presented sample entries for two MTSU bond issues, one that included a bond premium and one that involved an advance refunding of outstanding bonds (see Attachment F). The subcommittee recommended the sample entries as presented. The entries and the TSSBA-provided supporting documentation will be posted on the TBR website.

Ms. Stewart presented sample disclosures related to advance refunding of outstanding debt, both in the year of the advanced refund and in subsequent years. The subcommittee recommended the drafts as presented. These disclosures will be included in the long-term liabilities note.

The subcommittee reviewed draft revisions to the TBR chart of accounts related to bonds issued with premiums/discounts and amortizations of gains/losses on advance debt refundings (see Attachment E). No problems were noted.

There being no further business, the meeting was adjourned.

Attachment A

GASB 60: Accounting and Financial Reporting for Service Concession Arrangements

1) Most TBR colleges/universities do not have a single building for dining services or bookstore operations. To what extent is it considered ancillary? Should percent of square footage be a consideration?
2) When the college/university collects the fee (meal ticket) as a convenience and passes the receipts onto the vendor, does that affect the determination of whether the contract is a SCA?
3) How are other systems/universities/colleges defining “significant consideration”? Are they setting a dollar amount or using a percentage of total assets/total revenues?
4) When amortization deferred amounts, are 5 year contracts with an option to renew for 5 years considered a 10 year contract? Does it depend on the likelihood or renewal?
5) For the criteria that states “The transferor determines or has the ability to modify or approve what services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that are charged for the services” please provide clarification on how much approval is needed to meet this criteria. For example, for our food service contract, we do not set the price they charge for individual food items, but we do approve the meal plan rates.
6) If the contract terms include the vendor paying the university/college minimum annual guaranteed commissions, do we defer the guaranteed commissions? If so, do we use the present value of the minimum annual guaranteed commissions?
7) What if the contract includes provisions for the payment of utilities? Are we required to estimate and defer the cost of utilities?
8) Many of our contracts are mid-term. To implement GASB 60, do we compute the effect as if this statement had been in effect since the beginning of the contract? Is this considered a change in accounting principle? Do we show a cumulative effect change in net position?
9) What if the contract includes gifts-in-kind provisions in a fixed amount each fiscal year? Do we defer the full amount in the first year even though the gifts-in-kind have not been received? Does a contract that includes a cancellation clause affect your answer?
10) Paragraph 4.c. of the Standard includes three separate items – (1) the ability to modify or approve what services the operator is required to provide, (2) to whom the operator is required to provide the services, and (3) the prices or rates that can charged for the services. Must all three items be met for the contract to be considered an SCA?
11) If a university has an affiliated housing agreement in which the university lets the operator use its name and, at the end of the contract, the university may receive ownership of the building, is this a SCA?
12) If a food service contract requires that the building be returned by the operator in its original condition, subject to normal wear and tear, would we still depreciate the building during the term of the contract?

GASB 63: Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position

1) Using the same financial information pertaining to higher education institutions, we would like to see a comparison of the old presentation vs the new presentation.

GASB 65: Items Previously Reported as Assets and Liabilities

1) We would like to see some examples specific to higher education on what is classified as a deferred inflow and a deferred outflow.
2) We would like some discussion on paragraphs 47, 52, and 62 of the standard. It would also be helpful to have some examples specific to higher education.
3) We are unclear on the guidance provided in paragraph 68 and its ultimate determination.

Attachment B

Service Concession Arrangement for Campus Bookstore

On **(date)**, the university/college entered into an agreement with **(vendor name)**, under which **(vendor name)** will operate the campus bookstore housed in **(name of building)** for the period **(dates of agreement)**. The agreement limits the markup percentage on items sold to **(provide details of markup limitation)**. **(Vendor name)** retains all receipts and pays the college/university a percent commission based on the volume of sales, with a guaranteed minimum of $________. **(Revise prior sentence as needed)** The college reports **(building name)** as a capital asset with a carrying amount of $_________ at year-end and reports a deferred inflow of resources in the amount of $_______ at year-end pursuant to the service concession arrangement. **(Any additional assets/liabilities/deferred inflows/outflows that exist at year-end pursuant to this SCA must also be disclosed.)**
(Disclose any additional agreement terms concerning maintenance of capital asset, any other guarantees by either party, and any other commitments by either party, including identification, duration, and significant contract terms of the guarantee or commitment.)

Service Concession Arrangement for Campus Food Services

On **(date)**, the university/college entered into an agreement with **(vendor name)**, under which **(vendor name)** will operate the campus food services housed in **(name of building)** for the period **(dates of agreement)**. The agreement regulates the cost of meal plans **(include any additional items regulated by the agreement)**. **(Vendor name)** retains all receipts and pays the college/university a percent commission based on the volume of sales, with a guaranteed minimum of $________. **(Revise prior sentence as needed)** The college reports **(building name)** as a capital asset with a carrying amount of $_________ at year-end and reports a deferred inflow of resources in the amount of $_______ at year-end pursuant to the service concession arrangement. **(Any additional assets/liabilities/deferred inflows/outflows that exist at year-end pursuant to this SCA must also be disclosed.)**
(Disclose any additional agreement terms concerning maintenance of capital asset, any other guarantees by either party, and any other commitments by either party, including identification, duration, and significant contract terms of the guarantee or commitment.)

Refunding of Debt (in year of defeasance)

On August 1, 2012, the State issued $8,435,438 in revenue bonds with an average interest rate of 2.85 percent to advance refund $7,392,834 of outstanding 2005 Series B bonds with an average interest rate of 4.88 percent. The net proceeds of $8,407,719.14 (after payment of $27,718.23 in underwriter's fees and issuance costs) were deposited with an escrow agent to provide for all future debt service payments on the 2005 Series B bonds. As a result, the 2005 Series B bonds are considered to be defeased and the liability for those bonds has been removed from the college's/university's long-term liabilities.
Although the advance refunding resulted in the recognition of a deferred loss of $1,014,885.41 to be amortized over the next 13 years, the college/university in effect reduced its aggregate debt service payments by $597,924.32 over the next 16 years and obtained an economic gain (difference between the present values of the old and new debt service payments) of $359,954.14.

Prior-year Defeasance of Debt (in periods following an advance refunding in which the old debt is still outstanding)

In prior years, the State defeased certain revenue bonds of the college/university by depositing the proceeds of new bonds with an escrow agent to provide for all future debt service payments on the old bonds. Accordingly, the trust assets and the liability for the defeased bonds are not included in the college's/university's financial statements. At June 30, 20XX, $__________ of the bonds outstanding are considered defeased.

Attachment C

Standard Notes to Financial Statements

Each institution is expected to provide, **<u>if applicable</u>**, the following notes to the financial statements. Other information considered useful or necessary by the institution should be provided. <u>For notes in which comparative figures are presented, current year information should be presented first.</u> The notes to the financial statements are listed below with an example of each note attached for your reference.

1. Summary of Significant Accounting Policies
2. Cash and Cash Equivalents
3. Deposits
4. Investments
5. Accounts, Notes, and Grants receivable
6. Pledges Receivable
7. Capital Assets
8. Capital Leases
9. Accounts Payable
10. Long-term liabilities
11. Endowments
12. Unrestricted Net Assets
13. Pledged Revenues
14. Pension Plans
15. Other Post-Employment Benefits
16. Chairs of Excellence
17. Insurance-Related Activities
18. Commitments and Contingencies
19. Funds Held in Trust by Others
20. Natural Classifications with Functional Classifications
21. Prior Period Adjustment(s)
22. Affiliated Entity Not Included
23. Impairment of Capital Assets

24. On-Behalf Payments

25. Voluntary Buyout Program

26. Derivative Instruments

27. Service Concession Arrangement(s)

28. Subsequent Events

29. Component Unit(s)

TENNESSEE BOARD OF REGENTS
(Institution Name)

Standard Notes to the Financial Statements
June 30, 2013

1. Summary of Significant Accounting Policies ***(Please delete any sentence or section in this and all other notes that do not apply to your institution.)***

REPORTING ENTITY

The university/college/technology center is a part of the State University and Community College System of Tennessee (Tennessee Board of Regents). This system is a component unit of the State of Tennessee because the state appoints a majority of the system's governing body and provides significant financial support; the system is discretely presented in the Tennessee Comprehensive Annual Financial Report.

The financial statements present only that portion of the Tennessee Board of Regents' activities that is attributable to the transactions of **_________________** ***(institution name)***.

The **_______________** Foundation is considered a component unit of the university/college/technology center. Although the university/college/technology center does not control the timing or amount of receipts from the foundation, the majority of resources, or income thereon, that the foundation holds and invests are restricted to the activities of the university/college/technology center by the donors. Because these restricted resources held by the foundation can only be used by, or for the benefit of, the university/college/technology center, the foundation is considered a component unit of the university/college/technology center and is discretely presented in the university's/college's/technology center's financial statements. See Note ___ for more detailed information about the component unit and how to obtain the report.

BASIS OF PRESENTATION

Option 1 (GASB Foundation):
The university/college/technology center and foundation's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America applicable to governmental colleges and universities engaged in business-type activities as prescribed by the Governmental Accounting Standards Board (GASB).

Option 2 (FASB Foundation):
The university's/college's/technology center's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America applicable to governmental colleges and universities engaged in business-type activities as prescribed by the Governmental Accounting Standards Board (GASB).

BASIS OF ACCOUNTING

For financial statement purposes, the university/college/technology center is considered a special-purpose government engaged only in business-type activities. Accordingly, the financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All significant interfund transactions have been eliminated.

~~Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed to the extent that those standards do not conflict with or contradict guidance~~

~~of the Governmental Accounting Standards Board (GASB). The university/college/technology center has the option of following private-sector guidance issued subsequent to November 30, 1989, subject to the above limitation. The university/college/technology center has elected not to follow private-sector guidance issued subsequent to November 30, 1989.~~

Amounts reported as operating revenues include: 1) tuition and fees, net of waivers and discounts, 2) certain federal, state, local and private grants and contracts, 3) sales and services of auxiliary enterprises, and 4) other sources of revenue. Operating expenses for the university/college/technology center include: 1) salaries and wages, 2) employee benefits, 3) scholarships and fellowships, 4) depreciation, and 5) utilities, supplies, and other services.

All other activity is nonoperating in nature. This activity includes: 1) state appropriations for operations, 2) investment income, 3) bond issuance costs, 4) interest on capital asset-related debt, and 5) gifts and non-exchange transactions.

When both restricted and unrestricted resources are available for use, generally it is the university's/college's/technology center's policy to use the **_________** ***(restricted or unrestricted, please chose ONE)*** resources first.

CASH EQUIVALENTS

This classification includes instruments that are readily convertible to known amounts of cash and have original maturities of three months or less.

INVENTORIES

Inventories are valued at the lower of cost or market. Textbooks included in the inventory are recorded on a **________** ***(first-in, first-out or weighted average)*** basis. All other items are maintained on an average cost or first-in, first-out basis.

COMPENSATED ABSENCES

The university's/college's/technology center's employees accrue annual and sick leave at varying rates, depending upon length of service or classification. Some employees also earn compensatory time. The amount of the liabilities for annual leave and compensatory time and their related benefits are reported in the Statement of Net Assets. There is no liability for unpaid accumulated sick leave since the university's/college's/technology center's policy is to pay this only if the employee is sick or upon death.

CAPITAL ASSETS

Capital assets, which include property, plant, equipment, library holdings, and intangible assets, are reported in the Statement of Net Assets at historical cost or at fair value at date of donation, less accumulated depreciation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' useful lives are not capitalized.

A capitalization threshold of $100,000 is used for buildings and $50,000 is used for infrastructure. Equipment is capitalized when the unit acquisition cost is $5,000 or greater. The capitalization threshold for additions and improvements to buildings and land is set at $50,000. The capitalization threshold for intangible assets is set at $100,000.

These assets, with the exception of land, are depreciated/amortized using the straight-line method over the estimated useful lives of the assets, which range from 5 to 40 years.

LWIA EQUIPMENT

Under a contract with the Tennessee Department of Labor and Workforce Development, the university/college/technology center is the administrative entity and grant recipient for the Local Workforce Investment Area in workforce investment area Number ***XX*** of the State of Tennessee. The title to all the equipment purchased by ***(Name of Institution)*** under the provisions of the Workforce Investment Act resides with the U.S. Government. Therefore, this equipment is not included in ***(Name of Institution)*** capital assets.

NET ASSETS

The university's/college's/technology center's net assets are classified as follows:

INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT*:* This represents the university's/college's/technology center's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt.

RESTRICTED NET ASSETS – NONEXPENDABLE: Nonexpendable restricted net assets consist of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may be expendable or added to principal.

RESTRICTED NET ASSETS – EXPENDABLE: Restricted expendable net assets include resources in which the university/college/technology center is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

UNRESTRICTED NET ASSETS: Unrestricted net assets represent resources derived from student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the university/college/technology center, and may be used at the discretion of the university/college/technology center to meet current expenses for any purpose. The auxiliary enterprises are substantially self-supporting activities that provide services for students, faculty, and staff.

SCHOLARSHIP DISCOUNTS AND ALLOWANCES

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discount and allowances in the statement of revenues, expenses, and changes in net assets. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the university/college/technology center, and the amount that is paid by the student and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other Federal, state or nongovernmental programs are recorded as either operating or nonoperating revenues in the university's/college's/technology center's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the university/college/technology center has recorded a scholarship discount and allowance.

EARLY IMPLEMENTATION OF ACCOUNTING PRONOUNCEMENT

In March 2012, GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities.* This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. The university/college/technology center has elected to early implement the provisions of this statement for fiscal year 2013.

(Institution Name)
Unaudited Statement of Net Position
June 30, 2013

	Institution		Component Unit		MEAC	
ASSETS						
Current assets:						
Cash and cash equivalents (Notes _ and _)	$	-	$	-	$	-
Short-term investments (Notes _ and _)		-		-		-
Accounts, notes, and grants receivable (net) (Note _)		-		-		-
Due from primary government		-		-		-
Pledges receivable (net) (Notes _ and _)		-		-		-
Inventories (at lower of cost or market)		-		-		-
Prepaid expenses		-		-		-
Accrued interest receivable		-		-		-
Other assets		-		-		-
Total current assets		-		-		-
Noncurrent assets:						
Cash and cash equivalents (Notes _ and _)		-		-		-
Investments (Notes _ and _)		-		-		-
Accounts, notes, and grants receivable (net) (Note _)		-		-		-
Pledges receivable (net) (Notes _ and _)		-		-		-
Capital assets (net) (Note _)		-		-		-
Other assets		-		-		-
Total noncurrent assets		-		-		-
Total assets	$	-	$	-	$	-
DEFERRED OUTFLOWS OF RESOURCES						
Accumulated decrease in fair value of hedging derivative		-		-		-
Deferred loss on debt refunding		-		-		-
Total deferred outflows of resources	$	-	$	-	$	-
LIABILITIES						
Current liabilities:						
Accounts payable (Note _)		-		-		-
Accrued liabilities		-		-		-
Due to grantors (Note _)		-		-		-
Due to primary government		-		-		-
Student deposits		-		-		-
Unearned revenue		-		-		-
Compensated absences (Note _)		-		-		-
Accrued interest payable		-		-		-
Long-term liabilities, current portion (Note _)		-		-		-
Deposits held in custody for others		-		-		-
Other liabilities		-		-		-
Total current liabilities		-		-		-
Noncurrent liabilities:						
Accounts payable (Note _)		-		-		-
Net OPEB obligation (Notes _ and _)		-		-		-
Unearned revenue		-		-		-
Compensated absences (Note _)		-		-		-
Long-term liabilities (Note _)		-		-		-
Due to grantors (Note _)		-		-		-
Other liabilities		-		-		-
Total noncurrent liabilities		-		-		-
Total liabilities	$	-	$	-	$	-
DEFERRED INFLOWS OF RESOURCES						
Accumulated increase in fair value of hedging derivative		-		-		-
Deferred service concession arrangement receipts		-		-		-
Deferred gain on debt refunding		-		-		-
Deferred nonexchange transaction receipts		-		-		-
Total deferred inflows of resources	$	-	$	-	$	-
NET POSITION						
Net investment in capital assets		-		-		-
Restricted for:						
Nonexpendable:						
Scholarships and fellowships		-		-		-
Research		-		-		-
Instructional department uses		-		-		-
Other		-		-		-
Expendable:						
Scholarships and fellowships		-		-		-
Research		-		-		-
Instructional department uses		-		-		-
Loans		-		-		-
Capital projects		-		-		-
Debt service		-		-		-
Other		-		-		-
Unrestricted (Note _)		-		-		-
Total net position	$	-	$	-	$	-

The notes to the financial statements are integral part of this statement.

(Institution Name)
Unaudited Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2013

		Institution	Component Unit	MEAC
REVENUES				
Operating revenues:				
Student tuition and fees (net of scholarship				
allowances of	$ -	$ -	-	-
Gifts and contributions		-	-	-
Endowment Income (per spending plan)		-	-	-
Governmental grants and contracts		-	-	-
Non-governmental grants and contracts (Including	$ -			
from component units)		-	-	-
Sales and services of educational activities		-	-	-
Sales and services of other activities		-	-	-
Patient Charges (ETSU only)		-	-	-
Auxiliary enterprises:				
Residential life (net of scholarship				
allowances of	$ -			
all residential life revenues are				
used as security for revenue bonds, see Note __)		-	-	-
Bookstore (net of scholarship				
allowances of	$ -			
all bookstore revenues are				
used as security for revenue bonds, see Note __)		-	-	-
Food service (net of scholarship				
allowances of	$ -			
all food service revenues are				
used as security for revenue bonds, see Note __)		-	-	-
Wellness facility (net of scholarship				
allowances of	$ -			
all wellness facility revenues are				
used as security for revenue bonds, see Note __)		-	-	-
Other auxiliaries		-	-	-
Interest earned on loans to students		-	-	-
Other operating revenues		-	-	-
Total operating revenues		$ -	$ -	$ -
EXPENSES				
Operating Expenses				
Salaries and wages		$ -	$ -	$ -
Benefits		-	-	-
Utilities, supplies, and other services		-	-	-
Scholarships and fellowships		-	-	-
Depreciation expense		-	-	-
Payments to or on behalf of ___________		-	-	-
Total operating expenses		-	-	-
Operating income (loss)		$ -	$ -	$ -
NONOPERATING REVENUES (EXPENSES)				
State appropriations		-	-	-
Gifts, including	$ -			
from component unit(s) to institution and	$ -			
from MEAC to the ETSU Foundation		-	-	-
Grants and contracts		-	-	-
Investment income (net of				
investment expense of	$ -			
for the institution and	$ -			
for the component unit(s))		-	-	-
Interest on capital asset-related debt		-	-	-
Bond issuance costs		-	-	-
Payments to or on behalf of ETSU or ETSU Foundation		-	-	-
Other non-operating revenues/(expenses)		-	-	-
Net nonoperating revenues		-	-	-
Income before other revenues, expenses gains, or losses		-	-	-
Capital appropriations		-	-	-
Capital grants and gifts, including	$ -			
from component unit(s)		-	-	-
Additions to permanent endowments		-	-	-
Other capital		-	-	-
Total other revenues		-	-	-
Increase (decrease) in net assets		$ -	$ -	$ -
NET POSITION				
Net Position -beginning of year		$ -	$ -	$ -
Prior period adjustment (Note ___)		-	-	-
Net Position - end of year		$ -	$ -	$ -

The notes to the financial statements are integral part of this statement.

Internal Acct type	Account Type 1	Account Type 2	Account Code L1	Account Code L2	Account Code L3		Account Code L4		Desc	Data Entry	Predecess	Normal Balance
10									Assets			D
	10								Assets	N		D
		11							Assets	N		D
			11A						Noncurrent cash and cash equivalents	N		D
			11B						Deposit with Trustees	N		D
			110						Cash and Cash Equivalents	N		D
				1100					Cash	N	110	D
					00001	**10999**			**Reserved for Future Use**			
					11000	11000			Claim on Cash	Y	1100	D
					11001	11099			Cash in Bank	Y	1100	D
				1120					Cash in Savings	N	110	D
					11100	**11199**			**Reserved for Future Use**			
					11200	11299			Cash in Savings	Y	1120	D
				1130					Petty Cash and Change Funds	N	110	D
					11300	11399			Petty Cash and Change Funds	Y	1130	D
				1140					Cash on Deposit With Others	N	110	D
					11400	11499			Cash on Deposit With Others	Y	1140	D
				1150					Local Government Investment Pool	N	110	D
					11500	11599			Local Government Investment Pool	Y	1150	D
					11600	**11899**			**Reserved for Future Use**			
				1190					Other Cash	N	110	D
					11900	11999			Other Cash	Y	1190	D
			12A						Noncurrent investments	N		D
			120						Investments	N		D
				1200					US Government Securities	N	120	D
					12000	12099			US Government Securities	Y	1200	D
				1210					Corporate Stocks	N	120	D
					12100	12199			Corporate Stocks	Y	1210	D
				1220					Corporate Bonds	N	120	D
					12200	12299			Corporate Bonds	Y	1220	D
					12300	**12399**			**Reserved for Future Use**			
				1240					Commercial Paper	N	120	D
					12400	12499			Commercial Paper	Y	1240	D
				1250					Equity Mutual Funds	N	120	D
					12500	12599			Equity Mutual Funds	Y	1250	D
				1260					Bond Mutual Funds	N	120	D
					12600	12699			Bond Mutual Funds	Y	1260	D
				1270					Certificates of Deposit	N	120	D
					12700	12799			Certificates of Deposit	Y	1270	D
					12800	**12899**			**Reserved for Future Use**			
				1290					Other Investments	N	120	D
					12900	12999			Other Investments	Y	1290	D
			13A						Noncurrent receivables	N		D
			130						Receivables	N		D
				1300					Appropriation Receivable	N	130	D
					13000	13099			Appropriation Receivable	Y	1300	D
				1310					Notes Receivable	N	130	D
					13100	13199			Notes Receivable	Y	1310	D
				1320					Student Receivables	N	130	D
					13200	13299			Student Receivables	Y	1320	D
				1330					Nonstudent Receivables	N	130	D

					13300	13399			Nonstudent Receivables	Y	1330	D
				1340					Grant and Contract Receivables	N	130	D
					13400	13499			Grant and Contract Receivables	Y	1340	D
				1350					Travel Advance Receivables	N	130	D
					13500	13599			Travel Advance Receivables	Y	1350	D
					13600	**13799**			**Reserved for Future Use**			
				1380					Other Receivables	N	130	D
					13800	13899			Other Receivables	Y	1380	D
				1390					Allowance for Doubtful Accounts	N	130	C
					13900	13999			Allowance for Doubtful Accounts	Y	1390	C
			140						Loan Receivables	N		D
				1400					Loan Receivables	N	140	D
					14000	14989			Loan Receivables	Y	1400	D
					14990	14999			Allowance for Doubtful Accounts	Y	1400	C
			150						Inventories	N		D
				1500					Inventories	N	150	D
					15000	15999			Inventories	Y	1500	D
			160						Prepaid Exp and Deferred Charges	N		D
				1600					Prepaid Expense	N	160	D
					16000	16099			Prepaid Expense	Y	1600	D
				1610					Deferred Charges	N	160	D
					16100	16199			Deferred Charges	Y	1610	D
					16200	**16399**			**Reserved for Future Use**			
				1640					Suspense	N	160	D
					16400	16499			Suspense	Y	1640	D
				1650					Clearing Accounts	N	160	D
					16500	16549			Payroll Clearing	Y	1650	D
					16550	16599			Other Clearing	Y	1650	D
				1660					Default Accounts	N	160	D
					16600	16649			Payroll Default	Y	1660	D
					16650	16699			Benefit Default	Y	1660	D
					16700	**16899**			**Reserved for Future Use**			
				1690					Other Prepaid Exp Deferred Charges	N	160	D
					16900	16999			Other Prepaid Exp Deferred Charges	Y	1690	D
			17A						Noncurrent pledges receivable	N		D
			170						Pledges Receivable	N		D
				1700					Pledges Receivable	N	170	D
					17000	17049			Pledges Receivable	Y	1700	D
					17050	17099			Allowance for Doubtful Accounts	Y	1700	C
			171						Capital Assets	N	11	D
				1710					Land	N	171	D
					17100	17199			Land	Y	1710	D
				1720					Improvements and Infrastructure	N	171	D
					17200	17298			Improvements and Infrastructure	Y	1720	D
				1729					Accum Deprec for Improve and Infras	N	171	C
					17299	17299			Accum Deprec for Improve and Infras	Y	1729	C
				1730					Buildings	N	171	D
					17300	17398			Buildings	Y	1730	D
				1739					Accumulated Deprec for Buildings	N	171	C
					17399	17399			Accumulated Deprec for Buildings	Y	1739	C
				1740					Equipment	N	171	D
					17400	17498			Equipment	Y	1740	D
				1749					Accumulated Deprec for Equipment	N	171	C
					17499	17499			Accumulated Deprec for Equipment	Y	1749	C

				1750					Library Holdings	N	171	D
					17500	17598			Library Holdings	Y	1750	D
				1759					Accumd Deprec for Library Holdings	N	171	C
					17599	17599			Accumd Deprec for Library Holdings	Y	1759	C
				1760					Software	N	171	D
					17600	17698			Software	Y	1760	D
				1769					Accum Amortization for Software	N	171	C
					17699	17699			Accum Amortization for Software	Y	1769	C
				1770					Construction in Progress	N	171	D
					17700	17799			Construction in Progress	Y	1770	D
			18A						Noncurrent other assets	N		D
			180						Other Assets	N		D
				1800					Other Assets	N	180	D
					18000	18999			Other Assets	Y	1800	D
			190						Accrued Interest Receivable	N		D
				1900					Accrued Interest Receivable	N	190	D
					19000	19099			Accrued Interest Receivable	Y	1900	D
		12							Deferred Outflows of Resources	N		D
			19A						Acc Decr in FV of hedge derivative	N		D
				1910					Acc Decr in FV of hedge derivative	N	19A	D
					19100	19199			Acc Decr in FV of hedge derivative	Y	1910	D
			19B						Deferred Loss on Debt Refunding	N		D
				1920					Deferred Loss on Debt Refunding	N	19B	D
					19200	19299			Deferred Loss on Debt Refunding	Y	1920	D
					19300	**19999**			**Reserved for Future Use**			
20									Liabilities			C
	20								Liabilities	N		C
		21							Liabilities	N		C
			210						Accounts Payable	N		C
				2100					Accounts Payable	N	210	C
					20000	**20999**			**Reserved for Future Use**			
					21000	21099			Accounts Payable	Y	2100	C
					21100	21199			Prior Year Accounts Payable	Y	2100	C
					21200	21299			Sales Tax Payable	Y	2100	C
					21300	21399			Other Payables	Y	2100	C
					21400	**21999**			**Reserved for Future Use**			
			22A						Noncurrent accrued liabilities	N		C
			220						Accrued Liabilities	N		C
				2200					Payroll Withholdings	N	220	C
					22000	22999			Payroll Withholdings	Y	2200	C
				2300					Payroll Tax Pay Employers Share	N	220	C
					23000	23999			Payroll Tax Pay Employers Share	Y	2300	C
				2400					Accrued Payroll Salary	N	220	C
					24000	24199			Accrued Payroll Salary	Y	2400	C
				2420					Accrued Benefits	N	220	C
					24200	24299			Accrued Benefits	Y	2420	C
				2430					Accrued Interest	N	220	C
					24300	24399			Accrued Interest	Y	2430	C
					24400	**24899**			**Reserved for Future Use**			
				2490					Other Accrued Liabilities	N	240	C
					24900	24999			Other Accrued Liabilities	Y	2490	C
			250						Deposits	N		C
				2500					Student Deposits	N	250	C

					25000	25199			Student Deposits	Y	2500	C
					25200	**25399**			**Reserved for Future Use**			
				2540					Other Deposits	N	250	C
					25400	25499			Other Deposits	Y	2540	C
					25500	**25999**			**Reserved for Future Use**			
			26A						Current portion long term debt	N		C
			260						Long Term Debt	N		C
				2600					Notes Payable	N	260	C
					26000	26199			Notes Payable	Y	2600	C
				2620					Bonds Payable	N	260	C
					26200	26299			Bonds Payable	Y	2620	C
				2630					Commercial Paper Payable	N	260	C
					26300	26399			Commercial Paper Payable	Y	2630	C
				2640					Loans Payable	N	260	C
					26400	26499			Loans Payable	Y	2640	C
				2650					Other Long Term Debt	N	260	C
					26500	26599			Other Long Term Debt	Y	2650	C
				2660					Bond Premiums/Discounts	N	260	C
					26600	26699			Bond Premiums/Discounts	Y	2660	C
					26700	**26999**			**Reserved for Future Use**			
			27A						Noncurrent due to grantors	N		C
			270						Due to Grantors	N		C
				2700					Due to Grantors	N	270	C
					27000	27099			Due to Grantors	Y	2700	C
					27100	**27999**			**Reserved for Future Use**			
			28A						Noncurrent deferred revenue	N		C
			280						Deferred Revenue	N		C
				2800					Deferred Revenue	N	280	C
					28000	28999			Deferred Revenue	Y	2800	C
			29A						Noncurrent compensated absences	N		C
			290						Compensated Absences	N		C
				2900					Compensated Absences	N	290	C
					29000	29099			Compensated Absences	Y	2900	C
			2A0						Accrued Interest Payable	N		C
				2A00					Accrued Interest Payable	N	2A0	C
					29100	29199			Accrued Interest Payable	Y	2A00	C
			2BA						Noncurrent other liabilities	N		C
			2B0						Other Liabilities	N		C
				2B00					Other Liabilities	N	2B0	C
					29200	29299			Other Liabilities	Y	2B00	C
			2C0						Deposits Held in Custody for Others	N		C
				2C00					Deposits Held in Custody for Others	N	2C0	C
					29300	29399			Deposits Held in Custody for Others	Y	2C00	C
		22							Deferred Inflows of Resources	N		C
			2D0						Accum inc in FV of hedge derivative	N		C
				2D00					Accum inc in FV of hedge derivative	N	2D0	C
					29400	29449			Accum inc in FV of hedge derivative	Y	2D00	C
			2E0						Deferred SCA receipts	N		C
				2E00					Deferred SCA receipts	N	2E0	C
					29450	29499			Deferred SCA receipts	Y	2E00	C
			2F0						Deferred Gain on Debt Refunding	N		C
				2F00					Deferred Gain on Debt Refunding	N	2F0	C
					29500	29549			Deferred Gain on Debt Refunding	Y	2F00	C
			2G0						Deferred Nonexchange Receipts	N		C

				2G00					Deferred Nonexchange Receipts	N	2G0	C
					29550	29599			Deferred Nonexchange Receipts	Y	2G00	C
					29600	**29999**			**Reserved for Future Use**			
30									Control Accounts			
	30								Control Accounts	N		
		31							Control Accounts	N		
			310						Control Accounts	N		
				3011					Revenue Control	N	310	C
				3012					Prior Year Revenue Control	N	310	C
				3013					Budgeted Revenue Control	N	310	D
				3014					Prior Yr Budgeted Revenue Control	N	310	D
				3021					Expenditure Control	N	310	D
				3022					Prior Year Expenditure Control	N	310	D
				3023					Budgeted Expenditure Control	N	310	C
				3024					PY Budgeted Expenditure Control	N	310	C
				3031					Transfer Control	N	310	D
				3032					Prior Year Transfer Control	N	310	D
				3033					Budgeted Transfer Control	N	310	C
				3034					Prior Yr Budgeted Transfer Control	N	310	C
				3041					Encumbrance Control	N	310	D
				3042					Prior Year Encumbrance Control	N	310	D
				3043					Reserve for Encumbrances	N	310	C
				3044					PY Reserve for Encumbrance Ctl	N	310	C
				3048					Reservation Control	N	310	D
				3049					Reserve for Reservations	N	310	C
				3051					Budgeted Change to Net Assets	N	310	D
				3052					PY Budget Change Net Asset Ctl	N	310	D
40									Fund Balances			C
	40								Fund Balances	N		C
		41							Net Assets	N		C
			400						Invested in Capital Assets Net	N		C
			410						Restricted Net Assets	N		C
				4100					Restricted Non Expendable	N	410	C
					41100				Scholarships and Fellowships	N	4100	C
					41200				Research	N	4100	C
					41250				Instructional Department Uses	N	4100	C
					41300				Other	N	4100	C
				4200					Restricted Expendable	N	410	C
					42100				Scholarships and Fellowships	N	4200	C
					42200				Research	N	4200	C
					42300				Instructional Department Uses	N	4200	C
					42400				Loans	N	4200	C
					42500				Capital Projects	N	4200	C
					42600				Debt Service	N	4200	C
					42700				Other	N	4200	C
			490						Unrestricted Net Assets	N		C
50									Revenue			
	50								Revenue	N		C

		51							Tuition and Fees	N		C
			510						Mandatory Fees	N		C
				5100					In State Tuition	N	510	C
					5100A				In State Tuition for Regular Term	N	5100	C
							51000	51019	In State Tuition for Regular Term	Y	5100A	C
					5100B				In State Tuition for Summer Term	N	5100	C
							51020	51029	In State Tuition for Summer Term	Y	5100B	C
					5100C				In State Tuition for RODP	N	5100	C
							51030	51039	In State Tuition for RODP	Y	5100C	C
				5105					Out of State Tuition	N	510	C
					5105A				Out of State Tuition for Reg Term	N	5105	C
							51050	51059	Out of State Tuition for Reg Term	Y	5105A	C
					5105B				Out of State Tuition for Sum Term	N	5105	C
							51060	51069	Out of State Tuition for Sum Term	Y	5105B	C
					5105C				Out of State Tuition for RODP	N	5105	C
							51070	51079	Out of State Tuition for RODP	Y	5105C	C
							51080	**51099**	**Reserved for Future Use**			
				5110					Debt Service Fees	N	510	C
					5110A				Debt Service Fees	N	5110	C
							51100	51149	Debt Service Fees	Y	5110A	C
				5115					General Acc or Program Services Fee	N	510	C
					5115A				General Acc or Program Services Fee	N	5115	C
							51150	51199	General Acc or Program Services Fee	Y	5115A	C
				5120					Technology Access Fees	N	510	C
					5120A				Technology Access Fees	N	5120	C
							51200	51249	Technology Access Fees	Y	5120A	C
				5125					Student Activity Fees	N	510	C
					5125A				Student Activity Fees	N	5125	C
							51250	51299	Student Activity Fees	Y	5125A	C
				5130					Community Coll Campus Access Fee	N	510	C
					5130A				Community Coll Campus Access Fee	N	5130	C
							51300	51310	Community Coll Campus Access Fee	Y	5130A	C
				5131					Facilities Fee	N	510	C
					5131A				Facilities Fee	N	5131	C
							51311	51315	Facilities Fee	Y	5131A	C
				5132					Sustainable Campus Fee	N	510	C
					5132A				Sustainable Campus Fee	N	5132	C
							51316	51320	Sustainable Campus Fee	Y	5132A	C
				5133					International Education Fee	N	510	C
					5133A				International Education Fee	N	5133	C
							51321	51325	International Education Fee	N	5133A	C
							51326	**51499**	**Reserved for Future Use**			
			515						Nonmandatory Fees	N		C
				5150					Institution Online Course Fees	N	515	C
					5150A				Institution Online Course Fees	N	5150	C
							51500	51529	Institution Online Course Fees	Y	5150A	C
							51530	**51549**	**Reserved for Future Use**			
				5155					RODP Fees	N	515	C
					5155A				RODP Fees	N	5155	C
							51550	51599	RODP Fees	Y	5155A	C
				5160					CEU Student Fees	N	515	C
					5160A				CEU Student Fees	N	5160	C
							51600	51649	CEU Student Fees	Y	5160A	C
				5165					Specialized Academic Course Fees	N	515	C

					5165A				Specialized Academic Course Fees	N	5165	C
							51650	51699	Specialized Academic Course Fees	Y	5165A	C
				5170					Application Fees	N	515	C
					5170A				Application Fees	N	5170	C
							51700	51749	Application Fees	Y	5170A	C
				5175					Late Registration Fees	N	515	C
					5175A				Late Registration Fees	N	5175	C
							51750	51799	Late Registration Fees	Y	5175A	C
				5180					Other Nonmandatory Fees	N	515	C
					5180A				Other Nonmandatory Fees	N	5180	C
							51800	51999	Other Nonmandatory Fees	Y	5180A	C
		52							State Appropriation	N		C
			520						State Appropriation	N		C
				5200					State Appropriation	N	520	C
					5200A				State Appropriation for Operations	N	5200	C
							52000		State Appropriation for Operations	Y	5200A	C
							52001	**52009**	**Reserved for Future Use**			
					5200B				State Appropriation for Capital	N	5200	C
							52010		State Appropriation for Capital	Y	5200B	C
							52011	**52999**	**Reserved for Future Use**			
		5D							Nonoperating grants and contracts	N		C
			5D1						Nonoperating grants and contracts	N		C
		5E							Capital grants and gifts	N		C
			5E1						Capital grants and gifts	N		C
		53							Federal Grants and Contracts	N		C
			530						Federal Grants and Contracts	N		C
				5300					Federal Grants and Contracts	N	530	C
					5300A				Federal Grants and Contracts	N	5300	C
							53000	53499	Federal Grants and Contracts	Y	5300A	C
					5300B				Indirect Cost Recovery	N	5300	C
							53500	53900	Indirect Cost Recovery	Y	5300B	C
							53901	**53999**	**Reserved for Future Use**			
		54							State Grants and Contracts	N		C
			540						State Grants and Contracts	N		C
				5400					State Grants and Contracts	N	540	C
					5400A				State Grants and Contracts	N	5400	C
							54000	54499	State Grants and Contracts	Y	5400A	C
					5400B				Indirect Cost Recovery	N	5400	C
							54500	54899	Indirect Cost Recovery	Y	5400B	C
							54900	**54999**	**Reserved for Future Use**			
		55							Local Grants and Contracts	N		C
			550						Local Grants and Contracts	N		C
				5500					Local Grants and Contracts	N	550	C
					5500A				Local Grants and Contracts	N	5500	C
							55000	55499	Local Grants and Contracts	Y	5500A	C
					5500B				Indirect Cost Recovery	N	5500	C
							55500	55899	Indirect Cost Recovery	Y	5500B	C
							55900	**55999**	**Reserved for Future Use**			
		56							Private Grants and Contracts	N		C
			560						Private Grants and Contracts	N		C
				5600					Private Grants and Contracts	N	560	C
					5600A				Private Grants and Contracts	N	5600	C
							56000	56499	Private Grants and Contracts	Y	5600A	C
					5600B				Indirect Cost Recovery	N	5600	C

							56500	56899	Indirect Cost Recovery	Y	5600B	C
							56900	**56999**	**Reserved for Future Use**			
		5F							Additions to permanent endowments	N		C
			5F1						Additions to permanent endowments	N		C
		5G							Operating gifts	N		C
			5G1						Operating gifts	N		C
		57							Private Gifts	N		C
			570						Private Gifts	N		C
				5700					Private Gifts	N	570	C
					5700A				Private Cash Gifts	N	5700	C
							57000	**57009**	**Reserved for Future Use**			
							57010	57499	Private Cash Gifts	Y	5700A	C
					5700B				Private Inkind Gifts	N	5700	C
							57500	57699	Private Inkind Gifts	Y	5700B	C
					5700C				Private Noncash Gifts	N	5700	C
							57700	57999	Private Noncash Gifts	Y	5700C	C
		58							Sales and Services of Edu Act	N		C
			580						Sales and Services of Edu Act	N		C
				5800					Intercollegiate Athletics	N	580	C
					5800A				Ticket Sales	N	5800	C
							58000	58049	Game Event Taxable Ticket Sales	Y	5800A	C
							58050	58099	Game Event Nontaxable Ticket Sales	Y	5800A	C
					5800B				Game Guarantees	N	5800	C
							58100	58149	Game Guarantees	Y	5800B	C
					5800C				Conference Distributions	N	5800	C
							58150	58199	Conference Distributions	Y	5800C	C
					5800D				Radio TV Special Event Revenues	N	5800	C
							58200	58249	Radio TV Special Event Revenues	Y	5800D	C
					5800E				Other Collegiate Athletics	N	5800	C
							58250	58348	Other Collegiate Athletics	Y	5800E	C
					5800F				Student Athletic Fees	N	5800	C
							58349		Student Athletic Fees	Y	5800F	C
				5810					Child Care Centers	N	580	C
					5810A				Child Care Centers	N	5810	C
							58350	58359	Child Care Centers	Y	5810A	C
				5820					Other Sales and Services of Edu Act	N	580	C
					5820A				Other Sales and Services of Edu Act	N	5820	C
							58360	58499	Other Sales and Services of Edu Act	Y	5820A	C
		5H							Nonoperating other revenue sources	N		C
			5H1						Nonoperating other revenue sources	N		C
		5J							Other capital revenues	N		C
			5J1						Other capital revenues	N		C
		59							Other Sources	N		C
			590						Other Sources	N		C
				5900					Other Sources	N	590	C
					5900A				Other Sources	N	5900	C
							58500	58799	Other Sources	Y	5900A	C
		5A							Investment Income	N		C
			5A0						Investment Income	N		C
				5A00					Investment Income	N	5A0	C
					5A00A				Investment Income	N	5A00	C
							58800	58809	Investment Income	Y	5A00A	C
					5A00B				Investment Expense	N	5A00	D
							58810	58819	Investment Expense	Y	5A00B	C

					5A00C				Realized Gains and Losses	N	5A00	C
							58820	58829	Realized Gains and Losses	Y	5A00C	C
					5A00D				Unrealized Gains and Losses	N	5A00	C
							58830	58839	Unrealized Gains and Losses	Y	5A00D	C
							58840	**58899**	**Reserved for Future Use**			
		5B							Loan Fund Additions	N		C
			5B0						Loan Fund Additions	N		C
				5B00					Loan Fund Additions	N	5B0	C
					5B00A				Loan Fund Additions	N	5B00	C
							58900	58999	Loan Fund Additions	Y	5B00A	C
		5C							Auxiliary Rev Generating Activities	N		C
			5C1						Bookstore	N		C
				5C10					Bookstore	N	5C1	C
					5C10A				Bookstore	N	5C10	C
							59000	59099	Bookstore	Y	5C10A	C
			5C2						Food Service	N		C
				5C20					Food Service	N	5C2	C
					5C20A				Food Service	N	5C20	C
							59100	59199	Food Service	Y	5C20A	C
			5C3						Housing	N		C
				5C30					Housing	N	5C3	C
					5C30A				Housing	N	5C30	C
							59200	59299	Housing	Y	5C30A	C
			5C4						Parking	N		C
				5C40					Parking	N	5C4	C
					5C40A				Parking	N	5C40	C
							59300	59399	Parking	Y	5C40A	C
			5C5						Vending	N		C
				5C50					Vending	N	5C5	C
					5C50A				Vending	N	5C50	C
							59400	59499	Vending	Y	5C50A	C
							59500	**59549**	**Reserved for Future Use**			
			5C6						Wellness Facility	N		C
				5C60					Wellness Facility	N	5C6	C
					5C60A				Wellness Facility	N	5C60	C
							59550	59599	Wellness Facility	Y	5C60A	C
			5C7						Telecommunications	N		C
				5C70					Telecommunications	N	5C7	C
					5C70A				Telecommunications	N	5C70	C
							59600	59649	Telecommunications	Y	5C70A	C
			5C8						Post Office	N		C
				5C80					Post Office	N	5C8	C
					5C80A				Post Office	N	5C80	C
							59650	59699	Post Office	Y	5C80A	C
			5C9						Other Aux Rev Generating Activities	N		C
				5C90					Other Aux Rev Generating Activities	N	5C9	C
					5C90A				Other Aux Rev Generating Activities	N	5C90	C
							59700	59799	Other Aux Rev Generating Activities	Y	5C90A	C
							59800	**59999**	**Reserved for Future Use**			
60									Salaries and Wages			
	60								Salaries and Benefits	N		D
		61							Salaries	N		D

			610						Salaries	N		D
				6110					Administrative Salaries	N	610	D
					60000	**61099**			**Reserved for Future Use**			
					61100	61199			Administrative Salaries	Y	6110	D
				6120					Faculty and Academic Salaries	N	610	D
					61200	61299			Faculty and Academic Salaries	Y	6120	D
				6130					Clerical and Support Salaries	N	610	D
					61300	61399			Clerical and Support Salaries	Y	6130	D
				6140					Student Salaries and Wages	N	610	D
					61400	61499			Student Salaries and Wages	Y	6140	D
				6150					Medical School Residents	N	610	D
					61500	61599			Medical School Residents	Y	6150	D
				6160					Professional Support Salaries	N	610	D
					61600	61699			Professional Support Salaries	Y	6160	D
					61700	**61999**			**Reserved for Future Use**			
		62							Employee Benefits	N		D
			620						Employee Benefits	N		D
				6200					Employee Benefits Budget	N	620	D
					62000				Employee Benefits Budget Pool	B	6200	D
			621						Retirement	N		D
				6210					TCRS Retirement	N	621	D
					62001	**62099**			**Reserved for Future Use**			
					62100	62199			TCRS Retirement	Y	6210	D
				6220					ORP Retirement	N	621	D
					62200	62299			ORP Retirement	Y	6220	D
			623						FICA	N		D
				6230					FICA	N	623	D
					62300	62399			FICA	Y	6230	D
				6240					Medicare FICA	N	623	D
					62400	62499			Medicare FICA	Y	6240	D
			625						Group Insurance	N		D
				6250					Group Insurance	N	625	D
					62500	62599			Group Insurance	Y	6250	D
			626						Unemployment Compensation	N		D
				6260					Unemployment Compensation	N	626	D
					62600	62699			Unemployment Compensation	Y	6260	D
			627						Employee Scholarships	N		D
				6270					Employee Scholarships	N	627	D
					62700	62799			Employee Scholarships	Y	6270	D
					62800	**62879**			**Reserved for Future Use**			
			628						Compensated Absences	N		D
				6288					Compensated Absences	N	628	D
					62880	62880			Compensated Absences	Y	6288	D
					62881	**62899**			**Reserved for Future Use**			
			629						Other Employee Benefits	N		D
				6290					Other Employee Benefits	N	629	D
					62900	62999			Other Employee Benefits	Y	6290	D
					63000	**69999**			**Reserved for Future Use**			
70									Expenditures			
	70								Expenditures	N		D
		71							Travel	N		D
			730						Travel	N		D
				7300					Travel Budget	N	730	D

					73000				Travel Budget Pool	B	7300	D
				7310					Individual Instate Travel	N	730	D
					70000	**72999**			**Reserved for Future Use**			
					73001	**73099**			**Reserved for Future Use**			
					73100	73199			Individual Instate Travel	Y	7310	D
				7320					Individual Out of State or Country	N	730	D
					73200	73299			Individual Out of State or Country	Y	7320	D
				7330					Teams and Groups Instate	N	730	D
					73300	73399			Teams and Groups Instate	Y	7330	D
				7340					Teams Grps Out of State or Country	N	730	D
					73400	73499			Teams Grps Out of State or Country	Y	7340	D
				7350					Visitors Instate	N	730	D
					73500	73599			Visitors Instate	Y	7350	D
				7360					Visitors Out of State or Country	N	730	D
					73600	73699			Visitors Out of State or Country	Y	7360	D
				7370					Moving Expenses	N	730	D
					73700	73799			Moving Expenses	Y	7370	D
				7380					Athletic Recruitment Travel	N	730	D
					73800	73899			Athletic Recruitment Travel	Y	7380	D
				7390					Other Travel	N	730	D
					73900	73999			Other Travel	Y	7390	D
		74							Operating Expenses	N		D
			740						Operating Expenses	N		D
				7400					Operating Expense Budget	N	740	D
					74000				Operating Expense Budget Pool	B	7400	D
			741						Printing Duplic and Film Process	N		D
				7411					Printing of Supplies by Institution	N	741	D
					74001	**74109**			**Reserved for Future Use**			
					74110	74119			Printing of Supplies by Institution	Y	7411	D
				7412					Printing of Supplies Outside Instit	N	741	D
					74120	74129			Printing of Supplies Outside Instit	Y	7412	D
				7413					Duplicating and Copy by Institution	N	741	D
					74130	74139			Duplicating and Copy by Institution	Y	7413	D
				7414					Duplicating and Copy Outside Instit	N	741	D
					74140	74149			Duplicating and Copy Outside Instit	Y	7414	D
				7415					Film Processing	N	741	D
					74150	74159			Film Processing	Y	7415	D
				7416					Printing Publications by Instit	N	741	D
					74160	74169			Printing Publications by Instit	Y	7416	D
				7417					Printing Pubs Outside Instit	N	741	D
					74170	74179			Printing Pubs Outside Instit	Y	7417	D
					74180	**74189**			**Reserved for Future Use**			
				7419					Other Print Duplic and Film Process	N	741	D
					74190	74199			Other Print Duplic and Film Process	Y	7419	D
			742						Communications and Shipping Costs	N		D
				7421					Telephone Local Charges	N	742	D
					74200	**74209**			**Reserved for Future Use**			
					74210	74219			Telephone Local Charges	Y	7421	D
				7422					Telephone Long Distance	N	742	D
					74220	74229			Telephone Long Distance	Y	7422	D
				7423					Postal Charges	N	742	D
					74230	74239			Postal Charges	Y	7423	D
				7424					Freight and Express Charges	N	742	D
					74240	74249			Freight and Express Charges	Y	7424	D

				7425					Cable Television	N	742	D
					74250	74259			Cable Television	Y	7425	D
				7426					Telephone Installation	N	742	D
					74260	74269			Telephone Installation	Y	7426	D
					74270	**74289**			**Reserved for Future Use**			
				7429					Other Communication Shipping Costs	N	742	D
					74290	74299			Other Communication Shipping Costs	Y	7429	D
			743						Maint Repairs Services by Others	N		D
				7431					Equipment Maintenance	N	743	D

					74300	**74309**			**Reserved for Future Use**			
					74310	74319			Equipment Maintenance	Y	7431	D
				7432					Building Maintenance	N	743	D
					74320	74329			Building Maintenance	Y	7432	D
				7433					Maintenance of Grounds	N	743	D
					74330	74339			Maintenance of Grounds	Y	7433	D
					74340	**74389**			**Reserved for Future Use**			
				7439					Other Maintenance and Repairs	N	743	D
					74390	74399			Other Maintenance and Repairs	Y	7439	D
			744						Professional and Admin Services	N		D
				7443					Software Maintenance	N	744	D
					74400	**74429**			**Reserved for Future Use**			
					74430	74439			Software Maintenance	Y	7443	D
				7444					Consulting Services	N	744	D
					74440	74449			Consulting Services	Y	7444	D
				7445					Medical Services	N	744	D
					74450	74459			Medical Services	Y	7445	D
				7446					Legal Services	N	744	D
					74460	74469			Legal Services	Y	7446	D
				7447					Advertising Services	N	744	D
					74470	74479			Advertising Services	Y	7447	D
				7448					Dues and Subscriptions	N	744	D
					74480	74489			Dues and Subscriptions	Y	7448	D
				7449					Other Professional and Admin Srvs	N	744	D
					74490	74499			Other Professional and Admin Srvs	Y	7449	D
			745						Supplies	N		D
				7450					Supplies	N	745	D
					74500	74599			Supplies	Y	7450	D
			746						Rental and Insurance	N		D
				7461					Operating Leases for Real Property	N	746	D
					74600	**74609**			**Reserved for Future Use**			
					74610	74619			Operating Leases for Real Property	Y	7461	D
				7462					Operating Leases Personal Property	N	746	D
					74620	74629			Operating Leases Personal Property	Y	7462	D
				7463					Rentals	N	746	D
					74630	74639			Rentals	Y	7463	D
					74640	**74649**			**Reserved for Future Use**			
				7465					Insurance	N	746	D
					74650	74659			Insurance	Y	7465	D
				7466					Capital Leases	N	746	D
					74660	74669			Capital Leases	Y	7466	D
					74670	**74759**			**Reserved for Future Use**			
			747						Awards and Indemnities	N		D
				7476					Awards to Employees	N	747	D
					74760	74769			Awards to Employees	Y	7476	D
					74770	**74789**			**Reserved for Future Use**			
				7479					Other Awards and Indemnities	N	747	D
					74790	74799			Other Awards and Indemnities	Y	7479	D
			748						Grants and Subsidies	N		D
				7481					Grants and Subsidies to Orgs	N	748	D
					74800	**74809**			**Reserved for Future Use**			
					74810	74819			Grants and Subsidies to Orgs	Y	7481	D
				7482					Grants and Subsidies to Individuals	N	748	D
					74820	74829			Grants and Subsidies to Individuals	Y	7482	D

				7483					Training Costs for Employees	N	748	D
					74830	74839			Training Costs for Employees	Y	7483	D
					74840	**74879**			**Reserved for Future Use**			
				7488					Other Grants and Subsidies	N	748	D
					74880	74899			Other Grants and Subsidies	Y	7488	D
			749						Other Services and Expenses	N		D
				7491					Cash Short and Over	N	749	D
					74900	**74909**			**Reserved for Future Use**			
					74910	74919			Cash Short and Over	Y	7491	
				7492					Bad Debts	N	749	D
					74920	74929			Bad Debts	Y	7492	D
				7493					Gain or loss on disposal of fixed asset	N	749	D
					74930	74930			Gain or loss on disposal of fixed asset	Y	7493	D
					74931	**74979**			**Reserved for Future Use**			
				7498					Miscellaneous Unclassified	N	749	D
					74980	74989			Miscellaneous Unclassified	Y	7498	D
				7499					Late Payment Charges	N	749	D
					74990	74999			Late Payment Charges	Y	7499	D
					75000	**75099**			**Reserved for Future Use**			
			751						Utilities and Fuel	N		D
				7510					Utilities and Fuel Budget	N	751	D
					75100				Utilities and Fuel Budget Pool	B	7510	D
					75101	**75109**			**Reserved for Future Use**			
				7511					Electricity	N	751	D
					75110	75119			Electricity	Y	7511	D
				7512					Water and Sewage	N	751	D
					75120	75129			Water and Sewage	Y	7512	D
				7513					Natural Gas	N	751	D
					75130	75139			Natural Gas	Y	7513	D
				7514					Coal	N	751	D
					75140	75149			Coal	Y	7514	D
				7515					Fuel Oil	N	751	D
					75150	75159			Fuel Oil	Y	7515	D
					75160	**75189**			**Reserved for Future Use**			
				7519					Other Utilities and Fuel	N	751	D
					75190	75199			Other Utilities and Fuel	Y	7519	D
			752						Motor Vehicle Operation	N		D
				7521					Motor Fuel Oil Lubricants	N	752	D
					75200	**75209**			**Reserved for Future Use**			
					75210	75219			Motor Fuel Oil Lubricants	Y	7521	D
				7522					Tires and Tubes	N	752	D
					75220	75229			Tires and Tubes	Y	7522	D
				7523					Accessories and Parts	N	752	D
					75230	75239			Accessories and Parts	Y	7523	D
				7524					Repairs by Noninstitutional Agency	N	752	D
					75240	75249			Repairs by Noninstitutional Agency	Y	7524	D
				7529					Other Motor Vehicle Operation	N	752	D
					75250	**75289**			**Reserved for Future Use**			
					75290	75299			Other Motor Vehicle Operation	Y	7529	D
			753						Allocated Charges	N		
				7530					Allocated Charges Budget	N	753	D
					75300				Allocated Charges Budget Pool	B	7530	D
				7531					Prof and Admin Srvs by Instit Dept	N	753	D
					75301	**75309**			**Reserved for Future Use**			

					75310	75319			Prof and Admin Srvs by Instit Dept	Y	7531	
				7532					Data Processing Allocations	N	753	
					75320	75329			Data Processing Allocations	Y	7532	
				7533					Renewal and Replacement Charges	N	753	
					75330	75339			Renewal and Replacement Charges	Y	7533	
				7534					Prorata Allocations	N	753	
					75340	75349			Prorata Allocations	Y	7534	
				7535					Other Allocations	N	753	
					75350	75399			Other Allocations	Y	7535	
		75							Departmental Revenues	N		C
			754						Departmental Revenues	N		C
				7540					Departmental Revenues Budget	N	754	C
					75400				Departmental Revenues Budget Pool	B	7540	C
				7541					Departmental Revenues	N	754	C
					75401	**75409**			**Reserved for Future Use**			
					75410	75999			Departmental Revenues	Y	7541	C
					76001	**76099**			**Reserved for Future Use**			
			760						Stores for Resale Reissue or Manuf	N		D
				7610					Stores for Resale Reissue or Manuf	N	760	D
					76100	76999			Stores for Resale Reissue or Manuf	Y	7610	D
					77000	**77099**			**Reserved for Future Use**			
			770						Grants and Contracts Operating Exp	N		D
				7710					GC Printing Duplic and Film Process	N	770	D
					77100				GC Printing Duplic and Film Process	B	7710	D
					77101	77199			GC Printing Duplic and Film Process	Y	7710	D
				7720					GC Communication and Shipping Costs	N	770	D
					77200				GC Communication and Shipping Costs	B	7720	D
					77201	77299			GC Communication and Shipping Costs	Y	7720	D
				7730					GC Maintenance and Repairs	N	770	D
					77300				GC Maintenance and Repairs	B	7730	D
					77301	77399			GC Maintenance and Repairs	Y	7730	D
				7740					GC Professional and Admin Services	N	770	D
					77400				GC Professional and Admin Services	B	7740	D
					77401	77499			GC Professional and Admin Services	Y	7740	D
				7750					GC Supplies	N	770	D
					77500				GC Supplies	B	7750	D
					77501	77599			GC Supplies	Y	7750	D
				7760					GC Rental and Insurance	N	770	D
					77600				GC Rental and Insurance	B	7760	D
					77601	77699			GC Rental and Insurance	Y	7760	D
				7770					GC Awards and Indemnities	N	770	D
					77700				GC Awards and Indemnities	B	7770	D
					77701	77799			GC Awards and Indemnities	Y	7770	D
				7780					GC Other Services and Expenses	N	770	D
					77800				GC Other Services and Expenses	B	7780	D
					77801	77899			GC Other Services and Expenses	Y	7780	D
				7790					GC Utilities and Fuel	N	770	D
					77900				GC Utilities and Fuel	B	7790	D
					77901	77999			GC Utilities and Fuel	Y	7790	D
		78							Capital Expenditures	N		D
			780						Capital Expenditures	N		D
				7800					Capital Expense Budget	N	780	D

					78000				Capital Expense Budget Pool	B	7800	D
			781						Equipment	N		D
				7811					Office Equipment	N	781	D
					78110	78119			Office Equipment	Y	7811	D
				7812					Operational Equipment	N	781	D
					78120	78129			Operational Equipment	Y	7812	D
				7813					Instructional Equipment	N	781	D
					78130	78139			Instructional Equipment	Y	7813	D
					78140	**78189**			**Reserved for Future Use**			
				7819					Other Equipment	N	781	D
					78190	78199			Other Equipment	Y	7819	D
			782						Land	N		D
				7821					Purchase of Land	N	782	D
					78200	**78209**			**Reserved for Future Use**			
					78210	78219			Purchase of Land	Y	7821	D
				7822					Site Fevelopment and Improvement	N	782	D
					78220	78229			Site Development and Improvement	Y	7822	D
					78230	**78289**			**Reserved for Future Use**			
				7829					Other Land Costs	N	782	D
					78290	78299			Other Land Costs	Y	7829	D
			783						Buildings	N		D
				7831					Puchase of Buildings	N	783	D
					78300	**78309**			**Reserved for Future Use**			
					78310	78319			Puchase of Buildings	Y	7831	D
				7832					Construction of Buildings	N	783	D
					78320	78329			Construction of Buildings	Y	7832	D
					78330	**78409**			**Reserved for Future Use**			
			784						Improvements and Infrastructure	N		D
				7841					Parking Lots Streets Walks etc	N	784	D
					78410	78419			Parking Lots Streets walks etc	Y	7841	D
				7842					Utility System Maint Operation	N	784	D
					78420	78429			Utility System Maint Operation	Y	7842	D
					78430	**78489**			**Reserved for Future Use**			
				7849					Other Improvements	N	784	D
					78490	78499			Other Improvements	Y	7849	D
					78500	**78509**			**Reserved for Future Use**			
			785						Library Books and Binding	N		D
				7851					Books	N	785	D
					78510	78519			Books	Y	7851	D
				7852					Periodicals	N	785	D
					78520	78529			Periodicals	Y	7852	D
				7853					Binding	N	785	D
					78530	78539			Binding	Y	7853	D
				7854					Films	N	785	D
					78540	78549			Films	Y	7854	D
				7855					Microform	N	785	D
					78550	78559			Microform	Y	7855	D
					78560	**78579**			**Reserved for Future Use**			
				7858					Other Library	N	785	D
					78580	78599			Other Library	Y	7858	D
					78600	**78609**			**Reserved for Future Use**			
			786						Capitalized Software	N		D
				7861					Capitalized Software	N	786	D
					78610	78699			Capitalized Software	Y	7861	D

					78700	**78999**			**Reserved for Future Use**			
		79							Scholarships and Fellowships	N		D
			790						Scholarships and Fellowships	N		D
				7900					Scholarships and Fellow Budget	N	790	D
					79000				Scholarships and Fellow Budget Pool	B	7900	D
					79001	**79709**			**Reserved for Future Use**			
			791						Scholarships and Fellowships	N		D
				7971					Scholarships	N	791	D
					79710	79719			Scholarships	Y	7971	D
				7972					Fellowships	N	791	D
					79720	79729			Fellowships	Y	7972	D
				7973					Athletic Scholarships	N	791	D
					79730	79739			Athletic Scholarships	Y	7973	D
				7974					Sponsored Projects Fee Remissions	N	791	D
					79740	79749			Sponsored Projects Fee Remissions	Y	7974	D
				7975					Statutory Fee Remissions	N	791	D
					79750	79759			Statutory Fee Remissions	Y	7975	D
					79760	**79799**			**Reserved for Future Use**			
		7A							Depreciation Expense	N		D
			7A0						Depreciation Expense	N		D
				7A10					Equipment Depreciation	N	7A0	D
					7A100	7A199			Equipment Depreciation	Y	7A10	D
				7A20					Buildings Depreciation	N	7A0	D
					7A200	7A299			Buildings Depreciation	Y	7A20	D
				7A30					Improve and Infrastructure Deprec	N	7A0	D
					7A300	7A399			Improve and Infrastructure Deprec	Y	7A30	D
				7A40					Library Holdings Depreciation	N	7A0	D
					7A400	7A499			Library Holdings Depreciation	Y	7A40	D
				7A50					Software Amortization	N	7A0	D
					7A500	7A599			Software Amortization	Y	7A50	D
		7B							Grant Related Expense Items	N		D
			7B0						Grant Related Expense Items	N		D
				7B10					Indirect Cost Expense	N	7B0	D
					79800	79819			Indirect Cost Expense	Y	7B10	D
				7B20					Refund to Grantors	N	7B0	D
					79820	79839			Refund to Grantors	Y	7B20	D
				7B30					Expired Grants	N	7B0	D
					79840	79859			Expired Grants	Y	7B30	D
				7B40					Cost Sharing Expense	N	7B0	D
					79860	79879			Cost Sharing Expense	Y	7B0	D
		7C							Other Nonoperating Expense Items	N		D
			7C0						Other Nonoperating Expense Items	N		D
				7C10					Interest on Capital Asset Debt	N	7C0	D
					79880	79899			Interest on Capital Asset Debt	Y	7C10	D
				7C20					Bond Issuance Cost	N	7C0	D
					79900	79919			Bond Issuance Cost	Y	7C20	D
				7C30					Other Capital	N	7C0	D
					79920	79939			Other Capital	Y	7C30	D
		7D							Loan Fund Deductions	N		D
			7D0						Loan Fund Deductions	N		D
				7D10					Loan Fund Deductions	N	7D0	D
					79940	79999			Loan Fund Deductions	Y	7D10	D

80									Transfers			
	80								Transfers	N		
		81							Transfers	N		
			810						Mandatory Transfers	N		
				8110					Retirement of Indebtedness	N	810	D
					80000	**81099**			**Reserved for Future Use**			
					81100	81199			Retirement of Indebtedness	Y	8100	D
				8120					Renewal and Replacements	N	810	D
					81200	81299			Renewal and Replacements	Y	8200	D
				8130					Loan Fund Matching	N	810	D
					81300	81399			Loan Fund Matching	Y	8300	D
					81400	**82109**			**Reserved for Future Use**			
			820						Nonmandatory Transfers	N		
				8210					Transfers to Unexpended Plant	N	820	D
					82100	82199			Transfers to Unexpended Plant	Y	8210	D
				8220					Transfers to Renew and Replace	N	820	D
					82200	82299			Transfers to Renew and Replace	Y	8220	D
				8230					Transfers to Other Funds	N	820	D
					82300	82399			Transfers to Other Funds	Y	8230	D
				8240					Transfers from Unexpended Plant	N	820	C
					82400	82499			Transfers from Unexpended Plant	Y	8240	C
				8250					Transfers from Renew and Replace	N	820	C
					82500	82599			Transfers from Renew and Replace	Y	8250	C
				8260					Transfers from Other Funds	N	820	C
					82600	82699			Transfers from Other Funds	Y	8260	C
					82700	**89999**			**Reserved for Future Use**			
90									Fund Additions			
	90								Fund Additions	N		C
		94							Fund Additions	N		C
			940						Fund Additions	N		C
				9400					Fund Additions	N	940	C
					94510				Current Funds	Y	9400	C
					94520				Restricted Funds	Y	9400	C
					94525				Contribution from US Government	Y	9400	C
					94527				Addition to Permanent Endowment	Y	9400	C
					94530				Unexpended Funds	Y	9400	C
					94540				Renewal and Replacement	Y	9400	C
					94550				Retirement of Indebtedness	Y	9400	C
					94560				Investment in Plant	Y	9400	C
					94630				Equipment Usage Charge	Y	9400	C
					94640				TSSBA Borrowing	Y	9400	C
					94650				Other Borrowing	Y	9400	C
					94660				Principal Collected	Y	9400	C
					94670				Bond Prem Disc Amortization	Y	9400	C
					94680				Bond Refunding Amortization	Y	9400	C
					94690				Other Additions	Y	9400	C

					94692				Prior Period Adjustment	Y	9400	C
95									Fund Deductions			
	95								Fund Deductions	N		D
		96							Fund Deductions	N		D
			960						Fund Deductions	N		D
				9600					Fund Deductions	N	960	D
					95410				Capitalized Expended for Plant	Y	9600	D
					95420				Disposal or Sale of Assets	Y	9600	D
					95430				Cumulative Chg in Acct Principle	Y	9600	D
					95510				Principal Payments for LT Debt	Y	9600	D
					95520				Principal Payments for Cap Leases	Y	9600	D
					95530				Incr or Decr Designated Allocations	Y	9600	D
					95550				Increase in Indebtedness	Y	9600	D
					95570				Bond Prem Disc Amortization	Y	9600	D
					95580				Bond Refunding Amortization	Y	9600	D
					95690				Other Fund Deductions	Y	9600	D

Bond 444 - MTSU Deere and Nicks Hall				Calculations
	Unexpended Plant fund			
8/1/2012	Cash	11,005,460.50		
	TSSBA Borrowing		11,005,406.50	
	Investment in Plant fund			
	Increase in Indebtedness	11,005,406.50		
	Bonds payable		9,383,699.00	
	Bonds premium/discount		1,621,707.50	
	Record issuance of bonds			
	Unexpended Plant fund			
8/1/2012	Bond issuance costs	30,406.50		
	Capitalized expended for plant (expense)	10,975,000.00		
	Cash		11,005,460.50	
	Investment in Plant Fund			
	Building	10,975,000.00		
	Capitalized expended for plant (fund addition)		10,975,000.00	
	Record use of bond proceeds			
	Retirement of Indebtedness			
11/1/2012	Interest on capital asset debt	105,772.15		
	Cash		105,772.15	
	Investment In Plant Fund			
	Bond premium/discount	40,542.69		((1,621,707.50 premium /20 yrs)/2 per year)
	Other fund deductions		40,542.69	
	Retirement of Indebtedness			
	Other fund deductions	40,542.69		
	Interest on capital asset debt		40,542.69	
	Record interest payment and amortization of bond premium			
	Retirement of Indebtedness			
11/1/2012	Principal payment for LT Debt (fund deduction)	232,983.00		
	Cash		232,983.00	
	Investment in Plant			
	Bonds Payable	232,983.00		
	Principal collected (fund addition)		232,982.00	
	Record principal payment			
	Retirement of Indebtedness			
5/1/2013	Interest on capital asset debt	211,334.61		
	Cash		211,334.61	
	Investment in Plant Funds			
	Bond premium/discount	40,542.69		
	Other fund deduction		40,542.69	
	Retirement of Indebtedness			
	Other fund deduction	40,542.69		
	Interest on capital asset debt		40,542.69	
	Record interest payment and amortization of bond premium			

Bond 444 - MTSU Deere and Nicks Hall				Calculations
	Retirement of Indebtedness			
6/30/2013	Interest on capital asset debt	70,444.87		((211,334.61 next interest payment/6 months) x 2 months accrual)
	Accrued interest payable		70,444.87	
	Accrue interest payable for May and June			
	Retirement of Indebtedness			
7/1/2013	Accrued interest payable	70,444.87		
	Interest on capital asset debt		70,444.87	
	Reverse year-end accrual			

SOURCES AND USES OF FUNDS

Tennessee State School Bond Authority
444-MTSU Deere and Nicks Hall Housing Renovations

Dated Date	08/01/2012
Delivery Date	08/01/2012

Sources:	
Bond Proceeds:	
Par Amount	9,383,699.00
Premium	1,621,707.50
	11,005,406.50

Uses:	
Project Fund Deposits:	
Project Fund	10,975,000.00
Delivery Date Expenses:	
Cost of Issuance	16,576.90
Underwriter's Discount	13,828.77
	30,405.67
Other Uses of Funds:	
Additional Proceeds	0.83
	11,005,406.50

BOND DEBT SERVICE

Tennessee State School Bond Authority
444-MTSU Deere and Nicks Hall Housing Renovations

Dated Date 08/01/2012
Delivery Date 08/01/2012

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2012	232,982	0.180%	105,772.15	338,754.15	
05/01/2013			211,334.61	211,334.61	550,088.76
11/01/2013	311,327	0.350%	211,334.61	522,661.61	
05/01/2014			210,789.79	210,789.79	733,451.40
11/01/2014	319,869	5.000%	210,789.79	530,658.79	
05/01/2015			202,793.06	202,793.06	733,451.85
11/01/2015	336,273	5.000%	202,793.06	539,066.06	
05/01/2016			194,386.24	194,386.24	733,452.30
11/01/2016	353,517	5.000%	194,386.24	547,903.24	
05/01/2017			185,548.31	185,548.31	733,451.55
11/01/2017	371,646	5.000%	185,548.31	557,194.31	
05/01/2018			176,257.16	176,257.16	733,451.48
11/01/2018	390,705	5.000%	176,257.16	566,962.16	
05/01/2019			166,489.54	166,489.54	733,451.70
11/01/2019	410,741	5.000%	166,489.54	577,230.54	
05/01/2020			156,221.01	156,221.01	733,451.55
11/01/2020	426,339	2.500%	156,221.01	582,560.01	
05/01/2021			150,891.78	150,891.78	733,451.79
11/01/2021	440,478	4.000%	150,891.78	591,369.78	
05/01/2022			142,082.22	142,082.22	733,451.99
11/01/2022	460,808	5.000%	142,082.22	602,890.22	
05/01/2023			130,562.02	130,562.02	733,452.23
11/01/2023	484,439	5.000%	130,562.02	615,001.02	
05/01/2024			118,451.04	118,451.04	733,452.06
11/01/2024	509,282	5.000%	118,451.04	627,733.04	
05/01/2025			105,718.99	105,718.99	733,452.03
11/01/2025	532,667	4.000%	105,718.99	638,385.99	
05/01/2026			95,065.65	95,065.65	733,451.64
11/01/2026	557,252	5.000%	95,065.65	652,317.65	
05/01/2027			81,134.35	81,134.35	733,452.00
11/01/2027	585,829	5.000%	81,134.35	666,963.35	
05/01/2028			66,488.63	66,488.63	733,451.98
11/01/2028	615,871	5.000%	66,488.63	682,359.63	
05/01/2029			51,091.85	51,091.85	733,451.48
11/01/2029	647,454	5.000%	51,091.85	698,545.85	
05/01/2030			34,905.50	34,905.50	733,451.35
11/01/2030	680,657	5.000%	34,905.50	715,562.50	
05/01/2031			17,889.08	17,889.08	733,451.58
11/01/2031	715,563	5.000%	17,889.08	733,452.08	
05/01/2032					733,452.08
	9,383,699		5,101,973.76	14,485,672.76	14,485,672.76

NET DEBT SERVICE

Tennessee State School Bond Authority
444-MTSU Deere and Nicks Hall Housing Renovations

Period Ending	Principal	Interest	Total Debt Service	Net Debt Service	Annual Net D/S
11/01/2012	232,982	105,772.15	338,754.15	338,754.15	
05/01/2013		211,334.61	211,334.61	211,334.61	550,088.76
11/01/2013	311,327	211,334.61	522,661.61	522,661.61	
05/01/2014		210,789.79	210,789.79	210,789.79	733,451.40
11/01/2014	319,869	210,789.79	530,658.79	530,658.79	
05/01/2015		202,793.06	202,793.06	202,793.06	733,451.85
11/01/2015	336,273	202,793.06	539,066.06	539,066.06	
05/01/2016		194,386.24	194,386.24	194,386.24	733,452.30
11/01/2016	353,517	194,386.24	547,903.24	547,903.24	
05/01/2017		185,548.31	185,548.31	185,548.31	733,451.55
11/01/2017	371,646	185,548.31	557,194.31	557,194.31	
05/01/2018		176,257.16	176,257.16	176,257.16	733,451.48
11/01/2018	390,705	176,257.16	566,962.16	566,962.16	
05/01/2019		166,489.54	166,489.54	166,489.54	733,451.70
11/01/2019	410,741	166,489.54	577,230.54	577,230.54	
05/01/2020		156,221.01	156,221.01	156,221.01	733,451.55
11/01/2020	426,339	156,221.01	582,560.01	582,560.01	
05/01/2021		150,891.78	150,891.78	150,891.78	733,451.79
11/01/2021	440,478	150,891.78	591,369.78	591,369.78	
05/01/2022		142,082.22	142,082.22	142,082.22	733,451.99
11/01/2022	460,808	142,082.22	602,890.22	602,890.22	
05/01/2023		130,562.02	130,562.02	130,562.02	733,452.23
11/01/2023	484,439	130,562.02	615,001.02	615,001.02	
05/01/2024		118,451.04	118,451.04	118,451.04	733,452.06
11/01/2024	509,282	118,451.04	627,733.04	627,733.04	
05/01/2025		105,718.99	105,718.99	105,718.99	733,452.03
11/01/2025	532,667	105,718.99	638,385.99	638,385.99	
05/01/2026		95,065.65	95,065.65	95,065.65	733,451.64
11/01/2026	557,252	95,065.65	652,317.65	652,317.65	
05/01/2027		81,134.35	81,134.35	81,134.35	733,452.00
11/01/2027	585,829	81,134.35	666,963.35	666,963.35	
05/01/2028		66,488.63	66,488.63	66,488.63	733,451.98
11/01/2028	615,871	66,488.63	682,359.63	682,359.63	
05/01/2029		51,091.85	51,091.85	51,091.85	733,451.48
11/01/2029	647,454	51,091.85	698,545.85	698,545.85	
05/01/2030		34,905.50	34,905.50	34,905.50	733,451.35
11/01/2030	680,657	34,905.50	715,562.50	715,562.50	
05/01/2031		17,889.08	17,889.08	17,889.08	733,451.58
11/01/2031	715,563	17,889.08	733,452.08	733,452.08	
05/01/2032					733,452.08
	9,383,699	5,101,973.76	14,485,672.76	14,485,672.76	14,485,672.76

Bond 418 - MTSU Fraternity Housing

	Investment in Plant		
8/1/2012	Bonds payable	7,392,834.00	
	Deferred loss on refunding	1,014,885.41	
	Increase in indebtedness	27,718.59	
	Bonds payable		8,435,438.00
	Unexpended Plant		
	Bond issuance costs	27,718.59	
	TSSBA borrowing		27,718.59
	Record issuance of new bonds and refunding of old debt		
	Retirement of Indebtedness		
11/1/2012	Interest on capital asset debt	52,511.10	
	Cash		52,511.10
	Investment in Plant Fund		
	Other fund deductions	40,072.52	
	Deferred loss on refunding		40,072.52
	Retirement of Indebtedness		
	Interest on capital asset debt	40,072.52	
	Other fund additions		40,072.52
	Record interest payment and amortization of loss on debt refunding		
	Retirment of Indebtedness		
11/1/2012	Principal payment for LT Debt (fund deduction)	183,873.00	
	Cash		183,873.00
	Investment in Plant		
	Bonds Payable	183,873.00	
	Principal collected (fund addition)		183,873.00
	Record principal payment		
	Retirement of Indebtedness		
5/1/2013	Interest on capital asset debt	104,654.45	
	Cash		104,654.45
	Investment in Plant Funds		
	Other fund deductions	40,072.52	
	Deferred loss on refunding		40,072.52
	Retirement of Indebtedness		
	Interest on capital asset debt	40,072.52	
	Other fund additions		40,072.52
	Record interest payment and amortization of loss on debt refunding		
	Retirement of Indebtedness		
6/30/2013	Interest on capital asset debt	34,884.82	
	Accrued interest payable		34,884.82
	Accrue interest payable for May and June		
	Retirement of Indebtedness		
7/1/2013	Accrued interest payable	34,884.82	
	Interest on capital asset debt		34,884.82
	Reverse year-end accrual		

Calculations

Reacquisition price:		
Escrow deposit	8,407,719.41	(1)
Call premium	-	
Total	8,407,719.41	
Net carrying amt of old debt:		
Par value of old debt	7,392,834.00	
Deferred bond issuance costs	-	(2)
Deferred premium/discount	-	(2)
Total	7,392,834.00	

(1) Reacquisition price excludes discount, premium or issuance cost of new debt.
(2) Expensed when old debt was issued.

((1,014,885.41 loss /13 yrs)/2 per year)

Remaining life of old debt (2005B)	13 years
Life of new debt	20 years

13 ys < 20 yrs

((104,654.45 next interest payment/6 months) x 2 months accrual)

SOURCES AND USES OF FUNDS

Tennessee State School Bond Authority
MTSU 418 Fraternity Housing (2005B)

Dated Date	08/01/2012
Delivery Date	08/01/2012

Sources:	
Bond Proceeds:	
Par Amount	8,435,438.00
	8,435,438.00

Uses:	
Refunding Escrow Deposits:	
PV cost of cashflows	8,407,719.41
Delivery Date Expenses:	
Cost of Issuance	15,578.71
Underwriter's Discount	12,139.52
	27,718.23
Other Uses of Funds:	
Additional Proceeds	0.36
	8,435,438.00

BOND DEBT SERVICE

Tennessee State School Bond Authority
MTSU 418 Fraternity Housing (2005B)

Dated Date 08/01/2012
Delivery Date 08/01/2012

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2012	183,873	0.400%	52,511.10	236,384.10	
05/01/2013			104,654.45	104,654.45	341,038.55
11/01/2013	131,881	0.500%	104,654.45	236,535.45	
05/01/2014			104,324.75	104,324.75	340,860.20
11/01/2014	132,810	0.900%	104,324.75	237,134.75	
05/01/2015			103,727.11	103,727.11	340,861.86
11/01/2015	532,783	1.275%	103,727.11	636,510.11	
05/01/2016			100,330.61	100,330.61	736,840.72
11/01/2016	539,359	1.425%	100,330.61	639,689.61	
05/01/2017			96,487.68	96,487.68	736,177.30
11/01/2017	545,958	1.772%	96,487.68	642,445.68	
05/01/2018			91,650.49	91,650.49	734,096.17
11/01/2018	557,897	1.922%	91,650.49	649,547.49	
05/01/2019			86,289.10	86,289.10	735,836.60
11/01/2019	572,961	2.379%	86,289.10	659,250.10	
05/01/2020			79,473.73	79,473.73	738,723.84
11/01/2020	591,391	2.479%	79,473.73	670,864.73	
05/01/2021			72,143.44	72,143.44	743,008.17
11/01/2021	604,147	2.579%	72,143.44	676,290.44	
05/01/2022			64,352.97	64,352.97	740,643.41
11/01/2022	620,722	2.779%	64,352.97	685,074.97	
05/01/2023			55,728.03	55,728.03	740,803.00
11/01/2023	636,649	2.979%	55,728.03	692,377.03	
05/01/2024			46,245.15	46,245.15	738,622.18
11/01/2024	664,817	3.129%	46,245.15	711,062.15	
05/01/2025			35,844.08	35,844.08	746,906.23
11/01/2025	682,257	3.279%	35,844.08	718,101.08	
05/01/2026			24,658.48	24,658.48	742,759.56
11/01/2026	708,728	3.379%	24,658.48	733,386.48	
05/01/2027			12,684.52	12,684.52	746,071.00
11/01/2027	729,205	3.479%	12,684.52	741,889.52	
05/01/2028					741,889.52
	8,435,438		2,209,700.31	10,645,138.31	10,645,138.31

NET DEBT SERVICE

Tennessee State School Bond Authority
MTSU 418 Fraternity Housing (2005B)

Date	Principal	Interest	Total Debt Service	Net Debt Service	Annual Net D/S
11/01/2012	183,873	52,511.10	236,384.10	236,384.10	
05/01/2013		104,654.45	104,654.45	104,654.45	341,038.55
11/01/2013	131,881	104,654.45	236,535.45	236,535.45	
05/01/2014		104,324.75	104,324.75	104,324.75	340,860.20
11/01/2014	132,810	104,324.75	237,134.75	237,134.75	
05/01/2015		103,727.11	103,727.11	103,727.11	340,861.86
11/01/2015	532,783	103,727.11	636,510.11	636,510.11	
05/01/2016		100,330.61	100,330.61	100,330.61	736,840.72
11/01/2016	539,359	100,330.61	639,689.61	639,689.61	
05/01/2017		96,487.68	96,487.68	96,487.68	736,177.30
11/01/2017	545,958	96,487.68	642,445.68	642,445.68	
05/01/2018		91,650.49	91,650.49	91,650.49	734,096.17
11/01/2018	557,897	91,650.49	649,547.49	649,547.49	
05/01/2019		86,289.10	86,289.10	86,289.10	735,836.60
11/01/2019	572,961	86,289.10	659,250.10	659,250.10	
05/01/2020		79,473.73	79,473.73	79,473.73	738,723.84
11/01/2020	591,391	79,473.73	670,864.73	670,864.73	
05/01/2021		72,143.44	72,143.44	72,143.44	743,008.17
11/01/2021	604,147	72,143.44	676,290.44	676,290.44	
05/01/2022		64,352.97	64,352.97	64,352.97	740,643.41
11/01/2022	620,722	64,352.97	685,074.97	685,074.97	
05/01/2023		55,728.03	55,728.03	55,728.03	740,803.00
11/01/2023	636,649	55,728.03	692,377.03	692,377.03	
05/01/2024		46,245.15	46,245.15	46,245.15	738,622.18
11/01/2024	664,817	46,245.15	711,062.15	711,062.15	
05/01/2025		35,844.08	35,844.08	35,844.08	746,906.23
11/01/2025	682,257	35,844.08	718,101.08	718,101.08	
05/01/2026		24,658.48	24,658.48	24,658.48	742,759.56
11/01/2026	708,728	24,658.48	733,386.48	733,386.48	
05/01/2027		12,684.52	12,684.52	12,684.52	746,071.00
11/01/2027	729,205	12,684.52	741,889.52	741,889.52	
05/01/2028					741,889.52
	8,435,438	2,209,700.31	10,645,138.31	10,645,138.31	10,645,138.31

SUMMARY OF REFUNDING RESULTS

Tennessee State School Bond Authority
MTSU 418 Fraternity Housing (2005B)

Dated Date	08/01/2012
Delivery Date	08/01/2012
Arbitrage yield	3.284235%
Escrow yield	0.305449%
Bond Par Amount	8,435,438.00
True Interest Cost	2.843731%
Net Interest Cost	2.869250%
Average Coupon	2.853573%
Average Life	9.180
Par amount of refunded bonds	7,392,834.00
Average coupon of refunded bonds	4.875872%
Average life of refunded bonds	10.431
PV of prior debt to 08/01/2012 @ 3.284235%	8,496,053.13
Net PV Savings	359,954.14
Percentage savings of refunded bonds	4.868960%
Percentage savings of refunding bonds	4.267166%

SUMMARY OF BONDS REFUNDED

Tennessee State School Bond Authority
MTSU 418 Fraternity Housing (2005B)

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
MTSU 418 Fraternity Housing (2005B), MTSU418:					
TERMB	05/01/2016	4.880%	417,914.00	05/01/2015	100.000
	05/01/2017	4.880%	437,574.00	05/01/2015	100.000
	05/01/2018	4.880%	456,697.00	05/01/2015	100.000
	05/01/2019	4.880%	480,786.00	05/01/2015	100.000
	05/01/2020	4.880%	507,247.00	05/01/2015	100.000
TERMB1	05/01/2021	4.875%	536,462.00	05/01/2015	100.000
	05/01/2022	4.875%	560,055.00	05/01/2015	100.000
	05/01/2023	4.875%	587,462.00	05/01/2015	100.000
	05/01/2024	4.875%	613,732.00	05/01/2015	100.000
	05/01/2025	4.875%	652,326.00	05/01/2015	100.000
	05/01/2026	4.875%	679,680.00	05/01/2015	100.000
	05/01/2027	4.875%	716,236.00	05/01/2015	100.000
	05/01/2028	4.875%	746,663.00	05/01/2015	100.000
			7,392,834.00		

SAVINGS

Tennessee State School Bond Authority
MTSU 418 Fraternity Housing (2005B)

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 08/01/2012 @ 3.2842346%
11/01/2012	180,257.83	236,384.10	-56,126.27		-55,671.03
05/01/2013	180,257.83	104,654.45	75,603.38	19,477.12	73,778.64
11/01/2013	180,257.83	236,535.45	-56,277.62		-54,032.05
05/01/2014	180,257.83	104,324.75	75,933.08	19,655.46	71,725.42
11/01/2014	180,257.83	237,134.75	-56,876.92		-52,857.23
05/01/2015	180,257.83	103,727.11	76,530.73	19,653.81	69,973.00
11/01/2015	180,257.83	636,510.11	-456,252.27		-410,417.59
05/01/2016	598,171.83	100,330.61	497,841.22	41,588.95	440,593.49
11/01/2016	170,060.73	639,689.61	-469,628.88		-408,910.55
05/01/2017	607,634.73	96,487.68	511,147.05	41,518.17	437,870.49
11/01/2017	159,383.93	642,445.68	-483,061.75		-407,125.94
05/01/2018	616,080.93	91,650.49	524,430.43	41,368.68	434,850.83
11/01/2018	148,240.52	649,547.49	-501,306.97		-408,961.53
05/01/2019	629,026.52	86,289.10	542,737.42	41,430.44	435,606.92
11/01/2019	136,509.34	659,250.10	-522,740.76		-412,779.07
05/01/2020	643,756.34	79,473.73	564,282.61	41,541.85	438,383.57
11/01/2020	124,132.52	670,864.73	-546,732.22		-417,886.71
05/01/2021	660,594.52	72,143.44	588,451.07	41,718.86	442,507.42
11/01/2021	111,056.25	676,290.44	-565,234.19		-418,181.59
05/01/2022	671,111.25	64,352.97	606,758.29	41,524.10	441,650.27
11/01/2022	97,404.91	685,074.97	-587,670.05		-420,845.46
05/01/2023	684,866.91	55,728.03	629,138.88	41,468.83	443,263.43
11/01/2023	83,085.53	692,377.03	-609,291.51		-422,344.46
05/01/2024	696,817.53	46,245.15	650,572.38	41,280.87	443,673.61
11/01/2024	68,125.81	711,062.15	-642,936.34		-431,382.22
05/01/2025	720,451.81	35,844.08	684,607.73	41,671.39	451,920.83
11/01/2025	52,225.36	718,101.08	-665,875.72		-432,454.12
05/01/2026	731,905.36	24,658.48	707,246.88	41,371.16	451,901.94
11/01/2026	35,658.16	733,386.48	-697,728.32		-438,617.35
05/01/2027	751,894.16	12,684.52	739,209.64	41,481.32	457,186.48
11/01/2027	18,199.91	741,889.52	-723,689.61		-440,356.48
05/01/2028	764,862.91		764,862.91	41,173.30	457,890.83
	11,243,062.63	10,645,138.31	597,924.32	597,924.32	359,953.78

Savings Summary

PV of savings from cash flow	359,953.78
Plus: Refunding funds on hand	0.36
Net PV Savings	359,954.14

Policy No. 5:01:01:20

Subject: Alternate Work Arrangements

I. INTRODUCTION

PURPOSE

The purpose of this policy is to set the standards for a consistent process and treatment of employees regarding alternate work arrangements across the TBR system. Availability of an alternate work arrangement is at the discretion of each institution and subject to change with or without notice. This policy applies only to non-faculty employees in Institutions who choose to offer alternate work arrangements. Future references to employees in this policy refer to non-faculty. Any reference to Institutions includes the TBR Central Office.

DEFINITIONS

1. Telecommuting: A work arrangement in which supervisors authorize employees to perform their usual job functions away from their central workplace in accordance with work agreements.
2. Flex Time: Adjusted work schedule where daily working hours may fall outside the hours of 8am to 4:30pm.
3. Compressed Work Week: Adjusted schedule where the employee works a 37.5 hour week in less than 5 days.
4. Flex Year: Any time period, greater than 9 and less than 12 months, scheduled to accommodate the cyclical workload of the Institution.
5. Job Sharing: Two or more people share a single job for which they are equally accountable.
6. Central Workplace: The employer's place of work where employees normally are located.
7. Employee: A person employed by the institution pursuant to the Board of Regents policies.
8. Alternate Work Arrangement Agreement (Work Agreement): The written agreement between the institution and the employee that details the terms and conditions of an employee's work schedule whether away from or at the central workplace. Work agreements are required for any alternate work arrangement.
9. Work Schedule: The employee's hours of work in the central workplace and/or in the alternate work location.

II. Procedures

1. Requests for alternate work arrangements should be initiated by the employee's supervisor, and should establish the business justification for the alternate work

arrangement. Each institution must establish an internal procedure to review and approve/deny these requests.

2. Alternate work arrangements are not to be considered a universal employee benefit or right. No employee is entitled to or guaranteed the opportunity to an alternate work arrangement. Management is responsible for the continued successful operations of each institution and thus management has the sole discretion to designate positions and/or individuals for an alternate work arrangement.

3. Alternate Work Arrangements do not change the conditions of employment or required compliance with laws and policies. Employees working on an alternate work arrangement are subject to the same policies, statutes, and procedures applicable to all employees including, but not limited to, time and attendance and leave policies. Institutions must ensure that procedures are in place to document the work hours of employees in alternate work arrangements ensuring compliance with the Fair Labor Standards Act. Supervisors may require employees to report to a central workplace or video conference as needed for work-related meetings or other events or may meet with employees in the alternative work location as needed to discuss work progress or other work related issues. If a holiday falls on an employee's scheduled day off as a result of an alternate work arrangement, the employee's supervisor will make appropriate schedule adjustments to accommodate the holiday.

4. If approved for an alternate work arrangement, the employee is expected to maintain appropriate levels of productivity and quality of work. If working from a home-based location, the employee will be expected to make arrangements which allow the work site to be a productive work environment during the agreed-upon work hours. The supervisor will use the institution's normal performance management system to clearly define the performance expectations and to assess the employee's performance. If a decline in performance is noted, the arrangement will be cancelled.

5. Approved alternate work arrangements must be initiated through a formal alternate work arrangement agreement. At a minimum, this agreement will establish:

    - That the agreement may be revoked any time without cause by written notification of the Institution or upon request by the employee;
    - That the agreement will be reviewed periodically for compliance and to insure the continued business justification for the work agreement;
    - The employee's work schedule;
    - The employee's work location(s);
    - How communications between the employee, supervisors, colleagues and others will be maintained;
    - Exclusions of liability for the institution and the State related to injury or property damage to third persons at employee maintained home-based work locations;
    - An indemnification and hold harmless clause releasing the institution and the State from any and all claims, demands, judgments, liabilities, losses, damages,

or expenses resulting or arising from any injury or damage to any person, corporation or other entity caused directly or indirectly by the employee's acts, omissions, bad faith, willful misconduct or negligence excluding acts within the scope of the employee's employment pursuant to TCA 9-8-307(h);
- The institution's right to inspect home-based work facilities upon request;
- The employee's status during emergency or weather-related closings.

A sample Alternate Work Arrangement Agreement is provided in Appendix A.

6. Employees working from a location within their home are responsible for maintaining their work environment as a safe and productive work space. Work related injuries occurring at the employee's home-based work location are subject to Tennessee Worker's Compensation laws. Alternate work locations are considered extensions of the employee's central work location during the time period outlined in the Alternate Work Arrangement Agreement.

7. The supervisor should consider material and equipment needs when drafting a proposal for an alternate work arrangement with the goal of making the arrangement cost-neutral, i.e., no more equipment, supplies or expense should be necessary as a result of the alternate work arrangement than would be needed in the original work location. However, at the Institution's discretion, appropriated funds may be used to:

   - pay for leased telephone lines in employee's alternate work location;
   - install and provide basic telephone service in employees' alternate work location or;
   - provide cell phones or cell phone allowances to employees for business use;
   - if cell phones or cell phone allowances are not provided, institutions may reimburse employees for business-related long distance calls made from their personal telephones upon submission of appropriate documentation.

   The Institution will not be responsible for any additional costs associated with alternate work locations such as utilities, home maintenance, etc. The employee will be responsible for any tax implications of a home-based work location. For a home-based work location, the employee will be responsible for providing insurance coverage for equipment, supplies, etc. provided by the employee. The employee will be responsible for compliance with any local zoning ordinances or other restrictions related to maintaining a home-based work site. The Institution will not be liable for any fines, penalties, taxes or other expenses that may accrue as a result of any violation of applicable restrictions.

8. Employees must follow institution approved data security policies and procedure for protecting confidential information. The employee will be responsible for any materials and documents transported from the Institution.

Appendix A
Alternate Work Arrangement Agreement (Sample)

EMPLOYEE INFORMATION:

Name: ____________________________ ID# __________________________

Title: ____________________________ Department: _________________________

__Telecommuting __ Flex Time __ Compressed Work Week __ Flex Year __ Job Sharing

Alternate Work Location (if applicable): ____

Agreement begin date: ___________________________ Agreement end/review date: ____________________

___Exempt employee **___Non-exempt employee (1 hr. lunch break must be scheduled)**	**Alternate Work Schedule (hours)**				
Days	**On-Site**		**Off-Site**		
	Begin	End	Begin	End	**Total hours**
Monday					
Tuesday					
Wednesday					
Thursday					
Friday					
Saturday					
Sunday					
Total Hours					

Conditions:

- This agreement may be severed at any time by written notification of the Institution or upon request of the employee.
- If working from a home-based location, the Institution, upon consultation with HR, maintains the right to inspect the employee’s work facilities upon request.
- (Insert exclusion of liability statement as approved by Office of the General Counsel)
- (Insert indemnification and hold harmless statement as approved by Office of the General Counsel)
- Employee will maintain communication with supervisors, colleagues and others via: (list home office number/cell phone number, etc,)____
- During emergency or weather related closings, the employee will: ________________________________
  ____

Comments: ____

This document establishes an alternate work arrangement per the stipulations of TBR Policy 5:01:01:20, Alternate Work Arrangements (attached). By signing below, the employee agrees to abide by all stipulations stated therein.

____ ______________________
Employee Signature Date

____ ______________________
Supervisor Name (Print) Signature Date

(Each institution should insert appropriate signature lines per local approval process)

Please return completed agreement to the Department of Human Resources

Guideline P-110
Subject: Employee Grievance/Complaint Guideline

I. APPLICATION OF GUIDELINE

A. This Guideline applies to employees of an institution/center and has been developed to assist in drafting procedures for addressing grievances and complaints filed. There shall be two types of procedures, which each institution/center shall address through policies developed pursuant to this Guideline. The two types are: 1) grievances, which are subject to committee review; and, 2) complaints which must be resolved without committee review. Standard grievance forms shall be made available to employees at each work site, but no grievance may be denied because a standard form has not been used.

B. The following is a minimum which must be incorporated in the institutional/center grievance and complaint procedures. The procedures may vary from institution to institution, but may not establish any right to a hearing except as set out herein.

C. This Guideline has no application to a termination procedure initiated against a tenured faculty member under TBR policy No. 5:02:03:60 Section V (I), or 5:02:03:70 Section VI (G)(2). This Guideline is not to be used for support staff employees who are demoted, suspended without pay, or terminated. In accordance with Tenn. Code Ann. § 49-8-117, *Support Staff Grievance Procedure*, support staff employees who are demoted, suspended without pay, or terminated must follow the grievance process contained in Guideline P-111. Support staff employees who wish to challenge other employment actions not covered by Guideline P-111, however, may utilize the procedures set forth in the guideline, as applicable.

If the grievance involves or is based on unlawful discrimination or unlawful harassment, the process set out in Guideline P – 080 must be utilized; however, if the President's/Director's/or Chancellor's, as appropriate, decision includes demotion, suspension without pay, or termination, the employee so disciplined may use this procedure or the procedure described in TBR policy 1:06:00:05.

D. An employee may choose to utilize the procedure for review by the grievance committee established pursuant to this Guideline in
actions relating to the suspension of employees for cause or termination in violation of an employment contract which fall under TBR Policy No. 1:06:00:05 (Cases Subject to TUAPA), or TBR Policy No. 5:02:03:60 Section V (I)(2) or 5:02:03:70 Section VI (G)(2)(b) (suspension of tenured faculty) or TBR Policy No. 5:02:03:10 Section III (O)(2) (suspension of tenured faculty at TTCs).

E. The institution/center may choose to utilize the procedure for review by the grievance committee (established pursuant to this Guideline) when resolving a complaint initiated pursuant to TBR Policy No. 5:02:02:10 (Faculty Promotion at TTCs), 5:02:02:20 (Faculty Promotion at Universities), or 5:02:02:30 (Faculty Promotion at Community Colleges).

II. DEFINITIONS

A. GRIEVANCE – (Committee review available) – An employee may only grieve actions the institution/center has taken against the employee which:

1. violates institution/center or TBR policy, or involves an inconsistent application of these same policies;
2. violates any constitutional right. The most likely areas of concern are the First, Fourth or Fourteenth Amendment of the federal constitution when that action hampers free speech, freedom of religion, the right to association, provides for improper search and seizure, or denies constitutionally required notice or procedures, or;
3. violates a federal or state statute not covered by TBR Guideline P-080.

B. COMPLAINT – (Committee review not available) – A complaint is a concern which an employee wants to discuss with supervisory personnel in an effort to resolve the matter. Personnel actions such as performance evaluations, rates of pay, position re-classifications, job assignments, or position terminations due to reduction in force do not fall under the definition of complaint.

C. EMPLOYEE
For purposes of the grievance and complaint procedures, an employee is defined as faculty (though not including faculty on adjunct contracts), executive, administrative, professional staff, or clerical and support staff personnel. Probationary employees, student workers, temporary employees, and graduate assistants are not included in the definition of employee.

D. EMPLOYMENT ACTION – Employment action is the demotion, suspension without pay, termination of an employee, or work assignments or conditions of work which violate statute or policy.

III. COMPLAINT PROCEDURE

A. The complaint procedure should state a time limit within which a complaint must be presented after the date the employee received notice or becomes aware of the action which forms the basis of the complaint. If the complaint arises from a repeated or continuing occurrence, the time limit begins from the date of the last such occurrence. Any complaint not presented within the time limit is waived and shall not be considered. Once a final determination is made, the employee may not later present the same complaint in an attempt to gain a more favorable outcome.

B. The institution/center policy shall indicate with whom a complaint is to be filed. It should also indicate that a complaint must be submitted in writing.

C. Resolution of complaints at a minimum requires the institution/center to: 1) allow the employee to present facts and/or materials; 2) investigate the dispute; and, 3) attempt to find a solution. The President/Director/Chancellor, as appropriate or his/her designee shall be the final decision maker. Complaints do not include a right to any type of hearing, adversarial proceeding, nor the right to appeal to the Chancellor.

IV. GRIEVANCE PROCEDURE

(1) Procedure
A grievance must be initiated within fifteen (15) workdays after the employee receives notice or becomes aware of the action which is the basis for the grievance. The administrator considering the grievance at each step shall issue a written decision with specific reasons stated for the decision.

If the employee is not satisfied with the decision at any step, he/she must carry the grievance forward to the next step within fifteen (15) workdays after receiving the written decision. If the employee does not carry the grievance forward within fifteen (15) workdays, the grievance procedure shall be terminated and the grievance disposed of in accordance with the last written decision.

For purposes of this procedure, the term “workdays” refers to Monday through Friday. Any party involved in the grievance proceeding may request an extension of any deadline set forth in the policy. The institution shall establish procedures for consideration of extension requests.
Once a grievance is initiated, the grievant may not later present the same grievance again in an attempt to gain a more favorable outcome.

(2)Testimony, Witnesses and Representation
At every step, the employee may testify and present witnesses and materials in support of his/her position. The testimony of an employee, given either on his/her own behalf or as a witness for another employee, will not subject an employee to retaliatory action. At every step, the employee may be accompanied by a representative as defined by the institution which may also specify the parameters of participation by the representative during the hearing process. At the discretion of the panel chair, additional employees from the unit may be allowed to attend the employee panel hearing conducted as the final step.

(3) Steps of Review
Step 1-- Supervisor or Administrator Instituting Employment Action:

a. Within fifteen (15) workdays after the employee receives notice or becomes aware of the action which is the basis for the grievance, the employee completes a Grievance Form (which may be obtained from Human Resources), submits it to Human Resources and provides a copy to his/her supervisor or the administrator instituting employment action. While a particular form is not required to file a grievance, the employee must make it clear that she/he intends to utilize the grievance procedures for resolution of the employment action.

b. Within fifteen (15) workdays after receipt of the grievance, the supervisor or administrator initiating employment action and the employee meet and discuss the grievance in a face-to-face meeting.

c. If the supervisor or administrator was not the one who recommended the original employment action, or is recommending a change from the original employment action, the supervisor or administrator will make a recommendation to the administrator who made the original employment action. Any changes from the original employment action must be approved by the President or Director, as appropriate, before being communicated to the employee. Within fifteen (15) workdays after the face-to-face meeting, the supervisor or administrator must communicate the decision in writing to the grievant with specific reasons stated for the decision. If the supervisor or administrator fails to respond or if the decision is not satisfactory to the employee, the employee may carry the grievance forward to Step 2.

Step 2--Next Higher Level of Management:
d. Within fifteen (15) workdays after receiving the written decision at Step 1, if the employee is not satisfied with the result of Step 1, the employee must notify Human Resources that he/she wants further review. Human Resources schedules a face-to-face meeting to occur within fifteen (15) workdays after receiving notice that the employee wants further review of the next level administrator.

e. Within fifteen (15) workdays after the face-to-face meeting, the next level administrator issues a written decision that includes specific reasons for the decision. Any changes from the original employment action must be approved by the President or Director, as appropriate, before being communicated to the employee.

At the institution's discretion, Step 2 may be repeated up through the Vice President or other appropriate administrator, as needed.

Step 3--Hearing:
f. Within fifteen (15) workdays after receiving the written decision at Step 2, the employee can request a grievance hearing before a panel of employees. The employee must notify Human Resources in writing whether he/she wants a hearing before an employee panel. Alternatively, the employee may request a hearing under TBR Policy No. 1:06:00:05 (Cases Subject to TUAPA), if applicable.

g. If the employee requests a hearing before an employee panel, Human Resources or the appropriate institutional person as defined by the institution policy selects the panel members, convenes the hearing and arranges for the grievance to be heard. The employee grievance panel may include non-exempt staff employees, exempt staff employees, or a combination of both exempt and non-exempt employees. The panel members representing the unit where the employee works may not serve on the grievance panel. Every effort should be made to include minorities, i.e. ethnic minorities and women, in the composition of the committee.

h. The grievance panel shall hear the grievance within fifteen (15) workdays, if practicable, after the date on which the employee submits his/her written request to Human Resources. The written recommendation of the institutional panel or commission is subject to review by the President, TTC Director, or in the case of grievances at the TBR Central Office, the Chancellor.

Step 4–Review by the President/ TTC Director/ or Chancellor, as appropriate:

The written recommendation of the grievance panel will be forwarded to the President, TTC Director, or Chancellor, as appropriate. Within fifteen (15) work days, if practicable, the President, TTC Director, or Chancellor, as appropriate, or a designee will notify the grievant of the final decision.

Grievances which are processed through the grievance committee and upon which the President/Director has made a decision are appealable to the Chancellor only where the grievance falls within the parameters set out in TBR Policy 1:02:11:00.

V. **NON-RETALIATION-** No employee shall retaliate or discriminate against another employee because of the latter employee's filing of a grievance or complaint. In addition, no employee shall coerce another employee or interfere with the action of another employee in the latter employee's attempt to file a grievance or complaint.

Administrative, academic and supervisory personnel should also be informed that they are responsible for ensuring that the employee is free from retaliation, coercion and/or discrimination arising from the employee's filing of or intent to file a grievance or complaint.

VI. RESPONSIBILITY FOR IMPLEMENTATION

A. The President/Director/Chancellor, as appropriate or his /her designee of the institution/center has ultimate responsibility for implementation of the grievance and complaint procedures.

B. Administrative, academic, and supervisory personnel are responsible for insuring that they inform and make available to all employees information concerning their right to file a grievance or complaint and their right to be protected from retaliation.

VII. MAINTENANCE OF RECORDS

Copies of written grievances and complaints, and accompanying responses and documentation should be maintained at a specified location(s) at the institution/center for at least two years after the date of the employment decision. If a finding adverse to the grievant/complainant is made, the finding shall be maintained in the grievant/complainant's personnel file.

Source Presidents Meeting: August 18, 1987; May 16, 1989; August 21, 2001; February 13, 2002; February 13, 2008

Guideline P-111

Subject: Support Staff Grievance

A. **Application of Guideline.** The following procedure is to be used for support staff employees who are demoted, suspended without pay, or terminated. If the grievance involves or is based on unlawful discrimination or unlawful harassment, the process set out in Guideline P-080 must be utilized; however, if the President's/Director's/ or Chancellor's, as appropriate, decision includes demotion, suspension without pay, or termination, the employee so disciplined may use this procedure or the procedures described in TBR policy 1:06:00:05. Standard grievance forms shall be made available to support staff at each work site, but no grievance may be denied because a standard form has not been used. For other employee grievance and complaint procedures not outlined below, see P-110.

B. Definitions:
(1) "Support staff" means employees who are not faculty, executive, administrative or professional staff. Student workers, temporary employees, and graduate assistants are not included in the definition of employee.

(2) "Grievance" means a complaint about one (1) or more of the following matters:
(a)Demotion, suspension without pay or termination for cause; or
(b)Work assignments or conditions of work which violate statute or policy.
(c)
(3) "Employment Action" means any action described in section 2 above

.C. Grievance Procedure:
(1) Time for Filing
A grievance must be initiated within fifteen (15) workdays after the employee receives notice or becomes aware of the action which is the basis for the grievance. The administrator considering the grievance at each step shall issue a written decision with specific reasons stated for the decision.

If the employee is not satisfied with the decision at any step, he/she must carry the grievance forward to the next step within fifteen (15) workdays after receiving the written decision. If the employee does not carry the grievance forward within fifteen (15) workdays, the grievance procedure shall be terminated and the grievance disposed of in accordance with the last written decision.

For purposes of this procedure, the term "workdays" refers to Monday through Friday. Any party involved in the grievance proceeding may request an extension of any deadline set forth in the policy. The institution shall establish procedures for consideration of extension requests.

Once a grievance is initiated, the grievant may not later present the same grievance again in an attempt to gain a more favorable outcome.

(2)Testimony, Witnesses and Representation
At every step, the employee may testify and present witnesses and materials in support of his/her position. The testimony of an employee, given either on his/her own behalf or as a witness for another employee, will not subject an employee to retaliatory action. At every step, the employee may be accompanied by a representative as defined by the institution, which may also specify the parameters of participation by the representative during the hearing process. At the discretion of the panel chair, additional employees from the unit may be allowed to attend the employee panel hearing conducted as the final step.

(3) Steps of Review
Step 1-- Supervisor or Administrator Instituting Employment Action:

b. Within fifteen (15) workdays after the employee receives notice or becomes aware of the action which is the basis for the grievance, the employee completes a Grievance Form (which may be obtained from Human Resources), submits it to Human Resources and provides a copy to his/her supervisor or the administrator instituting employment action. While a particular form is not required to file a grievance, the employee must make it clear that she/he intends to utilize the grievance procedures for resolution of the employment action.

b. Within fifteen (15) workdays after receipt of the grievance, the supervisor or administrator initiating the employment action and the employee meet and discuss the grievance in a face-to-face meeting.

c. If the supervisor or administrator was not the one who recommended the original employment action, the supervisor or administrator will make a recommendation to the administrator who made the original employment action. Any changes from the original employment action must be approved by the President or Director, as appropriate, before being communicated to the employee. Within fifteen (15) workdays after the face-to-face meeting, the supervisor or administrator must communicate the decision in writing to the grievant with specific reasons stated for the decision. If the supervisor or administrator fails to respond or if the decision is not satisfactory to the employee, the employee may carry the grievance forward to Step 2.

Step 2--Next Higher Level of Management:
d. Within fifteen (15) workdays after receiving the written decision at Step 1, if the employee is not satisfied with the result of Step 1, the employee must notify Human Resources that he/she wants further review. Human Resources schedules a face-to-face meeting to occur within fifteen (15) workdays after receiving notice that the employee wants further review of the next level administrator.
e. Within fifteen (15) workdays after the face-to-face meeting, the next level administrator issues a written decision that includes specific reasons for the decision. Any changes from the original employment action must be approved by the President or Director, as appropriate, before being communicated to the employee.

Step 3--Hearing:
f. Within fifteen (15) workdays after receiving the written decision at Step 2, the employee can request a grievance hearing before a panel of employees. The employee must notify Human Resources in writing whether he/she wants a hearing before an employee panel. Alternatively, the employee may request a hearing under TBR Policy No. 1:06:00:05 (Cases Subject to TUAPA).

g. If the employee requests a hearing before an employee panel, Human Resources or the appropriate institutional person as defined by the institution policy selects the panel members, convenes the hearing and arranges for the grievance to be heard. The employee grievance panel may include non-exempt staff employees, exempt staff employees, or a combination of both exempt and non-exempt employees. The panel members representing the unit where the employee works may not serve on the grievance panel. Every effort should be made to include minorities, i.e. ethnic minorities and women, in the composition of the committee.

h. The grievance panel shall hear the grievance within fifteen (15) workdays, if practicable, after the date on which the employee submits his/her written request to Human Resources. The written recommendation of the institutional panel or commission is subject to review by the President, TTC Director, or in the case of grievances at the TBR Central Office, the Chancellor.

Step 4–Review by the President/ TTC Director/ or Chancellor, as appropriate:
The written recommendation of the grievance panel will be forwarded to the President, TTC Director, or Chancellor, as appropriate. Within fifteen (15) work days, if practicable, the President, TTC Director, or Chancellor, as appropriate, or a designee will notify the grievant of the final decision.

Grievances which are processed through the grievance committee and upon which the President/Director has made a decision are appealable to the Chancellor only where the grievance falls within the parameters set out in TBR Policy 1:02:11:00.

D. Non-Retaliation- No employee shall retaliate or discriminate against another employee because of the latter employee’s filing of a grievance or complaint. In addition, no employee shall coerce another employee or interfere with the action of another employee in the latter employee’s attempt to file a grievance or complaint.

Administrative, academic and supervisory personnel should also be informed that they are responsible for ensuring that the employee is free from retaliation, coercion and/or discrimination arising from the employee’s filing of or intent to file a grievance or complaint.

E. Responsibility for Implementation

A. The President/Director/Chancellor, as appropriate, or his/her designee of the institution/center has ultimate responsibility for implementation of the grievance and complaint procedures.

B. Administrative, academic, and supervisory personnel are responsible for insuring that they inform and make available to all employees information concerning their right to file a grievance or complaint and their right to be protected from retaliation.

F. MAINTENANCE OF RECORDS

Copies of written grievances and complaints, and accompanying responses and documentation should be maintained at a specified location(s) at the institution/center for at least two years after the date of the employment decision. If a finding adverse to the grievant/complainant is made, the finding shall be maintained in the grievant/complainant's personnel file.

(1) The Board of Regents shall provide an annual report summarizing grievance activities of the previous year to the Tennessee Legislative Education Oversight Committee.
(2) Each institution shall include information regarding the grievance procedure in employee orientations.

Source TBR Meetings: February 13, 2002; May 21, 2002; February 13, 2008[Authority: Tenn. Code Ann. § 49-8-117, Acts 1993, ch. 301, § 1; Tenn. Code Ann. § 4-5-301 et seq.; Tenn. Code Ann. § 9-8-307, TBR Policy 1:06:00:05, Uniform Procedures for Cases Subject to the Tennessee Uniform Administrative Procedures Act.]

Guideline P-130

Subject: Educational Assistance for TBR System Employees

Note: Throughout this document "institution" shall refer to the University, Community College, Technology Center, or the Central Office as appropriate. "Chief Executive" shall refer to the President, Director of the institution or Chancellor as applicable.

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 described in this guideline provide benefits to personnel at TBR institutions, Tennessee Technology Centers and the Central Office to further their formal education. With the exception of the Fee Waiver (formerly referred to as PC-191) which is mandated by the State of Tennessee, the classes and programs for TBR employees and dependents are available subject to funds being budgeted and available within the institution. The Programs are:

I. Fee Waiver for TBR/UT System Employees Program (formerly PC 191)
II. Faculty and Staff Tuition Reimbursement Program
III. Employee Audit/Non-credit Program
IV. Faculty or Administrative/Professional Staff Grant-in-Aid Program Campuses may develop and administer educational or professional development programs that are designed to advance the objectives of the institutions diversity plan. Exceptions to the provisions of the programs for TBR employees can be made upon recommendation of the institution's chief executive and approval by the Chancellor. For-credit coursework attempted through one of the programs in this guideline must be through an institution accredited by one of the Regional Accrediting Organizations recognized by the Council for Higher Education (www.chea.org).

Taxation of Educational Assistance Programs

A portion of undergraduate and graduate course tuition paid by the Tennessee Board of Regents institutions and the University of Tennessee System for their employees may be eligible for exclusion from the employees' gross annual income, in accordance with Internal Revenue code (IRC). Employees should seek assistance from their personal tax consultants on this issue, however.

I. **Fee Waiver for TBR/UT System Employees Program**

Full-time regular employees of the TBR and UT systems are eligible to enroll in one credit course per term at any state of Tennessee public postsecondary institution (TBR or UT), with fees waived for the employee. The enrollment is limited to available space with the intent that tuition-paying students shall not be denied enrollment by a student using the fee waiver. If applicable, the fee waiver should be used before other forms of educational assistance that may be offered by the institution.

A. Eligibility

1. All full-time employees (faculty, administrators, and support staff) of an institution are eligible to participate.

2. The employment status of an employee on the published first day of classes for each term determines eligibility for participation in this program. Any change in employment status after the first day of classes shall not affect eligibility for that term or the amount of assistance received.

B. Fees Paid/Type Course Paid/Number of Hours

1. This waiver applies to one credit course, graduate or undergraduate, which includes maintenance fees, registration fees, tuition, debt service fees, technology access fees, online course fees, RODP fees, and service charges. There is a limit of one course per term. "Term" shall mean any period of time in which a student may receive a grade for the completion of a course. Employees are responsible for special course fees, books and supplies, application fees, applied music fees, lab fees, off-campus facility fees, parking fees, traffic fines and similar fees. Employees are not eligible for fee waivers at more than one institution per term.

2. This waiver applies to courses that are normally offered for-credit, although auditing of the class is allowed. Employees must meet the regular academic rules and regulations of the institution offering the course. This program does not apply to continuing education or other non-credit courses.

Fees will not be waived for programs for which part-time or course-by-course enrollment is prohibited as determined by the institutions, or where costs exceed regular for-credit courses. Examples include, but are not limited to, programs of law, medicine, dentistry, pharmacy, and veterinary medicine.

C. Payback Provisions

Payback provisions do not exist.

D. When the Participant May Attend

1. Supervisors/Department Heads who approve Fee Waiver applications should keep in mind that job performance is paramount and must receive priority.

2. Courses should be scheduled at times other than during regularly scheduled work hours unless the use of annual leave or an alternate work arrangement is documented and approved by the supervisor prior to enrolling in the course.

E. Accounting/Budgeting Provisions

1. An employee must complete the Fee Waiver section of the Request for Educational Assistance form (Appendix A-1) and receive approval from his/her supervisor prior to registering for a course.

2. If the employee is attending the employer institution, the expenditure is charged to employee benefits. If the employee is attending another institution, the institution attended charges the

expenditure to scholarships and fellowships. The employer institution does not recognize an expenditure when an employee attends another institution.

3. The University of Tennessee and the Tennessee Board of Regents do not exchange funds for employees taking courses between the systems.

II. Faculty and Staff Tuition Reimbursement Program

This program's general goal is to encourage faculty and staff members to develop their skills and knowledge through participation in educational programs and is intended to serve as a means of job-related career development. The program is designed to provide assistance for an employee who takes credit courses in a degree program while continuing work responsibilities. The program should be used in the employee's pursuit of a degree that is judged by the employer in its sole discretion to be beneficial to the institution.

A. Eligibility

1. Any regular part-time or full-time employee who has been continuously employed by the institution for at least six months may, upon verification of service, be eligible to participate. Regular part-time employees may receive a pro rata portion of assistance based on percentage of employment. Employees with prior temporary service immediately preceding regular employment shall receive credit for such service if they qualify for leave accrual and longevity adjustments.

2. TBR employees who retire with at least 10 years of state service maintain eligibility under this program.

B. Fees Paid/Type Course Paid/Number of Hours

1. This program is designed to provide maintenance or tuition-related fees for a maximum of six (6) credit hours per term, as term is defined by the employing institution. Tuition-related fees may include maintenance fees, registration fees, tuition, debt service fees, technology access fees, online course fees; RODP fees, service charges and incidental fees payable at the time of registration. Employees are responsible for required deposits, special course fees, books and supplies, application fees, applied music fees, lab fees, off-campus facility fees, parking fees, traffic fines and similar fees.

2. Employees must meet the requirements for admission and the regular academic rules and regulations of the institution offering the course.

C. Payback Provisions

1. Unless retired, the recipient shall be required, after completion of the course or courses, to be employed for not less than one (1) month of full-time employment for each month of the term of participation in the Tuition Reimbursement Program. Early voluntary separation will therefore require the employee to reimburse the institution for the remaining balance of this commitment.

2. In order to receive future reimbursements, participants must satisfactorily complete all course requirements as defined by the academic program in which they are enrolled. A grade of Incomplete at

the conclusion of the grading period or a Withdrawal is not considered as satisfactory completion. The employee must pay for and satisfactorily complete the same number of hours before again being eligible for this program. Exceptions will be made only in cases (1) where a course is failed for health reasons or (2) where another substantial reason is recognized by the attending institution's academic guidelines.

3. For employees taking courses at other than the home institution, reimbursement applications shall be conditionally approved and held by the office designated by the institution to process these requests until the employee requests reimbursement and documents satisfactory course completion. At that time, the employee will be reimbursed for the prior course(s) and subsequent applications may be conditionally approved.

4. At the institution's discretion, fees may be waived for classes taken at the home institution, but employees will be subject to the provisions of this guideline regarding service time after the class and satisfactory course completion. Successful completion of courses must be documented before being granted approval to take subsequent classes under this program.

D. When the Participant May Attend

Courses should be scheduled at times other than during regularly scheduled work hours unless the use of annual leave or an adjusted work schedule has been documented and approved by the supervisor prior to enrolling in the program.

E. Accounting/Budgeting Provisions

1. Requests for approval to participate in the Tuition Reimbursement Program shall be submitted via the form in Appendix A-2.

2. institution If the employee is required to pay fees when due, fees may be paid in accordance with the provisions of Deferred Payment Plan Guideline B-070, provided a Deferred Payment Plan has been implemented at the institution the employee is attending.

The employer institution shall account for the chargeback as an employee benefit to indicate the employer institution is paying the cost for the benefit of the employee. The charged institution shall remit the tuition fees to the institution providing instruction as maintenance income.

F. Limits on Tuition Reimbursement Rates

Requests for participants attending public institutions will be reimbursed at the current semester hour rate for that institution. For individuals who wish to attend other than a Tennessee public institution under this program, reimbursement will not exceed the highest current semester hour rate for a comparable program offered by a Tennessee public institution. Reimbursement for concentrated programs at public or private institutions will be limited to the prevailing graduate fee rate for a comparable program within a Tennessee public institution.

III. **Employee Audit/Non-Credit Program**

This program is designed to provide course or maintenance fees only for an employee who takes courses based on one of the following: (1) audit; (2) job-related non-credit basis; (3) any wellness-related courses that are clearly designed to positively affect one's physical well-being as defined by the institution. Such courses may be taken at the home institution or another Tennessee public institution while continuing work responsibilities at the home institution.

A. Eligibility

1. Any regular part-time or full-time employee who has been employed by the institution for at least six months may, upon verification of service, be eligible to participate. Employees with prior temporary service immediately preceding regular employment shall receive credit for such service if they qualify for leave accrual and longevity adjustments.

Requests for approval to participate shall be submitted on the request form found in Appendix A. Regular part-time employees may receive a pro rata portion of assistance based on percentage of employment.

2. TBR employees who retire with at least 10 years of state service immediately preceding retirement maintain eligibility under this program.

3. With the exception of retirees as stated above, the employment status of an employee on the published first day of classes for each term determines eligibility for participation in this program. Any change in employment status after the first day of classes shall not affect eligibility for that term or the amount of assistance received.

4. Retired state employees with 30 or more years of service are eligible to audit courses at state institutions of higher education without charge.

B. Fees Paid/Type Course Paid/Number of Hours

This program is designated to pay maintenance or tuition-related fees for audit, job-related non-credit courses, or wellness courses to a maximum of six credit hours or two job-related non-credit or wellness courses per term. Tuition-related fees may include maintenance fees, registration fees, tuition, debt service fees, technology access fees, online course fees; RODP fees, service charges and incidental fees payable at the time of registration. Job related courses designed to prepare an individual to sit for specific certification or licensure exams may be eligible for reimbursement under this program, subject to approval by the employing institution.

C. Payback Provisions

Payback provisions do not exist.

D. When the Participant May Attend

1. Supervisor/Department Heads who approve participation in this program should keep in mind that job performance is paramount and must receive priority.

2. Courses should be scheduled at times other than during regularly scheduled work hours unless the use of annual leave or an adjusted work schedule has been documented and approved by the supervisor prior to enrolling in the course.

3. Course enrollment will be permitted on a "space available" basis. The enrollment is limited to available space with the intent that tuition-paying students shall not be denied enrollment by a student using the Employee Audit/Non-credit Program.

4. An employee may register only after the formal registration period ends as defined by the institution.

E. Accounting/Budgeting

1. Requests for TBR employees shall be submitted to Human Resources on a Request for Educational Assistance form (Appendix A-1) at least two weeks prior to enrollment in the course or courses.

State retirees shall submit forms developed by the Tennessee Higher Education Commission available at http://www.state.tn.us/thec/Divisions/LRA/FeeWaiverandDiscount/FeeWaiverandDiscount.html.

2. The institution where the person is an employee shall account for the chargeback as an employee benefit to indicate the employer (institution) is paying the cost for the benefit of the employee. The charged institution shall remit the tuition fees to the institution providing instruction as maintenance income.

Forms for state retirees shall be processed by the institution in the same manner as fee waivers for state employees.

F. Where the Participant May Attend

All such audit/non-credit courses must be accomplished at the institution where the person is/was employed or another Tennessee public institution. Employees requesting the program must meet the requirements for admission and are subject to institutional regulations and academic procedures.

IV. Faculty or Administrative/Professional Staff Grant-in-Aid (GIA) Program

The grant-in-aid is intended to serve as a means of job-related career development as well as individual professional development. GIA shall be available to eligible employees when the employing institution in its sole discretion determines that the proposed course of study will enhance the value of the employee to the home institution. This program is dependent upon the availability of funds at the home institution.

A. Eligibility

1. Any regular full-time faculty member or administrative/professional staff member at a TBR institution who has been employed by the institution for two or more years may be eligible for receipt of a grant-in-aid award. Employees with temporary service immediately preceding regular employment shall receive credit for such service if they qualify for leave accrual and longevity adjustments. Requests for grant-in-aid shall be submitted on a TBR GIA Recommendation Form. (See Appendix B-1.)

2. The grant-in-aid shall be awarded on the basis of demonstrated need for further academic development which will ultimately benefit the institution. Written justification must be submitted to and approved by the chief executive of the institution.

3. Grant-in-aid normally will be limited to personnel working toward the doctorate or other terminal degree. However, requests for aid to pursue degrees below the doctoral level in technical/professional disciplines, and for the training or retraining of administrative/professional staff may be considered.

4. Grant recipients must be placed on an approved leave of absence and enroll as full-time students in credit courses except where less than full-time status is needed to complete the program.

5. No grant-in-aid shall be awarded for a period longer than twelve (12) months. In general, a full-time grant-in-aid will be awarded on a one-time basis. If the program objectives are not achieved by the end of the designated period, the institution may grant a leave of absence for a maximum of an additional twelve-month period. A second grant-in-aid may only be awarded after the recipient has fulfilled the return employment commitment of the first award.

6. The status of an employee on the published first day of classes for each term determines eligibility for participation in this program. Any change in status after the first day of classes shall not affect eligibility for that term or the amount of assistance received.

B. Fees Paid/Type Course Paid/Number of Hours

This program is designed to provide an individual with institutional funds for tuition or maintenance fees and/or living allowances in accordance with the following provisions:

1. Reimbursement of tuition-related fees may not exceed actual maintenance fees or tuition. Tuition-related fees may include maintenance fees, tuition, debt service fees, online course fees, RODP fees, service charges and incidental fees payable at the time of registration, but shall not include room, board, and supplies.

2. Monthly living allowances may not exceed 50% of the grantee's monthly salary. Academic year salaries are to be divided by twelve to derive an equated monthly salary rate.

C. Payback Provisions

A contract form, Appendix B-2, shall be executed between the institution and the recipient of the grant-in-aid stating the conditions under which the grant-in-aid is awarded. The conditions of a grant-in-aid shall comply with the following minimum requirements:

1. The recipient shall be required to return and be employed by the institution for not less than three months of full-time employment for each month of grant-in-aid awarded. Repayment of time shall commence immediately after completion of the period of study, or withdrawal from program. In exchange for reimbursement of allowable expenses, a participant will commit to work for the sponsoring institution, or if no appropriate employment is available, at one of the other Tennessee Board of Regents institutions or within the University of Tennessee system.

2. Failure on the part of the recipient to remain employed for the period of time agreed upon in the contract shall result in a financial obligation to the institution based upon the terms of the contract. The contract, Appendix B-2, specifies that if employment is voluntarily terminated prior to fulfillment of the employment obligation, the final paycheck and check representing the amount of accrued, but unused annual leave may be withheld as repayment of the financial obligation. If such amounts are insufficient to recoup the amount owed by the employee, the institution has the option of pursuing one of two methods to achieve repayment as stated below:

a. The amount or balance owed shall become an account receivable and the institution shall follow the procedure outlined in Guideline B-010, Accounts Receivable - Employee Receivables. If payment in full is not obtained, the debt shall be assigned to a collection agency; or

b. The employee will be required to execute a promissory note acknowledging receipt of the grant-in-aid and containing repayment terms and conditions consistent with the grant-in-aid contract prior to the employee leaving the institution should he/she fail to fully complete the employment requirements of the contract.

3. The institution may terminate the employee prior to the commencement of or during the employment service period provided herein. In the event of such termination by the institution the employee shall be relieved of repayment of the Grant in Aid.

.4. Summer or short-term employment shall be considered part-time employment in cases where the employee holds an academic year appointment. No part-time employment shall be creditable toward the fulfillment of the contract.

D. When the Participant May Attend

After approval by the chief executive, the institution may issue and execute the contract stating to the recipient the conditions under which the grant-in-aid is awarded, including when the participant may attend.

E. Accounting/Budgeting Provisions

1. The number of grants-in-aid of each institution shall not exceed three percent (3%) of the number of full-time faculty and administrative/professional staff at the institution at the time the awards are requested. At institutions where the number of full-time faculty and administrative/professional staff totals less than one hundred (100), three (3) such grants may be awarded.

2. Requests for grants-in-aid shall be submitted (using the form in Appendix B-1) to the chief executive for approval prior to the beginning of the semester. After approval, the institution may issue and execute the contract.

3. Complete materials supporting each grant-in-aid request shall be maintained by Human Resources. Also, each grant recipient shall be required to provide official grade reports during and upon completion of the grant period. Continual participation is dependent on the recipient's satisfactory progress toward completion of a course of study.

F. Where the Participant May Attend

Participants may attend public and private institutions of higher education. Requests for participants attending Tennessee public institutions will be reimbursed at the current semester hour rate for that institution. For individuals who wish to attend other than a Tennessee public institution under this program, reimbursement will not exceed the highest current semester hour rate for a comparable program offered by a Tennessee public institution. Reimbursement for concentrated programs at public or private institutions will be limited to the prevailing graduate fee rate for a comparable program within a Tennessee public institution.

Appendix A-1 Request for Educational Assistance.

Appendix A-2- Request for Tuition Reimbursement

Appendix B-1 Faculty or Administrative/Professional Staff Grant-In-Aid Program Recommendation Form

Appendix B-2 Faculty or Administrative/Professional Staff Grant-In-Aid Contract

Source: TBR Presidents Meetings: May 12, 1992; August 10, 1993; May 10, 1994; August 9, 1994, August 8, 1995; February 6, 1996; May 14, 1996; August 13, 1996; August 5, 1997; February 17,1998; November 3, 1999; May 21, 2001; November 6, 2002; November 5, 2003; November 8, 2006; November 5, 2007; February 17, 2009; May 19, 2009 Presidents Meeting

Request for Tuition Reimbursement

Name: ___________________________________ Employee ID #:__________________

Department: ______________________________ Job Title: ____________________________

Index/Account Number: ____

Office phone: ____________________ Cell/home phone: ___________________

Alternate work scheduled requested: [ ] Yes [ ] No If yes, attach schedule

Tuition Reimbursement Program – up to 6 additional credit hours per term

Institution: ____________________________ Term: ____________________

Course	Title	Hours/CEUs	Class period (time/days) (Ex: T TH 9-10)

Employee's current degree status: _______________________ Degree/Area: ___________________________
This course of study enhances the employee's value to the home institution as defined below (check one):

( ) Support for the pursuit of a terminal degree
( ) Support for an employee pursuing a non-terminal degree in a professional or technical area
( ) Support for an employee training or retraining to enhance expertise needed by the institution
( ) Other (explain):____

____

____

Total reimbursement requested: _______________________ Reimbursement may not exceed eligible fees for a maximum of six credit hours per term.

By requesting support for tuition reimbursement, I agree with the stipulations listed in a-d below:

a. The recipient, unless retired, shall be required to be employed by the institution for not less than one month of full-time employment for each month of the term of participation in the reimbursement program.
b. Satisfactory completion of coursework must be demonstrated to receive reimbursement and to remain eligible for continued participation in the reimbursement program. Institutions may provide reimbursement at the time fees are due.
c. Courses should be scheduled in counsel with supervisors to assure maintenance of optimum job performance. Courses should be scheduled at times other than during regularly scheduled work hours unless use of leave or other arrangements have been approved by the supervisor prior to enrolling in the course.
d. I will notify Student Financial Aid Services of this financial assistance.

I have read and fully understand the requirements (as detailed in the appropriate section of TBR Guideline P-130) related to my above stated request for educational assistance, including stipulations related to future use of the program, proof of satisfactory course completion, provision of receipts for reimbursement requests, and stipulations related to payback provisions.

____ ______________________

Applicant's signature Date

I approve the above request and have addressed scheduling issues related to the employee's attendance in the classes detailed in the above request.

____ ______________________

Supervisor's signature Date

I attest that the employee meets the program requirements for the above stated request

____ ______________________

Office of Human Resources Date

TENNESSEE BOARD OF REGENTS
FACULTY OR ADMINISTRATIVE/PROFESSIONAL STAFF GRANT-IN-AID PROGRAM
RECOMMENDATION FORM

This program is designed to provide tuition or maintenance or tuition-related fees and/or living allowance for an individual who - on an approved leave of absence - is enrolled on a full-time basis in credit courses.

Employee Name: ____________________ Employee ID number ___________________________
Department: ____________________ Index/Budget Acct. No...________________
Current Degree ________________ Additional Hours ________________

Please provide answers to the following questions:

1. Are you a full-time administrative/professional staff member who has been employed at the institution two or more years?
Yes [ ] No [ ]

2. Will the proposed study for which support is recommended enhance your value to the institution as defined below? (Check appropriate purposes.)
[ ] Doctorate or other terminal degree
[ ] Degree below the doctorate in a technical or professional area
[ ] Personnel training or retraining to enhance expertise needed by the institution/technology center/Central Office
[ ] Other (Explain)

3. What is the institution at which you will be studying? ____

4. What is the name of the program and degree level goal in which you will be studying?
(Name of Program) (Degree Level: Bachelor, Masters, Specialist, Doctorate, other) _________________________

5. For which term(s) are you seeking grant-in-aid support as a full-time student: _________________________
____

6. What is the amount and purpose for the requested grant-in-aid support?

(A) Tuition-related fees requested for terms specified in #5. (Total)_______________
Reimbursement of tuition-related fees may not exceed actual maintenance fees or tuition. Tuition-related fees may include maintenance fees, tuition, debt service fees, service charges and incidental fees payable at the time of registration, but shall not include room, board, and supplies.

B) Monthly living allowance requested. (Total)_______________
Monthly living allowances may not exceed 50% of the grantee's monthly salary. Academic year salaries are to be divided by twelve to derive an equated monthly salary rate.
Base salary? ______________ FY or AY? _____________ Monthly Salary? ______________

(C) Grant-in-aid support requested (Total)______________

7. Indicate the source and amount of any additional support you will have for expenses incurred during the period indicated in #6. Amount: $_________ Source: _____________________________

8. Provide information requested below concerning any other grant-in-aid you may have had.

(A) Have you previously held a grant-in-aid? [ ] Yes [ ] No
If yes: when? ________________

(B) Where was the study? ___________________________

(C) Describe what was achieved? ______________________________
____

(D) Have you fulfilled the "return to employment" obligation? [ ] Yes [ ] No

9. Is an exception to Guideline P-130 requested? [ ] Yes [ ] No
If "yes", explain exception requested?
____

____

APPROVAL OF GRANT-IN-AID:

____
INSTITUTION NAME

_______________________________ ____________________
Employee Signature Date

_______________________________ ____________________
Supervisor Signature Title Date

_______________________________ ____________________
Dean/Director Signature Title Date

_______________________________ ____________________
Vice President Signature Title Date

_______________________________ ____________________
Chief Executive or designee Signature Title Date

Request for Educational Assistance

Name: ____________________________________ Employee ID #:__________________

Department: _______________________________ Job Title: ____________________________

Index/Account Number: ____

Office phone: ____________________ Cell/home phone: ___________________

Alternate work scheduled requested: [ ] Yes [ ] No If yes, attach schedule

Audit/Non-Credit Program

Institution: _____________________________ Term: ____________________

Course	Title	Hours/CEUs	Class period (time/days) (Ex: T TH 9-10)

Classes will be taken for: ( ) audit ( ) non-credit

Fee Waiver – One for-credit course per term

Institution: _____________________________ Term: ____________________

Course	Title	Hours/CEUs	Class period (time/days) (Ex: T TH 9-10)

( ) Undergraduate ( ) Graduate

I have read and fully understand the requirements (as detailed in the appropriate section of TBR Guideline P-130) related to my above stated request for educational assistance, including stipulations related to future use of the program, proof of satisfactory course completion, provision of receipts for reimbursement requests, and stipulations related to payback provisions.

____ ______________________

Applicant’s signature Date

I approve the above request and have addressed scheduling issues related to the employee’s attendance in the classes detailed in the above request.

____ ______________________

Supervisor’s signature Date

I attest that the employee meets the program requirements for the above stated request

____ ____________________________

Office of Human Resources Date

Guideline P-160
Subject: Post Retirement Service Program for Tenured Faculty
It is the purpose of this guideline to provide procedures for the administration of the Post Retirement Service Program for Tenured Faculty (PRSP). The program consists of a definitive description of its fundamental features and agreement forms for both academic year faculty and fiscal year faculty. To work effectively, the program requires regular communication and interaction between the prospective participant and numerous institutional offices and staff (i.e., president, department head, Academic Affairs, Human Resources, Budget/Business, and Payroll Office staff).

Required Documents
The following documents are required for administering the PRSP:

- Post-Retirement Service Program for Tenured Faculty (Appendix A)
- PRSP Agreement (Appendix B)

Optional Documents
The following documents may be used by the institutions to facilitate the processing of PRSP agreements from start to finish.

- Check List for Processing PRSP Agreements (Appendix C)
- Request to Participate (Appendix D)
- Notice of Final Approval(Appendix E)
- Amendment Form (Appendix F)
- Applicant Information (Appendix G)
- Senior Affiliate Faculty Return-to-Service Notification (Appendix H)

Approval Process
The Check List for Processing PRSP Agreements (Appendix C) provides both faculty and departments with a brief summary (i.e., overview) of the steps required to process agreements for this program. Definitive information about the complete process is provided in the following sections.

Faculty contemplating participation in the PRSP are advised to schedule an appointment with the Human Resources Officer/designee to discuss the retirement process, as well as the application process for participation in the PRSP.

Faculty who wish to participate in the Post Retirement Service Program must submit the written Request to Participate through the department head and dean, to the Chief Academic Officer or appropriate Vice President of the institution, as applicable.

Upon receipt of the PRSP Request, appropriate staff will begin a review of the institution's staffing needs, as well as costs and savings associated with the pending notice. If the institution elects to proceed with the approval process, the faculty member and department head will discuss the retirement date, re-employment date, length of the agreement, and schedule of services to be performed.

Renewal/Continuation/Change/Termination Options

The program provides no renewal/continuation options, except as provided in Appendix A, Section E. Re-employment Obligation. Therefore, the decision regarding the desired period of the agreement must be agreed upon by both the institution and faculty member *prior* to the faculty member's retirement. The agreement may be modified to accommodate changes in the work assignments and work schedule if mutually agreed upon in writing by both the institution and participant and made a part of the agreement.

Determining Years of Service

For eligibility purposes, please visit the TN Treasury website at http://treasury.tn.gov/tcrs/index.html or http://treasury.tn.gov/orp.

Converting semester hours to non-instructional hours

While the majority of participants will return solely to teaching positions, some may be assigned non-instructional duties. Others may have both types of responsibilities. In such instances, it will be necessary to convert semester hours to non-instructional hours. Listed below is the conversion formula:

1 day	= 7.5 hours
120 days	= 900 non-instructional hours per 12-month period
18 hours	= Maximum instructional hours per 12-month period
1 semester hour	= 50 non-instructional hours (900 hours/18 hours)

Calculating Hourly Rates for Non-instructional Hours for Participants Whose PRSP Assignment Is Academic Instruction Rates are based on 1462.5 hours (195 days@ 7.5 hours per day).

The institution will compensate only for time actually worked. (i.e. 1/30 of the employee's fiscal year salary per credit hour or a percentage proration of the employee's fiscal year salary equaling no more than 50% if working in a fiscal year capacity under the PRSP.)

All salaries will be converted to an academic year salary for purposes of calculating the PRSP. Special permission is needed for calculating on a fiscal year basis with justification provided.

Calculating fiscal year salary rate

Percentage proration of the fiscal year salary may not equal more than 50% of the employee's fiscal year salary.

Insurance Supplement and Maintenance of Insurance Supplement Records/Data

The amount of the initial insurance supplement is contingent upon the coverage for which the participant is eligible at the time of retirement and the type of coverage elected.

The age of the participant, spouse and/or dependents will significantly affect the plan coverage for which the participant is entitled and, subsequently, the amount of the supplement. The Human Resources Office will monitor the supplement based on the above factors. However, it is the participant's responsibility to inform the Human Resource Office in a timely manner of any other significant changes in status (i.e., marriage, divorce, child no longer qualifies as a dependent , death of spouse and/or dependents, etc.) that would impact plan coverage and/or the amount paid for future insurance supplements. Changes in the amount of the supplement will become effective with the first payment following receipt of written documentation regarding the change in status.

APPENDIX A

Tennessee Board of Regents Post-Retirement Service Program for Tenured Faculty

A. Purpose of the Program

The Tennessee Board of Regents places great value on the talent and experience of its senior faculty and recognizes, when such faculty retires, there is often an abrupt and complete loss of the talent and experience of those individuals. Consequently, the Tennessee Board of Regents Post-Retirement Service Program is designed to facilitate, whenever possible, the transition of senior faculty from full-time service to retirement and, by so doing, serve as an aid to the institution in maintaining academic excellence and achieving needed flexibility in academic staffing. Although the Post-Retirement Service Program facilitates the part-time employment of eligible faculty following retirement, <u>such employment is not a faculty right but rather is available only through mutual agreement between the faculty member and the institution in instances where there is clear benefit to the institution.</u>

B. Eligibility for Participation

Full-time <u>tenured</u> faculty who meet <u>one</u> of the following criteria are eligible to participate in the Post-Retirement Service Program.

1. Age 60 or older with at least 10 years of creditable service in the Tennessee Consolidated Retirement System (TCRS) or at least 10 years of full-time equated service in the Optional Retirement Program (ORP).

2. Any age with at least 30 years of creditable service in TCRS or 30 years of full-time equated service in the ORP.

Faculty who decide to participate must submit a draft agreement to their department head, dean, and chief academic officer or vice president, as applicable. Faculty who choose to participate must retire with an effective date not later than 180 days nor less than 90 days after they submit their draft agreement, except that when the end of the 180-day period falls within a semester, the period may be extended to no later than the beginning of the subsequent term (semester, or summer, as appropriate). A period of less than 90 days may be accepted at the discretion of the institution president.

To ensure the continued quality and integrity of the institution's academic programs, the institution reserves the right to limit the number of participants in a single department, school, or college. The limiting of participation within a department, school, or college will occur only if recommended in writing by the responsible dean and approved by the chief academic officer or the vice president and the President. In the event that participation is limited, the institution will notify affected faculty. Faculty may request consideration for participation in the program. Approval of participation will be determined based on the best interest of the institution.

C. Compensation, Assignment, and Agreement

Each eligible tenured faculty member, who is approved to enter the program, will be offered re-employment as "Senior Affiliate Faculty" under a Post-Retirement Service Agreement. The agreement may provide for up to 18 semester hours of instruction per year (including Non-Credit) or up to 900 hours of non-instructional service per year, provided, however, the minimum assignment may be no less than 20 percent of full time per year. The specific percent of effort (semester credit hours and/or non-instructional work hours), work assignments, and schedule of service must be mutually agreed upon prior to the participant's retirement and set forth in the Post-Retirement Service Agreement. The institution will compensate the participant only for time actually worked.

Compensation during the period of re-employment will be at a salary proportionate to the participant's salary prior to retirement, plus a salary supplement equal to the premium the participant must pay to continue, as applicable, employee, employee and spouse, employee and child(ren) or family medical insurance or Medicare supplemental insurance coverage. (Note: The medical insurance supplement will be calculated on an individual basis assuming the retiree and, if applicable, his or her spouse and/or eligible dependents will participate in the State of Tennessee Retiree Group Insurance Program and/or the Retiree Medicare Supplement Plan).

D. Termination of Agreement

At any time during the term of the Post-Retirement Service Agreement, except during a semester of service, the participant may elect to terminate the agreement, in which case the institution will not be obligated to offer the participant further employment. If the participant fails at any time to perform in accordance with the agreed upon work assignments and schedule of services as specified in the Post-Retirement Service Agreement, the institution may treat the participant's failure as a breach of contract, in which case the institution may terminate the agreement immediately and will not be obligated to offer the participant further employment. In addition, the institution may terminate the contract at any time for "adequate cause" as defined in the faculty handbook, in which case the institution will not be obligated to offer the participant further employment. If the institution terminates the agreement for "adequate cause," the participant will be entitled to contest the termination in a hearing under the Tennessee Uniform Administrative Procedures Act. The institution may also terminate the agreement if workloads and/or other factors change within the department causing the "Senior Affiliate Faculties" agreement to be unnecessary or undesirable.

E. Re-employment Obligation

The period of re-employment may extend over a maximum of four consecutive years with the exact number of years to be mutually agreed upon prior to the participant's retirement and confirmed in the Post-Retirement Service Agreement. Normally, employment under this agreement will begin with the start of the Fall Semester following the date of retirement.

Exceptions to the provisions of this section of the guidelines may be recommended by the department head and dean, to the Chief Academic Officer or appropriate Vice President through the President for the Chancellor's approval. Exceptions will be granted only in very unusual circumstances.

F. Employment Status Immediately Following Retirement

Any qualified faculty participating in the Post-Retirement Service Program must remain off the institution's payroll for at least 60-calendar days immediately following retirement before resuming employment under the provisions of this program. This break in service is a requirement of the Tennessee Consolidated Retirement System and the Optional Retirement Program to ensure a bona fide retirement. Failure to comply with the 60-calendar-day waiting period immediately following retirement will void the participant's retirement and require formal re-submission of retirement papers and another 60-calendar day waiting period.

Exception: The 60-calendar day period may be waived provided the faculty member renders no more than one-half of the hours s/he was normally scheduled to work prior to retirement for a like period and the president/designee certifies in writing (Part IV of the TCRS Temporary Employment Report) to the division of retirement that no other qualified persons are available to fill the position. Once retired for more than 60-calendar days, the remaining time may be allocated at full-time or used over the one-year period.

G. Additional Information

1. The faculty member's decision to retire and to participate in the Post-Retirement Service Program is revocable for a period of seven (7) days following execution of the Post-Retirement Service Agreement. Beyond that point, the faculty member may, at any time, terminate the Post-Retirement Service Agreement but the decision to retire will be irrevocable.

2. From the time a Post-Retirement Service Agreement is presented to the faculty member for review, he or she will have at least twenty-one (21) days to consider the agreement. The agreement will include provisions for a knowing and voluntary waiver of rights and claims under the Age Discrimination in Employment Act (ADEA). Faculty members are advised to consult with an attorney prior to executing the Post-Retirement Service Agreement.

3. Upon retirement, participants relinquish all rights to tenure and other tenured faculty privileges.

4. Participants will retain their pre-retirement academic rank.

5. Upon retirement, eligible participants receive payment for any unused annual leave.

6. All participants whose PRSP assignment will be academic instruction will be converted to nine-month faculty for purposes of calculating salary. Participants receive any across-the-board annual salary increases afforded regular employees and may be considered for any merit and discretionary salary increases in amounts proportionate to their part-time

percent of effort. Special permission by the institution president or designee is needed for calculating on a fiscal year basis with justification provided.

7. Participants are not eligible to participate in or accrue retirement credit in the Tennessee Consolidated Retirement System or the Optional Retirement Program subsequent to retirement.

8. Participants are not eligible for longevity pay.

9. Participants are not eligible to accrue annual leave.

10. Participants are not eligible to accrue sick leave.

11. Participants are eligible to participate in the institution's Deferred Compensation Program, but are not eligible for any State provided 401(k) match, if available.

12. Participants must complete and submit to TCRS a Temporary Employment Report form each year . (The Office of Human Resources will assist in completing and submitting this form.)

13. Following termination of the Post-Retirement Services Contract, the retiree may, at the discretion of the institution, be re-employed under one or more subsequent "Adjunct Faculty" or "Temporary" appointments.

14. Appropriate office space which may include shared space and reasonable access to clerical support and departmental operating resources will be provided by the institution.

15. The percentage of employment will be based on departmental standards of assigned teaching loads with no release time for unfunded scholarly research or for committee assignments. Funded research or extension assignments may be used as bases for a portion of the employment. Specific department, college, or institution administrative responsibilities may be used as part of the assignment.

APPENDIX B

Tennessee Board of Regents Post-Retirement Service Program Agreement for Tenured Faculty

INSTITUTION ____

EMPLOYEE NAME _________________________ Campus ID________________

RE-EMPLOYMENT
OBLIGATION FROM ______________ THROUGH ______________
(Semester/Yr.) (Semester/Yr.)

YEARS OF SERVICE __________ RETIREMENT PLAN ____________ UNUSED SICK LEAVE HOURS _________

I understand the following terms and conditions relative to my participation in the Post-Retirement Service Program:

1. My decision to retire and participate in the Post-Retirement Service Program is voluntary, and I hereby make a knowing and voluntary waiver of rights and claims under the Age Discrimination in Employment Act (ADEA) with respect to my decision to retire and participate in this program. However, I do not waive rights or claims that may arise after the execution date of this agreement. I am waiving my rights and claims under the ADEA in exchange for the institution's agreement to re-employ me on a part-time basis for a certain term after my retirement and to supplement my salary during this period of re-employment by an amount equal to the premium(s) I must pay to continue medical insurance for myself and, if applicable, for my spouse and/or eligible dependents, under the State of Tennessee Retiree Group Insurance Program and/or the State of Tennessee Retiree Medicare Supplement Program. I acknowledge that the consideration I am receiving in exchange for my waiver of rights and claims under the ADEA is in addition to anything of value to which I am already entitled. I further acknowledge that I have been advised in writing by this agreement to consult with an attorney prior to executing this agreement to help ensure that I fully understand the terms of this agreement and that I have been given a period of at least 21 days to consider this agreement.

   My decisions to retire and to participate in the Post-Retirement Service Program are revocable for a period of (7) days following execution of this agreement. Beyond that point, I may, at any time, terminate the Post-Retirement Service Agreement but my decision to retire will be irrevocable.

2. The effective date of my retirement will be __________________. (mm/dd/yy)

3. I acknowledge my obligation, if applicable, to repay any retirement benefits paid to me if I exceed the limitations on my post-retirement employment by the institution.

4. Upon my retirement, I relinquish all rights to tenure and other tenured faculty privileges.

5. Unless otherwise mutually agreed in writing, the term of this agreement will begin on _____________________ (Sem./Yr.), and will end no later than _____________________ (Sem./Yr.) .

6. Following execution of this agreement, the institution will offer me re-employment as “Senior Affiliate Faculty” in accordance with the "Service Schedule" set forth herein.

7. Compensation during the period of re-employment will be at a salary proportionate to my academic year salary prior to retirement, plus a salary supplement equal to the premium I must pay to continue, as applicable, my current employee, employee and spouse, employee and child(ren), or family medical Insurance or Medicare supplemental insurance coverage.

   I understand that the medical insurance supplement will be determined by taking into consideration my marital status and assuming I and my spouse and/or eligible dependents, if applicable, will participate in the State of Tennessee Retiree Group Insurance Program and/or the State of Tennessee Retiree Medicare Supplement Program.

8. The institution will compensate me only for time actually worked. (i.e. 1/30 per credit hour or a percentage proration of my fiscal year salary equaling no more than 50% if working in a fiscal year capacity under the PRSP.)

9. I acknowledge and understand that I will not be entitled to the following:

   a. longevity pay.
   b. accrual of annual leave.
   c. accrual of sick leave.

10. I understand and acknowledge I will be eligible to participate in the institution’s Deferred Compensation Program, but will not be eligible for the State provided 401(k) match, if available.

11. I understand and acknowledge I must complete and submit to the Tennessee Consolidated Retirement System (TCRS) a Return to Employment form each year. If need be, I will be assisted by the Office of Human Resources in completing and submitting this form.

12. I understand and acknowledge my level of service in any working year may not be less than 20 percent of full time.

13. I understand and acknowledge my work assignments and schedule of service will be mutually agreed upon and made a part of this agreement prior to its final execution; however, my work assignments and schedule of service may be altered during the course of this contract, if mutually agreed in writing and, by amendment, made a part of this contract.

14. I may terminate this agreement at any time, except during a semester of service, unless documented by severe health issues, and if I elect to do so, the institution will not be obligated to offer me further employment.

15. The institution may terminate this agreement at any time for "adequate cause" as defined in the faculty handbook, in which case the institution will not be obligated to offer me further employment. I understand that I have the right to contest an "adequate cause" termination in a hearing under the Tennessee Uniform Administrative Procedures Act. The institution may also terminate the agreement if workloads and/or other factors change within the department causing the "Senior Affiliate Faculties" agreement to be unnecessary or undesirable.

16. I may participate in all institution benefit programs for which I am eligible as a retiree and Senior Affiliate Faculty.

17. I will receive all across-the-board annual salary and may be eligible for merit and discretionary salary increases on the same basis as regular faculty proportional to my part-time appointment.

18. Following termination of this agreement, the institution will have no obligation to offer me additional employment.

19. Appropriate office space, which may include shared space, and reasonable access to clerical support and departmental operating resources will be provided by the institution.

20. The percentage of employment will be based on departmental standards of assigned teaching loads, with no release time for unfunded scholarly research or for committee assignments. Funded research or extension alignments may be used as bases for a portion of the employment. Specific departmental, college, or institution administrative responsibilities may be used as part of the assignment.

Tentative Work Assignment and Service Schedule:
(No more than four (4) total years.)

Year/Semester**	Instruction Hours*	Non-Instruction Hours

*Includes Credit and Non-Credit Instruction
**Special Schedules (i.e. APSU classes at Fort Campbell)

By signing this I acknowledge that I have read the related Guideline and agree to the terms within.

______________________________ ____________________
Retiree Date

ADMINISTRATIVE REVIEW APPROVALS

______________________________ ____________________
Department Head Date

______________________________ ____________________
Dean Date

______________________________ ____________________
Human Resources Officer Date

______________________________ ____________________
Chief Financial Officer or Vice President Date

______________________________ ____________________
Chief Academic Officer or Vice President Date

______________________________ ____________________
President Date

APPENDIX C
Checklist for Processing Post Retirement Service Program Agreements
The following is a check list of events and documents that may be completed for those individuals who wish to apply for participation in the Tennessee Board of Regents Post-Retirement Service Program.

1. Prior Planning

Any faculty member may meet with the Human Resources Officer for information regarding eligibility for retirement and/or the pre-retirement service program. The discussions incur no obligation to retire or to offer a PRSP appointment and are for informational purposes only. Faculty members who plan to use the pre-retirement program should schedule a meeting with the Human Resources Officer prior to completing the following steps.

2. Request to Participate

Each faculty member who wishes to participate may submit to the chief academic officer or vice president of the campus, through his or her department head and dean, a written Request to Participate. (Appendix D)

3. Applicant Information Sheet

The Applicant Information sheet may be completed by the faculty member's department head and appended to the Request when forwarded to the dean. A copy of the Applicant Information Sheet may accompany the participation agreement when it is forwarded to Human Resources.

4. Notice of Acceptance or Rejection of Request to Participate

The Request to Participate should, as a minimum, be reviewed by the faculty member's department head, dean, the chief academic officer and/or vice president. In any event, the faculty member is to be notified by Human Resources within 45 days of the acceptance or rejection of his or her request to participate.

5. Preparation of the PRSP Agreement

The faculty member's agreement is to be prepared by the faculty member and department head with assistance from the dean, chief academic officer and/or vice president, as applicable.

APPENDIX D

Post Retirement Service Program

Request to Participate

In accordance with the guidelines established for participation in the Post-Retirement Service Program, this is my request to participate. My anticipated work assignment for both instructional and/or non-instructional service is shown on the attached Tentative Work Assignment and Service Schedule(s).

If my request to participate in the Post-Retirement Service Program is approved, my date of retirement will be______________________________.(mm/dd/yy)

I have read both the Program Guideline and Post-Retirement service agreement and understand the terms and conditions therein and that the terms are non-negotiable.

______________________________ ________________________

Faculty Member Date

RECOMMENDED:

______________________________ ________________________

Chair Date

______________________________ ________________________

Dean Date

APPROVED:

_______________________________ _______________________________
Chief Academic Officer and/or Date
Vice President

_____________________________________ ___________________
President Date

APPENDIX E

POST RETIREMENT SERVICE PROGRAM
APPLICANT INFORMATION

Name of Applicant: ____
Campus ID:____
Pre-Retirement Information:
Base Salary: $__________
Type of Appointment: 9-month (AY) ___________ 12-month (FY) ___________

Work Assignment___________
Non-Instruction Hours ___________
Proposed PRSP Salary: $ ___________

Insurance Supplement $ ___________

Total PRSP Payment $ ___________

APPENDIX F

Amendment to Post Retirement Service Agreement

As permitted in the Post Retirement Service Agreement, a Senior Affiliate Faculty member's work assignments and schedule of service may be altered during the course of the agreement if mutually agreed upon in writing and made a part of the agreement. The PRS Agreement is hereby amended as follows:

Name: _______________________________Campus ID: ___________________

Term of Agreement: From:_____________To: _________________
Department: ____
Index Number: Position Number:__________
AY: _________ FY: _________

Schedule to be Amended

Year/Semester**	Instruction Hours*	Non-Instruction Hours

*Includes credit and non-credit hours
**Specialized sessions (i.e. APSU courses taught at Ft. Campbell)

_____________________________________ ________________________
Retiree Date

ADMINISTRATIVE REVIEW APPROVALS

___________________________________ _________________________
Department Head Date

___________________________________ _________________________
Dean Date

___________________________________ _________________________
Human Resources Officer Date

___________________________________ _________________________
Chief Financial Officer or Vice President Date

___________________________________ _________________________
Chief Academic Officer or Vice President Date

___________________________________ _________________________
President Date

APPENDIX G
POST-RETIREMENT SERVICE PROGRAM NOTICE OF FINAL APPROVAL
(Addressee)

This serves as notification that your Post-Retirement Service Program Agreement for ____(Semester/Yr.)________ through __(Semester/Yr.)______was approved by the President effective __(MM/DD/YY)__. Attached is a copy of the signed agreement for your records. Your decision to retire and to participate in the Post-Retirement Service Program is revocable for seven (7) days following execution of the Agreement.

___________________________________ _________________________
Human Resources Officer Date

APPENDIX H
SENIOR AFFILIATE FACULTY NOTICE OF SCHEDULE
This form is for use by departments when re-employing a Senior Affiliate Faculty (SAF) member under the Tennessee Board of Regents Post Retirement Service Program. Please submit a completed form to Human Resources each semester if you are participating as an academic faculty) and each fiscal year if you are a twelve-month fiscal year faculty in which the SAF is providing service. The original approved PRSP agreement is on file in the Office of Human Resources.
Participant: ________________________Campus ID:____________________
DEPARTMENT: ____
Index: __________ POSITION NO:____________
PRSP EMPLOYMENT
OBLIGATION: ____________________through____________________
CURRENT PERIOD
OF EMPLOYMENT: ________________
Academic Year Participants – _________________________(Enter Semester/Year)
Fiscal Year Participants – ____________________________(Enter MM/DD/YY)

INSTRUCTIONAL HOURS: Please provide the requested information below to be taught by this appointee:

COURSE NO.:____________________ CREDIT/NON-CREDIT HRS._______
COURSE NO.:____________________ CREDIT/NON-CREDIT HRS._______
COURSE NO.:____________________ CREDIT/NON-CREDIT HRS._______
COURSE NO.:____________________ CREDIT/NON-CREDIT HRS._______
COURSE NO.:____________________ CREDIT/NON-CREDIT HRS._______

NON-INSTRUCTIONAL HOURS: ___________________

To be completed by the Office of Human Resources

Salary $ _______________ Insurance Supplement $ _____________ Index: ____________

____ ___________________
Authorization Date

Policy 4:XX:XX:XX

Subject: Tennessee State School Bond Authority Appropriation Intercept Program

This policy establishes Board of Regents procedures for the operation of the Tennessee State School Bond Authority appropriation intercept program in the instance of payment default.

I. Background

The Tennessee State School Bond Authority (TSSBA) is a corporate governmental agency and instrumentality of the State of Tennessee whose purpose is to finance capital projects for public institutions of higher education located in Tennessee by issuing its bonds and notes. Tennessee Code Annotated Section 49-3-1206(b)(2) gives the TSSBA the authority to intercept an institution's operating appropriation if any annual financing charges or administrative fees are not paid when due and payable. Furthermore, the operating appropriation of any and all TBR member institutions may be intercepted to remedy the inability of one TBR member institution to pay its prescribed annual financing charges and administrative fees.

II. Procedures if Payment Default Occurs

If a TBR member institution were to default on any annual financing charges or administrative fees and an appropriation incept made necessary, the System's operating appropriations would be intercepted in the following order:

a) The operating appropriation of the defaulting institution would be intercepted in an amount equal to the unpaid financing charges or administrative fees due and payable;
b) Should the defaulting institution's operating appropriation be insufficient to satisfy the amount of finance charges or administrative fees due and payable, the remaining unpaid financing charges or administrative fees would be funded from appropriations to institutions within the same sector of the defaulting institution (i.e. university sector, community college sector, or technology center sector). The remaining unpaid financing charges or administrative fees will be prorated to institutions within the sector based on their operating appropriation as a share of total appropriations to the sector.
c) If the steps outlined in (a) and (b) above are not sufficient to satisfy the unpaid finance charges or administrative fees due and payable of the defaulting institution, any remaining deficit will be prorated to institutions in other TBR institutional sectors (including the TBR Central Office) based on their operating appropriation as a share of appropriations to the sectors involved in a subsection (c) assessment.

III. Exceptions

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