

BUSINESS AFFAIRS SUB-COUNCIL

July 23, 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 Cothorn (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); Ms. Renee Moore (PSCC); Mr. Ron Parr (STCC); Ms. Jeannie Smith (UOM); Dr. Claire Stinson (TTU); Ms. Tammy Swenson (ChSCC); Ms. Hilda Tunstill (MSCC); Mr. Greg Wilgocki (ETSU); Dr. Tommy Wright (CISCC); Mr. Jeff Young (TTU); Mr. David Zettergren (UOM); Chancellor John Morgan, Ms. Tammy Birchett, Mr. Tom Danford, Ms. Angela Flynn, Ms. Alicia Gillespie, Ms. Deanna Hall, Ms. Lisa Hall, Ms. Ginger Hausser, Ms. Pat Massey, Ms. April Preston, Mr. Wayne Pugh, Ms. Brooke Shelton, Mr. Dale Sims, Ms. Renee Stewart, Ms. Wendy Thompson and Mr. Bob Wallace (TBR).

1. Chancellor's Remarks

Chancellor Morgan discussed Randy Boyd's completion agenda. Near the end of August, he is expected to begin the statewide roll out of his "Drive to 55" program. The goal of this program is to get 55% of Tennesseans to complete a post-secondary degree by 2025. The Chancellor also discussed the Degree Compass Program and that we should begin thinking about any initiatives or strategies that can be supported at the state level.

The Chancellor also informed the committee that there is current legislation in the State Senate, to try to impose a cap on tuition. The Chancellor reminded the committee to always be mindful of tuition increase requests.

The Chancellor was asked for an update on the Workforce Development grant proposal submissions. Chancellor Morgan informed the committee that they were currently being scored by Ms. Hausser and the results should be available soon.

2. Report of the Committees

A. Finance Committee

Dr. Collins highlighted the following issues from the July 9, 2013 Finance Committee meeting:

- Graduate Assistant Fee Waivers

The committee discussed how items related to graduate assistant fee waivers and other scholarships with service requirements need to be treated. State Audit has determined that we are reporting these items incorrectly. They have determined

that they should be reported as employee benefits instead of scholarships. This brought up the question of taxation and whether the benefits need to be taxed.

The committee discussed the fact that UT charges the fee waivers as scholarships all year and then makes entries at year-end to move the amounts to benefits. It is unclear whether UT is taxing the benefits. The committee agreed that if the fee waiver is going to be reported as a benefit then it should be taxed unless exempted by certain provisions in the IRC.

The accounting treatment of graduate assistant fee waivers will be corrected for this year-end, but the tax treatment will take additional time. A committee has been formed to provide some guidance on the differentiation of service scholarships versus performance scholarships, as well as looking into the tax issue.

- TBR Purchasing Policy

The committee discussed the TBR purchasing policy regarding purchases less than \$5,000. An institution had become aware of purchases that had been split to circumvent the bid process. The institution's internal auditor got involved and determined that the TBR purchasing policy was unclear as to what constituted a single purchase. Ms. Flynn is in the process of revising the purchasing policy and will review the definition of a single purchase.

A recent change in state statute has increased the minimum bid limit from \$5,000 to \$10,000 and the informal limit will increase from \$25,000 to \$50,000. The purchasing policy has been revised to increase these limits to align with the new statute. The proposed policy changes will go before the Board at the September meeting. (Attachment A)

A question was raised regarding how this would affect the fixed assets capitalization policy, since the current threshold is \$5,000. It was suggested that institutions could exclude fixed asset purchases of \$5,000 or more from the procard. Another option would be to keep the procard limit set at \$5,000 to eliminate the risk. Ms. Flynn reminded the committee that it is not mandatory that the institutions increase their purchasing limits. The equipment capitalization threshold will remain at \$5,000.

- Taxes on Lodging and Banquet Facilities

The committee discussed taxes and fees associated with contracts and direct billings with hotel and banquet facilities for groups. Some institutions are having problems holding events for groups at out-of-state facilities because of the expense of taxes and fees. The rules concerning taxes and fees are different for individuals and contracts.

If an individual is traveling out-of-state, the institution reimburses the sales tax and fees to the individual. However, if the travel is under a contract, the policy is

different. Tennessee state law prohibits charging sales tax to higher education. The committee discussed that state laws are different in each state regarding taxes and fees. Some institutions have been able to persuade states not to charge taxes for their athletic travel. Institutions were encouraged to try to negotiate this when entering into contracts for group travel.

Mr. Pugh has researched the issue and stated that if another state refuses a sales tax exemption, institutions are permitted to pay sales tax in that state. In these instances, the travel policy would supersede the purchasing policy.

- Guideline B-010 Collection of Receivables

The committee discussed the adequacy of the \$2,000 limit regarding litigation of uncollectible accounts. Our current collections contract states that the amount for litigating accounts is \$2,000. An institution inquired as to whether we needed to raise the \$2,000 amount in Guideline B-010 Collection of Receivables. The committee determined that the limit does not need to be raised since the collection services contract handles the litigation process.

- Findings and Weaknesses

The committee was given all findings and weaknesses published since the last quarterly Finance Committee meeting. There were two audit reports released in the last quarter, with no findings for the institutions. (Attachment B)

Mr. Sims reminded the committee that they should be vigilant when reviewing their financial statements in order to avoid future findings.

- Review of Policies and Guidelines

The committee discussed the upcoming review of business and finance policies and guidelines. Over the next two years all of the policies and guidelines will be reviewed for any needed revisions. A schedule was prepared showing the policies and guidelines that would be reviewed each quarter at the Finance meeting. Prior to each Finance Committee meeting, the policies and guidelines will be sent to members for review and revisions will be discussed at the meeting.

The committee was asked to consider how we might want to change the approvals and reporting in the policies and guidelines. The committee also discussed the difference between policies and guidelines. It was explained that policies were originally created to be broad based and the guidelines provided much more detail. It was suggested that Board staff draft a statement of what a policy is and what a guideline is before the review process begins. (Attachment C)

- Designation of Unrestricted Net Assets

The committee discussed the designation of the unrestricted net assets disclosure. State Audit recently contacted us and stated that we should not report a negative undesignated unrestricted net assets amount. This is a result of the negative allocations for OPEB and compensated absences. The committee discussed whether there is even a need for this disclosure in the notes to the financial statements. After much discussion, it was agreed to eliminate the disclosure in the notes and to add this information to the supplemental schedules in the financial statements. The financial statement guidelines have been revised and were sent to the campuses on July 9, 2013.

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

B. Council of Buyers

Ms. Flynn highlighted the following issues from the June 27, 2013 Council of Buyers meeting:

- Sales and Use Tax

Ms. Flynn informed the committee that the Department of General Services has sent a letter outlining required solicitation language, contract language and verification requirements regarding sales and use tax. Pursuant to TCA 12-4-120, all solicitations for goods and services must require contractors to be registered with the Department of Revenue for the collection of Tennessee sales and use tax. These requirements are effective immediately.

The Purchasing and Contracts Office has also revised the RFP template to add the required provision in both the RFP and pro forma contract. Angie reminded the committee that the new solicitation language should also be added to RFQs.

In addition, institutions are also required to verify a contractor's registration with the Department of Revenue. The website provided by the Department of General Services is: <https://tdorbt.tn.gov/reslaeaccountverification>. After review, Ms. Flynn determined that the website does not contain all of the needed information. Ms. Flynn will draft a letter stating that since this website is not sufficient, moving forward, we want to be exempted from requiring verification from this website. We will include the language in our solicitations and contracts.

Several questions were raised, including any possible exceptions to the vendor registration process, that services are typically not taxed, what the specific credentials might be, how often the registration verification website was updated and how this process affects out-of-state vendors. Mr. Pugh stated that these are not taxes that the institution would pay, but language for the contractor to certify that they pay the appropriate taxes as a business. Ms. Flynn and Mr. Pugh will look into this issue further and will provide clarifications as soon as possible.

- SciQuest

Ms. Flynn informed the committee that after researching the situation with the institutions not having their foundation chart of accounts loaded into SciQuest, it appeared that each institution handled their foundation purchases a little differently. For example, some institutions have a completely different chart of accounts for their foundation and some do not. Also, some institutions run their foundation purchases through Banner and others do not. As a result, there is not one quick and easy fix to address the inclusion of a foundation chart of accounts in SciQuest at each institution. Ms. Flynn asked each institution to email her details about how its foundation's purchases are handled so that she can further discuss with SciQuest. SciQuest has indicated that there will be an overall charge of \$10,000 to do an additional load. However, Ms. Flynn will check to see if this price can be reduced since only three institutions have expressed interest. The final cost will be allocated among the institutions that need their foundation chart of accounts loaded into SciQuest.

- Adobe

Adobe is adding a whole new licensing structure which utilizes the Microsoft formula calculation for pricing. At this point, nothing is finalized, but it appears that this new option will come at more cost to each institution. Numbers are currently being compiled and will be presented to the IT Job Council in mid-July. The Central Office will be working with Adobe to negotiate this on a system-wide basis.

In addition, Adobe will not currently allow for the TCATS to participate because they are not degree granting, only certificate issuing institutions. Ms. Flynn is working with the Adobe representative to see what discounted pricing options would be available to the TCATS.

The Council of Buyers minutes were approved.

C. Human Resources

Ms. Preston highlighted the following issues from the June 26, 2013 Human Resource Officers meeting:

- Affordable Care Act Update

Ms. Preston informed the committee that the implementation has been delayed until January 1, 2015. However, the notification to employees has not been delayed. A question was raised regarding the calculation for adjunct faculty. The current calculation is 2.5 clock hours for every 3 hours taught. This is the measurement criteria that we will continue to use, unless told differently by the federal government. Mr. Sims also informed the committee that there is a system

budget initiative to get additional funding from the state. The initiative has been sent to THEC, who will then take it to the state level.

- TBR Policy 5:01:00:00 General Personnel

The proposed revisions move the section on moving expenses from the General Personnel Policy to a separate guideline with changes. It is also proposed to move immigration from the General Personnel Policy to Personnel Transactions, as well as change the appointments which require prior approval of the Chancellor. Additionally, the non-discrimination requirements are updated consistent with other Board policies and guidelines. (Attachment D)

Significant proposed changes include:

- Consistent with the proposed revisions to the Personnel Transactions Guideline, it is recommended that only the following appointments would require Chancellor approval:
 - All vice presidents (academic, business, student affairs, etc.) or other executives reporting directly to the President, including all interim appointments
 - Directors and chairs of the centers of emphasis and excellence, including interim appointments
 - Any other positions which may be designated by the Chancellor
- Moving Expenses: An additional paragraph for moving expenses that addresses what happens if a new employee leaves during the first year of employment immediately following the payment of moving expenses.

- TBR Guideline P-010 Personnel Transactions and Recommended Forms

The proposed revisions are to update the Guideline consistent with proposed changes to General Personnel Policy 5:01:00:00 related to approval of appointments, as well as to move the section on immigration from the general Personnel Policy to Personnel Transactions. (Attachment E)

Significant proposed changes include:

- Consistent with the proposed revisions to the General Personnel Policy, it is recommended that only the following appointments would require Chancellor approval:
 - All vice presidents (academic, business, student affairs, etc.) or other executives reporting directly to the President, including all interim appointments
 - Directors and chairs of the centers of emphasis and excellence, including interim appointments

- Any other positions which may be designated by the Chancellor
- TBR Guideline P-043 Compensation

The proposed revisions are to clarify reportable and non-reportable increases and update the Guideline consistent with P-010 and General Personnel 5:01:00:00. (Attachment F)

Significant proposed changes include:

 - Consistent with the proposed revisions to the General Personnel Policy and Personnel Transactions Guideline, it is recommended that only the following increases would require Board of Regents approval:
 - All equity and market adjustments
 - All faculty promotions
 - All reclassifications for EEO 1-3 and an annual salary of \$100,000 or above **and** an increase of more than ten percent (10%). Job audits from the HR office are required for these reclassifications.
 - All special and critical adjustments
 - Counteroffers
 - Merit adjustments
- TBR Guideline P-130 Educational Assistance for TBR System Employees

The proposed revisions are to clarify and 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. The limit of four classes per year remains in place. With the exception of the fee waiver program, which is mandated by state law, all other programs are at the discretion of each institution. (Attachment G)
- TBR Guideline P-131 Educational Assistance for Spouses and Dependents

The proposed revisions are to clarify and consolidate the Guideline, consistent with P-130. The classes and programs for TBR dependents remain available subject to funds being budgeted and available within the institution. (Attachment H)
- TBR Policy 5:01:01:09 Bereavement Leave

The proposed revisions seek to clarify the use of bereavement leave and allow for it to be used in a nonconsecutive manner, at the discretion of the approving authority. (Attachment I)

- TBR Policy 5:01:01:15 Transfer of Sick Leave Between Employees

The proposed revisions seek to clarify the use of transferred sick leave and provide consistency between employee classifications when applied retroactively. (Attachment J)

The Human Resource Officers minutes, with the policy and guideline changes, were approved.

D. Internal Audit

Ms. Birchett highlighted the following issues from the July 10, 2013 Internal Auditors meeting.

- Funding Formula Audits

The committee discussed upcoming audits of the funding formula. Ms. Birchett reviewed the progress of developing the audit program provided by the Audit Program Subcommittee, and no revisions were recommended. The formula will be audited in two cycles this fiscal year and a third cycle in fiscal year 2015. The first cycle will be an audit of the “progression” elements in the formula covering the 2012 academic year. These audits are scheduled for completion by December 13, 2013. In the spring of 2014, campuses will begin the second cycle, which will be an audit of the “completion” elements in the formula covering the 2013 academic year. These audits will be scheduled for completion before June 30, 2014. TBR Research will be contacted to request samples for the first cycle.

- QAR Update

The committee was given an update on the external Quality Assessment Review (QAR) process. QAR team scheduling is complete. The external reviewer leading the teams is Pat Reed. Volunteer teams are scheduled for visits to Middle Tennessee campuses the week of July 15 and to East and West Tennessee campuses the week of July 22. Surveys have gone out to campus staff and are being returned in a timely manner. Some on-campus appointments with key staff are still being made. The external reviewer and a volunteer are scheduled to be on-site at the system office the week of August 5 and the final report is due by August 23.

- Presidents Expense Audits

Ms. Birchett reviewed the list of campuses and auditor assignments for Presidents expense audits to be completed for 2013.

- UT's Reporting of President's Expenses

The committee discussed the legislation requiring the audits of chief executives expenses and compared the approach by UT to the approach by TBR. Ms. Birchett referenced a sentence in TCA 49-14-104, referring to reports of expenses prepared by the campuses which states: "It is the legislative intent that the policy require the report of discretionary expenditures, which shall include, but not be limited to, unrestricted gifts, foundation funds, athletic funds, sponsorship fees, licenses and royalty funds and other such funds that would not be included in the operating budget for the chancellor's or the president's office." While there are various ways that expenses could be prepared for presentation, it is believed by System-Wide Internal Audit that the current approach meets the intent of the statute.

The Internal Audit minutes were approved.

3. **Other Items**

- Mr. Sims reminded the committee about the change in the State retirement plan. He encouraged everyone to make sure that this is communicated to the new hires and updated in the policy.
- Mr. Sims spoke with the group regarding the delegation of signature authority. Institutions now have the authority to sign contracts over \$250,000. He asked the committee for input on what the limit should be as well as suggestions for an appropriate monitoring system to allow delegation of more authority. Individuals should email Mr. Sims or Ms. Flynn with their ideas.
- Mr. Ron Simmons is working on the OIR billing and developing an automated way to pull out shared hosting costs.

The meeting was adjourned at 10:55 a.m.

PRESIDENTS QUARTERLY MEETING

DATE: August 20, 2013

AGENDA ITEM: Policy Revision 4-02:10:00 – Purchasing Policy and Procedures

ACTION: Voice Vote

PRESENTERS: Vice Chancellor Dale Sims

BACKGROUND INFORMATION: Under the State's new Procurement Commission, new legislation has been adopted (Public Chapter 403), which reorganizes good and services into one Chapter. Under Public Chapter 403, there are many changes that will require further Purchasing Policy revisions; however, the Council desires to move forward with the minimum bid limit and the informal bid limit changes that were included as changes to legislation. The minimum bid limit will increase from \$5,000 to \$10,000 and the informal limit will increase from \$25,000 to \$50,000.

With this statutory change, the need arises to amend TBR Purchasing Policy (4-02:10:00) to align our bid limits to statute.

This policy revision is recommended for approval. Subsequent changes to Purchasing Policy will be presented at a later date.

Policy Sections Amended

1. COMPETITIVE BIDDING AND SPECIFICATIONS

B. Requests for Proposals (RFP) – a competitive process in which bids are solicited from possible suppliers, with a source or sources of supply established for a specified period of time at agreed upon unit pricing for goods and/or services.

1. Request for Proposal – Under \$25,000 **\$50,000** sealed bid with cost and technical proposal submitted as one document (under \$25,000 **\$50,000** does not require sealed bids, can be written, telephone or electronic as provided in Section IV.B).
2. Request for Proposal – \$25,000 **\$50,000** and over, sealed bid with separate sealed technical and cost proposals which must be submitted at the same time. Compliance with the mandatory RFP requirements shall be determined by the RFP Coordinator in consultation with the Chief Business Officer or designee. Evaluation of technical offers shall be determined by an evaluation team selected by the president or designee. Members of the evaluation team should be adequate and appropriate to the scope and nature of the RFP. Procurement department representatives shall review the proposals to ensure procurement procedures were followed and shall offer guidance to the evaluation team, but shall not serve on the evaluation team, and shall not score technical proposals received, except in instances where the RFP is directly related to a good/service needed by the procurement department. Any technical offers shall be evaluated based on the criteria of the RFP and other information learned during the technical evaluation process. Any technical offer submitted which contains any pricing information of any type shall be rejected. Technical offers not deemed acceptable will not proceed to the pricing phase. Cost proposals shall not be opened if the associated technical proposal has been deemed non-responsive and is rejected by the institution. Technical and cost proposals shall not be made public until the inspection period following the evaluation of the cost proposals, or

IV. MINIMUM NOTICE AND NUMBER OF BIDS

The number of bids required and the notice to bidders for solicitation of bids for purchases and revenue contracts shall be as follows:

- A. If the estimated amount of the purchase (or revenue) is \$25,000 **\$50,000** or more, written sealed bids must be solicited from fifteen (15) vendors or the number of vendors on the Vendors List, whichever is less and to all that request the specific RFQ/RFP. (The Chief Procurement Officer must approve the solicitation of less than 15 bids). If the annual estimated amount of the purchase is \$100,000 or more, solicitations must be sent in a manner that verifies proof of delivery. An RFQ for goods must be sent at least fourteen (14) days (ten (10) days when all vendors are local vendors) before the date that the bids are scheduled to be opened. For RFPs and applicable RFQs, (for example, those RFQs having requirements in addition to or other than the purchase of

goods), a minimum of four (4) to six (6) weeks should be allowed for vendors to adequately prepare a competitive proposal based on the method of RFP or RFQ delivery; bid specifications and pre-bidders questions/responses. Examples of types of bids which would need to allow at least six (6) weeks include, but are not limited to, banking and other financial services, bookstore and food services, custom software and or IT system services, advertising management services and any other bid for which the additional time is appropriate. A vendor's general or standing request for notice for all RFQs/RFPs or all RFQs/RFPs of a given type shall not suffice as a request for a specific RFQ/RFP and shall create no obligation on the institution.

B. If the estimated amount of the purchase (or revenue) is at least \$5,000 \$10,000 but less than \$25,000\$50,000 written, telephone or electronic bids must be solicited from at least three (3) qualified vendors (with the exception of Section I. E. above.) When telephone bids are solicited, a written record of the bidders and amounts bid shall be maintained.

XIV. SPECIAL PURCHASE CATEGORIES

B. Non-competitive negotiation for sole source procurement – the negotiation of the terms of a contract with only one provider.

Personal, professional and consultant service contracts may be obtained by non-competitive negotiation when the contractor is a state agency, a political subdivision of the state, and any other public entity in Tennessee, or an entity of the federal government. (See Section I. D. of this policy and F&A Rule 0620-3-3-.03)

Sole source or proprietary purchases may be allowed pursuant to the following:
Sole Source Procurement - Sole source purchases are made only when items are unique and possess specific characteristics that can be filled by only one source. The vendor must furnish a letter indicating that it is the sole source and the letter must be signed by an authorized company representative.

Proprietary Purchase - A proprietary product is one that is manufactured and marketed by a person or persons having the exclusive right to manufacture and sell the product. Marketing is generally controlled by franchisees that may include competitive sales at wholesale or retail levels. When it is found that bids may be obtained from different franchisees, bid invitations must be issued unless the estimated purchase is less than \$5,000 \$10,000.

ATTACHMENT A- MINIMUM GENERAL BID CONDITIONS

n. Bids for purchases of \$25,000 \$50,000 or more must be signed and sealed with the bid number or other identifying information listed on the outside of the envelope.

p. Bids are to be submitted on bid forms furnished by the institution, otherwise they may

not be considered. The Institution reserves the right to consider telephone, e-mail or faxed bids for purchase under \$25,000 \$50,000 if received by the deadline and confirmed in writing within five (5) days on Institution forms.

Attachment B

Tennessee Board of Regents
 Audit Committee
 June 4, 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
Austin Peay State University	June 30, 2010	Unqualified Opinion	No material weaknesses identified	No instances of noncompliance required to be reported	0
Dyersburg State Community College	June 30, 2012, and, June 30, 2011	Unqualified Opinion	No material weaknesses identified	No instances of noncompliance required to be reported	0

Austin Peay State University
Items Discussed at the Field Exit Conference
Not Included in the Audit Report
For the Fiscal Year Ended June 30, 2010

1. The Accounts Receivable Department did not follow its collection policies for 17 out of 18 (94%) items tested. The following issues were noted:
 - For 4 of the accounts receivable balances tested, the first billing notice was not sent to the student at the end of the month in which the change occurred. The 4 students did receive a billing notice months later.
 - For 17 of the accounts receivable balances tested, a notice stating the account is 30 days overdue was not sent. All students received bills at later dates. The bills did not state the number of days their account was past due.
 - For 14 of the accounts receivable balances tested that were 60 days past due, two students did not receive a notice by certified mail and for 12 students the certified notice was not sent until months later.
 - For 13 of the accounts receivable balances tested, eight students did not receive a collection notice stating that the account was being turned over to a collection agency, and for the other five students the collection notice was sent several months late.
 - For 15 of the 90-day past due accounts receivable balances tested, five of the past due accounts had not yet been assigned to a collection agency, and the other 10 past due accounts were assigned to a collection agency several months late.

According to the university's Policy 4:011 (Collection of Receivables), 1.) "Each student accounts receivable will receive a first billing notice at the end of the month in which the change occurs. A notice will be attached to the billing notice indicating that the student will not be permitted to register for any courses, will not receive grades, diplomas, or transcripts until the debt is paid..., 2.) If no payment is received within thirty (30) days of the first billing notice, the appropriate notice stating the account is thirty (30) days past due will be distributed...This notice will request that immediate attention be given this past due account and will give the name and location of the person the debtor should contact if there are questions about the account, 3.) If no payment is received within sixty (60) days of the first billing notice, a notice will be sent by certified mail with return receipt requested. This notice will state that the past due amount must be received by the University within fifteen (15) days from the date of the

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notice or the account will be referred to a collection agency, and 4.) If no payment is received within ninety (90) days of the first billing notice and if the account balance is \$25 or more, a notice will be mailed to the student indicating that the account has been turned over to a collection agency..."

Staff stated that electronic bills had not been sent timely since email addresses for the students had not been included in Banner for the students. The Bursar started loading the email addresses into Banner on June 29, 2010.

2. While in-kind gifts were recorded properly in Banner and on the University financial statements, they were omitted from the NCAA Statement of Revenues and Expenses. Per discussion with the Assistant Vice President of Finance, in-kind gifts were removed from the NCAA statement, because it had a null effect. Only cars for the coaches were included under Contributions, line 4, and Other Operating Expenses, line 35. Per the NCAA Agreed-Upon procedures, the in-kind gifts should have been reported on the NCAA statement in lines 12, 28, and 35 as follows:

Revenue

Line 12- Royalties, Licensing, Advertisements and Sponsorships "Include the value of in-kind products and services provided as part of the sponsorship (e.g., equipment, apparels, soft drinks, water and isotonic products)."

Expenses

Line 28-Fund Raising, Marketing and Promotion "Include costs associated with fund raising, marketing and promotion for media guides, brochures, recruiting publication and such."

Line 35- Other Operating Expenses "Other operating expenses include . . . any other operating expense not reported elsewhere."

The NCAA Statement of Revenues and Expenses was revised to include in-kind gifts of \$243,210.84. Since the revenues and expenses offset, there was no net change in excess of revenues over expenses on the statement.

3. The Human Resource Department did not complete and maintain conflict of interest statements timely for 9 of 40 (23%) required individuals. Also, 10 of 40

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(25%) of the conflict of interest statements were not completed prior to the January 31 deadline. The statements were between 2 and 38 days late.

According to TBR Policy 1:02:03:10 - Subject: Conflicts of Interest, "Members of the Board of Regents, the Chancellor of the TBR, members of the senior staff of the TBR Central Office (all Vice Chancellors and the General Counsel), the Presidents of all TBR Universities and Community Colleges, the Directors of the Tennessee Technology Centers, coaches, assistant coaches and employees of athletic departments who are exempt from the provisions of the Fair Labor Standards Act are required to file a financial disclosure form within one month of their initial appointment and annually thereafter in January."

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**DYERSBURG STATE COMMUNITY COLLEGE
MANAGEMENT RESPONSE TO OTHER ITEMS
DISCUSSED AT FIELD EXIT CONFERENCE
NOT INCLUDED IN THE AUDIT REPORT
FOR YEARS ENDED JUNE 30, 2012, AND JUNE 30, 2011**

1. We found 36 journal vouchers for the period July 1, 2010 to June 30, 2012, which had the same individual as both preparer and reviewer of the journal voucher. While most of these journals had some compensating controls, such as an additional post review or a signature indicating receipt of goods, the same individual that originates a journal should not also be the only approver of that journal in the accounting system. Of these 36 entries, 24 were for disbursement journals paid either by check or by direct deposit totaling \$13,880.70. The other 12 entries were for various areas of the college; two were for payroll expediting, one was to correct the fiscal year charged, three were for procurement card purchases, four were to correct one depreciation issue, and two were for requisitions. The total for the other journals was \$94,827.22.

It should be noted that the journal entries appeared to be reasonable for the college.

Management concurs. Approval levels in the Banner approval system have been changed and additional approvers added to make sure that multiple approvals will be required for each banner document.

2. For the Statement of Cash Flows for fiscal year end June 30, 2011, the Finance Manager incorrectly transposed the amounts for accrued liabilities for salaries with accrued liabilities for benefits as of June 30, 2011, in the cash flow worksheet. This caused the payments to employees to be understated by \$228,166.25 and consequently the payments for benefits to be overstated by the same amount. This was corrected by the Financial Manager for the worksheet in preparation of the 2012 financial statements. In addition, account 24200 "Accrued Retirement" was incorrectly included with accrued salaries instead of accrued benefits. This also caused payments to employees to be understated and consequently the payments for benefits to be overstated for the Statement of Cash Flows by \$21,816.33. Both of These errors will be corrected in the audit report.

The latter error noted above also occurred with account 24200 for the fiscal year end June 30, 2012; however, the error was only \$1,298.36 for 2012. This will not be corrected for the audit report as the amount is immaterial.

The Finance Manager concurs in the Statement of Cash Flows for fiscal year ended June 30, 2011; the amounts for accrued liabilities for salaries with accrued liabilities for benefits as of June 30, 2011 in the cash flow worksheet were transposed. The transposition was corrected by the Finance Manager in preparation of the 2012 financial statements; and, will be continued with future preparation of DSCC's financial statements. In addition, the Finance Manager has made note to properly classify account 24200 "Accrued Retirement" with accrued benefits versus accrued salaries in the financial statement preparation file for the Year Ended June 30, 2103 to prevent repeating making the same misclassification.

**DYERSBURG STATE COMMUNITY COLLEGE
MANAGEMENT RESPONSE TO OTHER ITEMS
DISCUSSED AT FIELD EXIT CONFERENCE
NOT INCLUDED IN THE AUDIT REPORT
FOR YEARS ENDED JUNE 30, 2012, AND JUNE 30, 2011**

3. In preparing the fiscal year 2012 deposit note in the Notes to the Financial Statements, the Finance Manager used the book balance rather than the bank balance for the college's bank balance. The amount should have been \$550,752.38 rather than the reported \$328,347.22. This was corrected in the audit report.

The Finance Manager concurs the book balance was used rather than the bank balance for the college's bank balance in preparing the fiscal year 2012 deposit note. A note has been made in the financial statement preparation file for the Year Ended June 30, 2013 to prevent selecting the incorrect balance.

4. When preparing the fiscal year 2012 write-down of periodicals and online subscriptions, as described in the Notes to the Financial Statements, the Finance Manager assigned too much depreciation to the periodicals and the online subscriptions for the fiscal years 2009, 2010, and 2011. This was due to a typographical error in the remaining years to be depreciated. Each year's amount should have had one year less in depreciation in the worksheet calculation. The total amount of the difference between amounts calculated and the amount that should have been assigned was approximately \$14,094.40. This error caused the accumulated depreciation and depreciation expense to be overstated by the same amount. An audit adjustment was proposed.

The Finance Manager concurs the fiscal year 2012 write-down of periodicals and online subscriptions, as described in the Notes to the Financial Statements, was incorrectly calculated due to a typographical error in the remaining years to be depreciated spreadsheet calculation. To be consistent with the auditors proposing an adjustment, when the Finance Manager prepares the library depreciation worksheet for the Year Ended June 30, 2013, an adjustment of \$14,094.40 will be made to reduce the library depreciation expense and related library accumulated depreciation for the Year Ended June 30, 2013.

5. The 2011 capital assets activity note included a transfer of the theatre addition from projects in progress to land improvements and infrastructure. This project of \$62,098 should have been transferred to buildings instead. The misclassification was also carried forward to the 2012 note. The notes for both years were corrected in the audit report.

Since the estimated useful lives of land improvements are different from those of buildings, this transfer error also caused a calculation error totaling \$3,794.88 for depreciation expense and accumulated depreciation for each year under audit. Due to the immateriality of these items, no adjustment was proposed.

**DYERSBURG STATE COMMUNITY COLLEGE
MANAGEMENT RESPONSE TO OTHER ITEMS
DISCUSSED AT FIELD EXIT CONFERENCE
NOT INCLUDED IN THE AUDIT REPORT
FOR YEARS ENDED JUNE 30, 2012, AND JUNE 30, 2011**

Pat

The Finance Manager concurs the 2011 capital asset note included a transfer of the theater addition from projects in progress to land improvements and infrastructure that should have been transferred to buildings instead. To be consistent with the auditors not proposing an adjustment to depreciation expense and accumulated depreciation resulting from the difference in the estimated useful lives of land improvements as compared to buildings, DSCC also did not post an adjustment. However, DSCC did transfer the remaining asset value of the theater addition from land improvements to buildings; and, transferred the related accumulated depreciation from land improvement accumulated depreciation to buildings accumulated depreciation.

6. In preparing the fiscal year 2011 OPEB note in the Notes to the Financial Statements, the Finance Manager used the covered payroll for the fiscal year ended June 30, 2011 instead of the covered payroll as of July 1, 2010, which would be the fiscal year 2010 amount of \$14,298,352.92 rather than the reported \$14,664,540.78. Because of this error, the Unfunded Actuarial Accrued Liability percentage of covered payroll changed to 22.6% from 22.1%.

The Finance Manager concurs the covered payroll for the fiscal year ended June 30, 2011 was used instead of the covered payroll for the fiscal year ended June, 30,2010 in the 2011 OPEB note in the Notes to the Financial Statements. A note has been made in the financial statement preparation file for the Year Ended June 30, 2013 to prevent repeating making the same mistake. The correct covered payroll was used for the fiscal year ended June 30, 2012.

7. In preparing the support for the component unit note for June 30, 2011, the Director of Administrative Services included two university bonds in the corporate bond classification. However, these should have been classified as municipal bonds. The reclassification totaled \$52,523.25. The note was corrected for the audit report.

The Director of Administrative Services did misclassify two university municipal bonds as corporate bonds for the component unit note for June 30, 2011. Extra steps were taken to have the investment managers verify the Director's investment classifications and all investments were classified properly for June 30, 2012 for the component unit note.

REVIEW OF BUSINESS AND FINANCE POLICIES AND GUIDELINES

October 2013

Policies

4-01-00-00 Budget Control

4-01-00-10 Community College Resource Allocation Plan

4-01-01-10 Deposit & Investment of Funds4-01-00-00 Budget Control

Guidelines

B-020 Classification and Operation of Auxiliary Enterprises

January 2014

Policies

4-01-01-20 Debt Management

4-01-01-30 Tennessee State Bond Authority Appropriation Intercept Program

Guidelines

B-100 Institutional Emergency Preparedness Plan

March 2014

Policies

4-01-05-50 Preventing and Reporting Fraud, Waste or Abuse

4-01-05-60 Identity Theft Prevention

Guidelines

B-080 Reporting and Resolution of Institutional Losses

B-090 Safeguarding Nonpublic Financial Information

B-095 Use of Electronic Signatures & Records

July 2014

Policies

4-02-20-00 Disposal of Surplus Personal Property

4-03-02-00 Motor Vehicles

Guidelines

B-025 Acquisition & Disposal of Real Property

B-026 Lease Procedures and Guidelines

B-110 Fixed Assets and Sensitive Minor Equipment

October 2014

Policies

4-03-03-00 General Travel

4-07-00-00 Business Meals

4-03-03-50 Athletic and Other Group Travel

Guidelines

B-041 Community College Athletics

B-042 Allocation of Maintenance Fees for University Athletics

B-043 University Athletic Tickets

January 2015

Policies

4-01-04-00 Solicitation and Acceptance of Gifts

4-01-07-02 Foundations

March 2015

Policies

4-02-05-01 Naming Buildings and Facilities & Building Plaques

4-02-09-00 Property Acquisition

Guidelines

B-021 Building Plaques Affixed to Buildings and Facilities

B-022 Campus Facility Master Plans

B-065 Sustainable Campus Fee Program

July 2015

Policies

4-06-00-00 Expenditure of State Funds for Paid Advertising

4-07-10-00 Charges for Producing Copies of Public Records

Guidelines

B-061 Educational Assistance (State Employees & Dependents of State Employees and Teachers

B-062 Other Educational Assistance Programs

October 2015

Policies

4-01-03-00 Payment of Student Fees & Enrollment

4-04-01-50 Revenues From Campus Concession

Guidelines

B-010 Collection of Accounts Receivable

B-060 Fees, Charges, Refunds, and Fee Adjustments

B-070 Deferred Payment Plan

The purchasing policy and internal audit policy are not included. These policies are kept up to date by the Purchasing department and Internal Audit department.

Policy Area

5= Personnel Policies

Number – 5:01:00:00

Name: General Personnel Policy

Purpose

The following General Personnel Policy of the Tennessee Board of Regents is hereby adopted to delegate to the presidents of universities and community colleges, the authority and responsibility hereinafter specified concerning personnel, which the Board finds to be necessary and appropriate for the efficient administration of the institutions, and to establish standards, guidelines, and reporting requirements for the exercise of the delegated authority. The policy also cites specified authority and responsibility concerning personnel assigned to directors of the Tennessee **Colleges of Applied Technology Centers and the Chancellor.**

Applies To

Central Office

Univ

CC's

TTC's

Definitions

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

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

Reclassification - when an employee's duties and responsibilities ~~evolved to the extent that another classification is more appropriate~~ **change and may include an appropriate salary adjustment.**

Lateral Transfer - is defined as the assumption of duties of another position at the same level.

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

Policy

I. Scope of Delegation

A. Presidents

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

a. All Vice Presidents **or other executives reporting directly to the President** (academic, business, student affairs, etc.) including all interim appointments;

b. ~~Academic deans, academic department and/or division heads, Directors and chairs~~ of the Centers of Emphasis and Excellence, ~~(including those officers, who with varying titles, have line responsibility for administration of academic faculty or staff at the academic disciplinary unit level);~~ including interim appointments;

c. ~~Appointments, promotions, and/or transfers to positions with salaries in excess of \$100,000 at universities and \$100,000 at community colleges; and of non-faculty (the promotion process for faculty is governed by TBR Policies 5:02:02:10, 5:02:02:20, and 5:02:02:30), and/or transfers to positions with salaries in excess of \$100,000 at universities and \$100,000 at community colleges;~~

d. Any other positions which may be designated by the Chancellor.

B. Directors

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

C. Chancellor

1. The Chancellor has the authority to employ professional and staff employees as appropriate for the efficient discharge of official duties of the Central Office.

2. The Chancellor shall adopt appropriate procedures to govern the recruitment, selection, promotion and reassignment of Central Office employees, such procedures to be consistent with relevant Board policies.

3. Appointments for Positions Reporting to the Chancellor - All appointment recommendations for positions reporting directly to the Chancellor shall be subject to the following approval process:

a. Recommendations for the positions of General Counsel, Chief Information Officer, and all Vice Chancellors, **including interim appointments** shall be submitted to the Board Committee on Compensation and Personnel and the full Board of Regents for prior approval before employing a candidate; and

b. For recommendations related to all other positions reporting directly to the Chancellor, the Chancellor may employ the individual without prior notice to or approval by the Board.

(1) For appointments requiring Board approval, if an emergency situation arises, appropriate measures will be taken to approve appointments in the interim through the Committee on Compensation and Personnel, which will have full authority to act on behalf of the Board.

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

1. The president may delegate the foregoing authority to a designated person or persons at the institution provided that all appointments and compensation of faculty and administrative personnel shall be subject to the approval of the president.

2. Subsequent references to the president of an institution include the president or his or her appropriate designee.

E. Notwithstanding any other policy or agreement, in the event of a severe state budget shortfall or state impoundment, the Chancellor may give specific written authorization to presidents/directors upon their request to reduce compensation across the board for the remainder of the fiscal year, to mandate furloughs without pay and/or to reduce the amount of time to be worked, on an institution by institution basis ~~with the understanding that this subsection with regard to furloughs will be reviewed by the Board of Regents on or before January 2012.~~

1. Any request submitted by presidents/directors shall include a description of the campus constituent groups represented on the presidents/directors committee advising on the budget reduction process. (See also **Section E below** regarding reductions in force).

F. The director of a Tennessee **College of Applied Technology Center** may not delegate the foregoing authority.

II. **Appointments**

A. ~~The p~~Presidents of a university, or community college, and the directors of a Tennessee **College of Applied Technology Center** are authorized to appoint and employ personnel within the scope of delegation provided in Section A for positions at the institution ~~or center~~ which have been approved by the Board in an operating budget (work program) at a level of compensation which does not exceed the amount specified in the operating budget; provided that new appointments to approved positions may be made at a level of compensation in excess of the amount specified where funds are available, subject to confirmation of the transfer of budgeted funds by the Chancellor.

B. No employment agreement, or contract, or letter of agreement shall be used in the appointment or employment of personnel unless the form of agreement, contract, or letter has been approved by the Chancellor.

C. New administrative positions shall not be established in an institution's or center's administrative organization, and no major change in the administrative organization of an institution or center shall be made, unless approved by the Chancellor.

D. The minimum qualifications for the appointment of faculty at universities and community colleges shall be the Minimum Rank Criteria for Professional Personnel in Instruction, Public Service, and Research set forth in Board Policy No. 5:02:02:20 and 5:02:02:30, which is incorporated herein by reference.

1. The minimum criteria for tenure-track or tenure appointments at Tennessee **Colleges of Applied Technology Centers** are specified in Board Policy No. 5:02:02:10.

2. All part-time or temporary faculty must be appointed according to the provisions of Board Policy.

E. The minimum qualifications for the appointment of all personnel other than faculty shall be determined by the president or director **or designee**, based upon the duties and responsibilities of the position, and shall be recorded and maintained by the institution or center, subject to any minimum qualifications for personnel positions which may be established by the Board.

III. Nature of Appointments

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

B. Faculty at Tennessee **Colleges of Applied Technology Centers** shall be employed pursuant to the types of appointment specified in Board Policy No. 5:02:02:10, which is incorporated herein by reference.

C. Personnel other than faculty shall be appointed to serve at the pleasure of the president or, at Tennessee **Colleges of Applied Technology Centers**, of the director **or at the Central Office, of the Chancellor.**

D. All full- time personnel, including faculty, shall be required to devote a minimum of 37.5 hours per week to the institution or center, and shall maintain appropriate office hours as determined by the president (or his or her designee) or, at Tennessee **Colleges of Applied Technology Centers**, by the director.

1. Presidents and/or Directors are authorized to use flexibility as appropriate in determining the structure of the work week for faculty to recognize variations from traditional instructional formats such as afforded by online instruction, distance education, or other unique methods of instructional delivery.

2. Calculation of the 37.5-hour week shall follow such guidelines as promulgated by the Chancellor.

E. Within the requirement of a minimum of 37.5 hours per week, faculty at universities and community colleges shall be required to carry a full teaching load, which shall be fifteen (15) credit hours or the equivalent per term for undergraduate courses, twelve (12) credit hours or the equivalent per term for graduate courses, two hundred and twenty-five (225) non-credit contact hour or the equivalent per term. All equivalent teaching load activities shall be subject to prior review and approval by the president (or his or her designee). Within the requirement of a minimum of 37.5 hours per week, faculty at Tennessee **Colleges of Applied Technology Centers** shall normally be required to carry thirty (30) contact hours per week of teaching.

F. In addition to the requirement of **Section C-3 above**, full-time administrative personnel shall be required to devote sufficient time to complete their assigned duties and responsibilities. When administrative personnel are appointed on an academic year basis, such personnel shall be required to devote sufficient time to fully perform the administrative responsibilities for the academic year, including periods preceding or following the academic year.

G. Personnel at universities and community colleges who are appointed on an academic year basis shall be on duty for not less than nine months, which shall commence from the time designated by the president prior to the institution's registration for the fall term of each year through the time designated by the president at the end of the spring term, and shall be subject to call for duty during that period regardless of whether classes are in session.

IV. Compensation

A. The president or director is responsible for compliance with all federal and state laws and regulations, and all Board policies and directives, concerning compensation for employees, and compensation for employees shall be subject to limitations imposed by the Board or the General Assembly.

B. All regular full-time salaried personnel, whether on an academic or fiscal year appointment, shall be paid twelve (12) monthly installments each year, provided that exceptions may be made upon termination, or as approved by the Chancellor.

C. All full-time and part-time employees are required to participate in the automatic deposit program for the direct deposit of their salaries. Each campus has the option to require student workers to participate in the direct deposit program as long as there is no charge to the student unless exempted by Federal Work Study Guidelines.

D. Part-time instructional personnel shall be paid on the basis of the credit or non-credit hours taught, pursuant to such guidelines and/or schedules as may be established by the Board.

E. The president or director shall insure that all employees shall be paid equal wages or salaries for equal work in positions the performance of which requires equal skill, effort and responsibility, and which are performed under similar working conditions, except where pay differentials are based upon:

1. market factors,
2. a merit or evaluation system,
3. length of service, or
4. any other proper, non-discriminatory basis.

When any of the foregoing bases are relied upon to justify pay differentials for employees in similar positions as described above, the basis and the attendant circumstances shall be substantiated in writing and maintained by the institution or center.

F. Overtime payments and compensatory time are available to employees not exempt from the FLSA. The Chancellor is authorized to issue guidelines relative

to the use of compensatory time and payment of overtime and the rates pertinent to each.

G. Each institution and technology center shall develop policies and procedures for the administration of the compensation system at the institution or center subject to the approval of the Chancellor, and subject to the Compensation Plan Guideline promulgated by the Board. This includes reclassifications and degree changes.

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

I. Temporary administrative responsibilities may necessitate the awarding of an administrative stipend in addition to the previously established salary. The stipend amount or any other understanding concerning compensation must be set out in a newly-executed contract. The contract;

1. Should include a statement that the stipend is awarded as compensation for the additional administrative responsibilities and will be removed at the time the administrative responsibilities end; or
2. Should otherwise address how compensation would be affected at the end of an administrative appointment.

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

1. The following illustrates the procedure defined above.
 - a. A faculty member making \$20,000 on an academic contract is converted to a fiscal year contract at a salary of \$25,000.
 - b. In addition, a \$1,500 administrative stipend is added and so indicated because of additional duties. The total amount of salary is then \$26,500.
 - c. At the time the faculty member serving as administrator returns to a faculty position on an academic year basis, the administrative stipend will end.

d. Then the base faculty salary is reduced to an academic year contract at a rate no less than 80% of the fiscal year contract. The institution may choose to exceed the 80% number on the basis of comparable faculty salaries, including rank, merit, length of service, experience, degrees and yearly percentage increase in salary.

V. **Changes of Status and Terminations**

A. The president or director is authorized to approve changes of status (i.e., transfers, promotions, demotions, or other changes in duties or responsibilities) of personnel within the scope of the delegation provided for in Section A, provided that when a change of status would cause the employee to be within the scope of positions subject to approval of the Chancellor, the change of status will be subject to the Chancellor's approval.

B. The president/director of each TBR institution/center may establish procedures for accomplishing promotions, demotions, and transfers between institutions/centers within the Tennessee Board of Regents System, in such manner as to ensure fair and equitable treatment to all personnel, and in accordance with established TBR policies. Any such action must be taken within the parameters of the institution's or central office's Affirmative Action Plan, and must be reviewed and certified by the institutional Affirmative Action Officer.

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

D. **Promotion of Faculty** - The promotion of faculty shall be subject to Board Policy No. 5:02:02:20 and 5:02:02:30 (for universities, community colleges, and the technical institute) and Board Policy No. 5:02:02:10 (for Tennessee **Colleges of Applied Technology centers**).

E. **Promotion of Non-faculty** - Promotions of personnel other than faculty should be made pursuant to established and written criteria developed by the institution or center. Promotions and transfers are an acceptable means of filling vacancies. However, such promotions and transfers must be achieved within the parameters of institutional affirmative action plans. In addition, any vacant position created by that promotion must be filed within the provisions of this Policy and applicable guidelines.

F. **Terminations and Transfers** - The president or director is authorized to terminate and transfer all personnel within the scope of the delegation of authority provided for in Section A, provided that terminations of faculty shall be pursuant to the provisions of Board Policy No. 5:02:03:60 and 5:02:03:70 (for

universities and community colleges) or Board Policy No. 5:02:03:10 (for colleges of applied technology centers).

G. **Termination for Gross Misconduct**

1. Gross misconduct may include, but is not necessarily limited to:

- a. Any act or omission which may seriously disrupt or disturb the normal operation of the institution/~~center~~/Central Office;
- b. Any work-related conduct which would subject the employee to criminal conviction;
- c. Theft or dishonesty;
- d. Gross insubordination;
- e. Destruction of institution/~~center~~/Central Office property;
- f. Falsification of records;
- g. Acts of moral turpitude;
- h. Reporting for duty under the influence of intoxicants;
- i. The illegal use, manufacture, possession, distribution, or dispensing of controlled substances or alcohol;
- j. Disorderly conduct;
- k. Provoking a fight;
- l. And/or such other similar acts involving intolerable behavior by the employee.

2. In determining eligibility for unemployment compensation benefits, the definition of gross misconduct utilized by the Tennessee Department of Employment Security is not affected by the definition outlined in this section.

3. In the case of gross misconduct, immediate disciplinary action up to and including termination should be taken.

4. An employee suspected of theft of institutional property may not resign as an alternative to discharge after the investigation has been completed.

5. Any exceptions to this requirement must be made by the institution's President or ~~Center's~~ Director after consultation with the Vice Chancellor for Business and Finance.

6. If the employee resigns during the investigation, the employment records must reflect the situation at the date of resignation and the outcome of the investigation.

7. Refer to Annual Leave Policy 5:01:01:01 and Sick Leave Policy 5:01:01:07 regarding the loss of unused leave if termination of employment is due to gross misconduct. Refer to TCA 8-35-124 and 8-50-

807d for the loss of retirement benefits related to gross misconduct termination.

H. Reduction in Force

1. Each institution or center shall develop a consistent and equitable method of notifying and terminating faculty and non- faculty employees in the event that a reduction in force, reorganization or elimination of any occupational classification within a unit becomes necessary.
2. The method should include a written rationale to the reduction, review of the institution's or center's operations, identification of the functional area(s) affected, a review of the budgetary implications involved, and development of the specific written criteria to be used in identifying the duties that will be reassigned and/or eliminated in the event of a reduction.
3. Only after specified functions/duties have been identified by unit heads and approved by the president/director does the review of individual personnel begin.
4. Unit heads in consultation with ~~personnel services~~ **human resources'** staff will assess the specified areas and the employees in those areas in order to make recommendations to the President/Director relative to the specific personnel changes to be made.
5. In making personnel recommendations to the President, the factors used in reaching the recommended decisions may include, but are not limited to:
 - a. Length of service in the position and/or length of service at the institution or center;
 - b. Past written performance appraisals;
 - c. Functional needs of the unit; and
 - d. Qualifications needed to perform remaining duties of the affected units.
6. Prior to a final decision by the president/director and notification to the employees and in consultation with the staff of General Counsel, the impact of the recommendations shall be considered in light of non- discriminatory requirements listed in Section F of this policy.
7. In the event of one of the above actions, it is permissible to transfer qualified individuals to vacancies at other departments/divisions, institutions or centers within the System.
8. Written notification to the affected employees must be given as far in advance of the effective date as possible.

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

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

VI. **Non-Discrimination Requirements**

A. The president or director shall insure that all appointments, changes of status, compensation, and terminations are all in compliance with Board Policy No. 5:01:02:00 (EEO Affirmative Action) which is incorporated herein by reference and that no person is discriminated against on the basis of race, sex, religion, **creed, age (as applicable), disability, sexual orientation, gender identity/expression, status as a covered veteran, genetic information,** color, **ethnic** or national origin, **and any other category protected by federal or state rights law** in any area of employment.

B. An annual compliance audit will be conducted by the System Affirmative Action Officer.

VII. **Employment Practice Complaints**

A. Upon receipt by an institution or center of any charge or claim alleging violations of state or federal laws or regulations in any area of employment by any state or federal agency, a copy of the notice of the charge or claim shall immediately be transmitted to the Office of the General Counsel.

B. The president or director shall forthwith initiate an investigation of the charge, and shall report to the General Counsel the results of the investigation.

C. The Office of the General Counsel will coordinate and approve all responses to the appropriate agency.

D. The president or director shall transmit to the General Counsel copies of all correspondence from or to the state or federal agency involved.

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

F. Internal complaints, charges, or claims concerning matters of employment shall be handled through the established procedures at the institution or center, subject to approval by the president or director.

G. In any case where the president or director makes a decision which is adverse to the charge or claim of the person, the president or director shall advise the person of any right of appeal provided by Board policy.

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

A. It is a Class A misdemeanor to misrepresent academic credentials.

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

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

b. Has successfully completed the required course work for and has been awarded one (1) or more degrees for diplomas from a particular institution of higher education; or

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

IX. **Records and Reporting Requirements**

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

X. **Moving Expenses**

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

B. Lodging may be covered for the employee and all immediate family members residing in the household.

1. En route lodging may be provided for one night if the distance of the move is 400 miles or more, plus one additional night for each additional 400 miles.

Comment [AP1]: Propose remove from General Personnel Policy and move to separate Personnel Guideline, with changes and accompanying form.

2. Lodging for one night at the destination may be permitted.

C. Lodging will be consistent with the Tennessee Board of Regents travel policy rates.

D. Mileage will be reimbursed at the current IRS rate for moving mileage.

E. Travel expenses incurred when moving from another state to Tennessee will be reimbursed at the out-of-state rates.

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

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

XI. Arranging for Moving and Payment

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

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

C. Only arrangements made directly by the institution will be reimbursed directly to vendors by the institution. In other cases the institution should reimburse the employee. Claims for reimbursement must be supported by an invoice.

XII. Other Provisions

A. Moving expenses will be paid or reimbursed only after a contract is executed between the employee and the institution. [See Exhibit A](#)

B. All travel and travel expenses shall be accomplished as soon as possible, but in no event shall the effective date of the move to the completion of travel and transportation exceed twelve (12) months unless written extension is granted by the President/Director of the institution/school. All payments or reimbursements must be made within twelve (12) months of the date employment begins for new employees or relocation occurs for relocated employees.

C. The agreement on the amount of moving expenses to be paid, the type expenses to be paid, responsibility for arranging logistics, etc., should be clearly understood in writing between the employee and the institution.

D. The institution shall assume no liability whatsoever for personal injuries, property damages, or other losses which may be sustained in connection with any moves undertaken pursuant to these regulations.

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

XIII. Immigration Expense Allowance

A. New employees may receive reimbursement for immigration expenses when considered to be in the interest of the institution and when such payment is a part of the employment negotiation with a new employee or the relocation of a current employee from another employer or institution.

B. Reimbursement/fee allowance for immigration fees must be approved in advance by the Director or President or his/her designee.

C. This provision applies only to candidates who are required to pay immigration fees to work and live in the U.S.

D. No TBR employee may receive reimbursement more than once.

E. No payment shall be made unless the employee agrees in writing to remain in the service of the institution for a period of twenty-four (24) months following the effective date his/her employment agreement, unless separated for reasons beyond his/her control and acceptable to the institution.

F. The service agreement statement should be maintained in the employee's personnel file. In case of a violation of such an agreement, any funds expended by the institution for such allowance shall be recoverable from the employee as a debt due the institution in the same manner as educational allowance payments.

See **Exhibit B**

Comment [AP2]: Propose removing from General Personnel Policy and inserting in P-010 Personnel Transactions, section VI.

G. Reimbursement shall be in the maximum amount of \$4500 and shall not exceed the employee's actual, documented expenses. The allowance cannot be used to defray non-immigration-related costs or any costs not associated with the individual employee's immigration expenses.

H. Reimbursable fees include:

1. Fees charged by a licensed immigration attorney retained in connection with the application;
2. Filing fee;
3. Permanent residence fee;
4. Fee for any application to enter the U.S.;
5. Fee for application to remain in the U.S.; and
6. Associated fees required in the application process, such as medical examinations, fingerprinting, photo identification, postal/courier fees, and costs of evaluating foreign academic credentials or translations of foreign documents.

I. The employee is responsible for making arrangements for representation, completion of paperwork, assistance in the immigration process, and submission of all bills and/or invoices for which reimbursement is sought.

J. Faculty may submit a claim for reimbursement by sending a request with original receipts to the Chief Academic Officer.

XIV. **Exceptions**

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

Source

TBR Meetings: June 25, 1976; March 4, 1977; June 26, 1981; September 18, 1981; September 30, 1983; September 16, 1988; March 17, 1989; September 21, 1990; December 7, 1990; March 19, 1993; September 20, 1996; December 6, 1996; June 20, 1997; June 29, 2001; March 15, 2002; December 5, 2003; September 24, 2004; March 29, 2007; June 29, 2007; September 25, 2008; Special Called Meeting January 14, 2009; June 19, 2009 to take effect July 1, 2009; June 24, 2010; September 23, 2011

Exhibits

Exhibit A

Exhibit B

Related

5:01:01:01 Annual Leave

5:01:01:07 Sick Leave

5:01:02:00 Equal employment Opportunity and Affirmative Action

5:02:02:10 Faculty Rank and Promotion at TTC's

5:02:02:20 Faculty Promotion at Universities

5:02:02:30 Faculty Promotion at Community Colleges

5:02:03:60 Academic Tenure at Universities

5:02:03:70 Academic Tenure at Community Colleges

5:02:03:10 Academic Freedom, Responsibility and Tenure at the Tennessee
Technology Centers

G-070 Disposal of Records

Guideline Area

P = Personnel Guidelines

Number – P-010

Name: Personnel Transactions and Recommended Forms

Purpose

The purpose of this guideline is to supplement provisions of the Tennessee Board of Regents General Personnel Policy (No. 5:01:00:00), as it relates to personnel transactions, procedures for campus appointments, budgetary and position considerations, required forms for implementation procedures, processing of forms by Central Office, employment agreements, contracts, letters of agreement, records and reports. The guideline and exhibits are applicable to all institutions and colleges of applied technology governed by the Board. For purposes of this guideline, all TCAT director responsibilities shall be coordinated through the Vice Chancellor for the Tennessee Colleges of Applied Technology.

Consistent with the general personnel policy, any exceptions to this guideline are subject to approval by the Chancellor.

Applies To

Central Office
Univ
CCs
TCATs

Definitions

Guideline

I. **Personnel Transactions**

A. Each president and college of applied technology director is expected to follow Board policies, affirmative action plans, and fair employment practices when making appointments.

1. Appointments requiring the Chancellor's approval will be reviewed in light of these expectations.
2. All appointments, regardless of salary, including promotions and transfers, must be reviewed and certified by the institutional Affirmative Action Officer prior to action.

3. Other appointments not requiring approval of the Chancellor will be reviewed periodically by the System Affirmative Action Officer or Assistant Vice Chancellor for Human Resources or designee to ensure compliance.

4. College of Applied Technology directors are required to receive prior approval from the Vice Chancellor for Colleges of Applied Technology for any change in personnel classification, compensation, job description or assignments.

B. Appointments Requiring Approval by the Chancellor

1. No offer of employment can be made for positions requiring the Chancellor's approval until the appointment form has actually been signed by the Chancellor or his/her designee and the monitor, where required.

2. All institutions must submit the following positions for approval:

a. All vice presidents (academic, business, student affairs, etc.) or other executives reporting directly to the President including all interim appointments.

b. ~~Academic deans, academic department and/or division heads, Directors and chairs of the centers of emphasis and excellence. (Including those officers whose varying titles have line responsibility for administration of academic faculty or staff at the academic disciplinary unit level, including interim appointments)~~

c. ~~Appointments, promotions, and or transfers to positions with salaries in excess of \$100,000 at universities and \$100,000 at community colleges ; and of non-faculty (the promotion process for faculty is governed by TBR Policies 5:02:02:10, 5:02:02:20, and 5:02:02:30), and/or transfers to positions with salaries in excess of \$100,000 at universities and \$100,000 at community colleges; and~~

c. Any other positions which may be designated by the Chancellor.

C. Appointments Not Requiring Approval by the Chancellor

1. All appointments not listed in I.B. may be approved at the institution by the Director, the President, or any properly approved designee.

2. The hiring procedures outlined in the following sections will be followed with the records being maintained at the institution. Records must be maintained as described in Section VI, A.2. of this guideline.

3. The director or president shall be responsible for assuring compliance with the guideline.

4. The institutional Affirmative Action Officer shall be responsible for monitoring the recruiting and employment process to assure compliance with the guideline and the institution's Affirmative Action program and objectives.
5. For Affirmative Action purposes, institutional records will be reviewed periodically by the System Affirmative Action Officer.
6. All promotions and transfers not requiring approval of the Chancellor must be approved by the president/director and reviewed and certified by the institutional Affirmative Action Officer in compliance with TBR Policy 5:01:00:00, General Personnel Policy.

D. Minimum Requirements for All Campus and Central Office Appointments

1. The following actions or procedures are mandatory at all institutions, to:
 - a. Establish an Affirmative Action Plan which sets goals for all categories of employment.
 - b. Develop appropriate recruitment and selection procedures to ensure fairness in employment.
 - c. Determine in a discussion with the Affirmative Action Officer whether the institution has met the affirmative action goal for the area or department (job group in which the vacant position occurs).
 - (1) Even if the institution has met the overall institutional goal in an employment category, i.e., executive/administrative/managerial; faculty; professional non-faculty; secretarial/clerical/technical and paraprofessionals; skilled crafts; service/maintenance, there may be a goal for the area or department (job group) in which the vacant position is located which has not been met.
 - (a) For example, the overall institutional faculty goal of 4.5% black representation has been met, but the vacancy is in the job group of Arts and Sciences.
 - (b) Availability data in Arts and Sciences supports the affirmative action plan's goal of 7.0% black representation, which is higher than the overall institutional goal.
 - (c) In this case, the efforts to recruit for the Arts and Sciences position will be directed toward qualified black candidates since the availability data shows the

applicant pool should contain some qualified black candidates.

(2) A second example relates to the availability of women in the particular job group vacancy.

(a) The total institutional faculty goal for women is 40%, but a higher number of women are available in the particular job group category.

(b) Therefore, in both examples cited above affirmative action recruitment must occur.

(3) In summary, the institution has an obligation to use the availability figures applicable to the particular vacancy to recruit qualified minorities.

2. Prior to taking any recruitment action, the person directing the hire and/or the search committee must submit to the Affirmative Action Officer a written recruitment plan.

- a. There may be a standard plan for any EEO category which has been approved in advance.
- b. EEO categories 4, 5, 6, and 7 may be more easily standardized.
- c. There may be a need for occasional modification to this standard plan, depending on the nature of the position and the availability data.
- d. The plan includes, but is not limited to:
 - (1) The proposed job description, which has been reviewed by the institutional Affirmative Action Officer;
 - (2) Method of directing the hire, i.e., individual supervisor or search committee;
 - (3) Composition of the search committee and responsibilities of the members, i.e., direct contacts, references, interviews, etc;
 - (4) An advertising plan, which provides the following:
 - (a) Advertisement of the position on bulletin boards, and/or in appropriate publications, and/or newspapers and/or professional discipline-specific journals and/or

the Tennessee Employment Security Office; and/or the internet;

(b) Requests for nominations, from professional organizations, discipline-related groups, and organizations devoted to leadership training for the position;

(c) Diverse membership on all search, selection, or advisory committees, when practicable; and,

(d) Direct contacts to assure that underrepresented groups are aware of the vacancy and are encouraged to apply.

3. Approval of the recruitment plan must be granted by the Affirmative Action Officer prior to the commencement of the recruitment process.
4. The applicant pool must generally reflect the availability data for the defined vacancy in that discipline or field as determined by the appropriate job group in the institutional affirmative action plan. Direct contacts will be required to assure the diversity of protected groups in the applicant pool.
5. The Affirmative Action Officer must review all applicant pools and approve their composition prior to the scheduling of interviews. Upper level hires as defined in Section I.B.2.b., require the submission of **Form A-1**, Certification of the Search Pool, to the Vice Chancellor for Academic Affairs or the System Affirmative Action Officer as outlined in Section III of this Guideline.
6. After a candidate has been identified as a possible hire for positions defined in Section I.b., **Form A-2**, Approval of Appointment, must be submitted to the Vice Chancellor for Academic Affairs or the Assistant Vice Chancellor for Human Resource Development as outlined in Section IV of this Guideline.
7. In the case of appointments of adjunct faculty, equal employment opportunity efforts must include advertisement to establish and build diverse pools from which adjunct employees are chosen.
8. **IMPORTANT:** If an institution has met its affirmative action goals, equal employment opportunity is required. Race or sex cannot be used as a plus factor in hiring. However, affirmative action efforts are appropriate in the recruitment process to assure a representative pool. Discrimination on the basis of race, religion, color, national origin, age, handicapped status, veteran status, or other illegal basis is a violation of law.

9. The Tennessee Board of Regents believes that it is important to check references to limit employer liability verify information and reduce cost of rehiring and retraining. Checks will produce authenticity of information as it relates to such areas as work history, credential problems and criminal backgrounds.

10. Each campus shall conduct appropriate and timely checks in conjunction with each employment offer.

a. As an option, a campus may choose to participate in a system wide contract with a third party vendor who conducts background screening and checks.

b. Campuses shall develop procedures which will include the specific types of checks and specific positions included.

c. The procedures will be forwarded to the central office for review and approval prior to implementation of the program.

d. When using the third party vendor, the campus shall notify the applicant that a background check will be conducted prior to conducting the background check.

II. Budgetary Considerations

A. Pursuant to Section II.A. of the General Personnel Policy (5:01:00:00), where a transfer of funds is necessary for appointments with compensation in excess of funds available, the transfer is subject to confirmation by the Chancellor.

1. No approval is necessary unless the transfer of funds is from one functional area to another; adjustments of line item salary amounts within a functional area may be made by the president or TCAT director if sufficient funds are available, subject to applicable guidelines and limitations.

2. Where a transfer of funds between functional areas is necessary, the president or TCAT director should submit a letter of recommendation to the Chancellor identifying the amount and source of transfer.

B. Pursuant to Section II.C. A. of the General Personnel Policy (5:01:00:00), any new administrative positions and major changes in administrative organization must be approved by the Chancellor.

1. If the proposed position or organizational change is submitted as part of the proposed operating budget or October 31 revision, it should be identified, justified, and documented, but separate approval is not required.

2. If the proposed position or organizational change does not coincide with the budget cycle, it should be recommended by the president or TCAT director in the form of a letter to the Chancellor which includes a full description, justification, fiscal implications, and other pertinent information.

3. The colleges of applied technology follow the same basic procedure as outlined above; however, the director shall submit the recommended change and justification on TBR TCAT **Form D-1** to the Vice Chancellor for Colleges of Applied Technology.

III. **Required Forms for Implementation of Procedures for Approvals**

A. Information to support transactions that require the approval of the Chancellor or his/her designee is requested in Forms A-1 and A-2.

B. Approval for the certification of the search pool for upper level administrative vacancies is shown on Form A-1.

C. Where a search committee is formed to search for a University or college administrator at the level of dean or higher, the search committee **MUST** be racially diverse.

1. Where a search committee is formed, candidates for hire must first be screened by the search committee before an offer can be extended.

2. The Chair of the search committee must certify that each candidate considered by the committee meets or exceeds the criteria published in the job description. (See Form A-1).

3. Supporting documentation for Form A-1 vice presidents and upper level academic positions must be submitted to the System Affirmative Action Officer.

D. Approval for an appointment recommendation is shown on **Form A-2**.

1. Assurance by the Affirmative Action Officer that an approved process has been followed and the qualified other-race applicants have been contacted and fully considered is mandatory.

2. Supporting documentation for vice presidents and upper level academic positions must be submitted to the Assistant Vice Chancellor of Human Resources Development. Upper level academic positions requiring approval must be submitted to the Vice Chancellor for Academic Affairs.

IV. **Central Office Procedure for Processing of Form A-2**

A. The appropriate receiving ~~Office of Human Resources~~ will date stamp and log all recommendation portfolios received.

1. The appropriate receiving ~~Office of Human Resources~~ will verify that the portfolio contains the following:
 - a. All information required on the A-2 form;
 - b. Vitae for: the candidate recommended, all candidates interviewed, and all final candidates from which interviewees were chosen who are from an underutilized group for all institutions; and,
 - c. All advertisements for the position.
2. If a portfolio is determined to be incomplete, the respective office will communicate with the campus Affirmative Action Officer in the interest of completing it.

B. For all appointments, if warranted because of significant omission in the portfolio, the Vice Chancellor for Academic Affairs or the Assistant Vice Chancellor for Human Resources ~~Development~~ will secure information from the campus to certify completeness of the portfolio. No action to approve the recommendation will be taken by TBR staff until the portfolio is complete.

C. The Vice Chancellor for Academic Affairs or the ~~Assistant Vice Chancellor for Human Resource Development~~, after reviewing portfolios, will approve, disapprove, or defer decision pending some specified course of action.

D. Once final action has been taken on the recommendation portfolio, the complete document and record of action will be transmitted for filing to the Office of Human Resources.

V. Transaction Forms, Employment Agreements, Contracts and Letters of Agreement

A. Transaction Forms

1. Section V.B. of this guideline provides recommended transaction forms to be used for all personnel transactions, unless alternate forms have been approved by the Chancellor.
2. Institutions and TCATs may develop internal personnel transaction forms for administrative purposes. These forms may relate to management information system and contain fiscal and personnel data deemed necessary by the institution or TCAT.

B. Employment Agreements, Contracts and Letters of Agreement

1. Pursuant to Section H.B. of the General Personnel Policy (5:01:00:00), the Chancellor must approve employment agreements, contracts, and letters of agreement used in the appointment and employment of campus personnel.

a. Approved provisions for personal, professional, consultant, and dual service agreements are addressed in System Guideline G-030.

b. Each institution and technology center may modify the forms or develop alternative and additional forms; however, any forms with provisions substantially different from the recommended forms should be submitted for review and approval by the Office of the Chancellor.

2. The EEO tagline must be included on all forms.

3. The language concerning the Drug Free Workplace Act must be included on all initial employment contracts.

4. In order to comply T.C.A. § 49-7-133 the following sentence must be included on all contracts:

a. "It is a Class A misdemeanor to misrepresent academic credentials."

C. Attached are the following personnel transaction forms, which are recommended for the use of institutions and colleges of applied technology. Forms F-1 through F-8 are for use in connection with the employment of faculty; Form G-1 for use in connection with the employment of graduate assistants/graduate instructors; Forms S-1 through S-4 are for use in connection with the employment of all personnel other than faculty; and **Form D-1** is for use in requesting approval of a change in personnel status of a TCAT employee. Form E-1 is for use in connection with the employment of all personnel. Following are explanatory notes concerning the use of the recommended forms:

1. **Form F-1**, Notice of Tenure-Track Appointment and Agreement of Employment for Faculty, is recommended for the initial employment of any faculty member in a tenure-track appointment. Designate the salary rate by crossing through the word "monthly" or "annual" as appropriate, and designate whether an academic or fiscal year appointment. Also, designate the appropriate beginning and ending months for the pay period as found in paragraph 2. Paragraph 8 should include any special conditions concerning the appointment, such as the policy requirement for separate contracts or agreements with regard to patents or copyrights, or such as any credit for prior service which is agreed to by the institution or

TCAT [not to exceed three (3) years]. The same form may be used for the re-employment of probationary faculty who are re-appointed in tenure-track appointments following a break in service. In this situation, execution of the forms should be timed in conformance with the institutions or TCATs policy on notice of non-renewal, and specification of the number of years creditable service should be included in paragraph 8.

2. **Form F-2**, Notice of Renewal of Tenure-Track Appointment for Faculty, should be sent to all faculty on tenure-track appointments whose appointments will be renewed and where no new special conditions concerning the appointment are necessary. Even though renewal occurs automatically in the event a tenure-track appointee does not receive notice of renewal by the proper date, it's required that renewal occur by affirmative action rather than default, and that this notice be sent no later than the institution's or TCAT's last date for notice of non-renewal. A signature line for the faculty member has been added which must be signed and returned to be valid and binding. You may wish to incorporate the content of Form E-1 when issuing this form rather than sending the Notice of Recommended Salary at a later time; if so, you must make any necessary changes. Designate whether an academic or fiscal year appointment.

3. **Form F-3**, Notice of Renewal of Tenure-Track Appointment and Amendment of Agreement of Employment for Faculty, should be used to renew a tenure-track appointment where an express amendment to the terms of the initial appointment, Form F-1, is deemed necessary. You may wish to incorporate the content of Form E-1 when issuing this form rather than sending the Notice of Recommended Salary at a later time; if so, you must make any necessary changes. Designate whether an academic or fiscal year appointment.

4. **Form F-4**, Notice of Award of Tenure, is used to notify an employee that tenure has been awarded. A notice of tenure must be given, and Form F-4 is a model of one you may use. As indicated, you should note in which department, division, or academic organizational unit the person is awarded tenure. You may wish to develop a letter to be used in lieu of this notice without TBR approval.

5. **Form F-5**, Notice of Non-Renewal of Appointment, is a notice of non-renewal. This notice must be sent prior to the required date for notice of non-renewal, and should be hand delivered or sent certified mail, return receipt requested; consult the institution or TCAT policy or practice for the method for which notice will be affected. Also, refer to TBR Policies 5:02:03:10, 5:02:03:60, and 5:02:03:70 concerning when notices should be given.

6. **Form F-6**, Notice of Temporary Employment and Employment Agreement for Faculty, should be used for the employment of all full-time non-tenure track faculty on temporary appointments (Form F-8 should be used for employment of adjunct faculty and faculty for the summer term). Regular part-time faculty percentage (60% appointment) may be listed as a condition in paragraph 9. Designate the salary rate by crossing through the word "monthly" or "annual" as appropriate. Renewal or non-renewal of these appointments will not be subject to the same conditions as for tenure-track appointments, and the form expressly provides that any renewal is subject to a subsequent written agreement. The same form would be used each year for employment of temporary full-time faculty for more than one year, not to exceed three years. Note that this form contains a 30-day notice provision in paragraph 8.

7. **Form F-7**, Notice of Term Appointment and Agreement of Employment for Faculty, is a term appointment for full-time non-tenured faculty and applies only to the community colleges and colleges of applied technology. This form was devised to help meet the special problems of career/vocational programs where markets are volatile and changing - examples: computer programming, legal assistant program, some allied health programs. In order to decide whether to use a temporary agreement, F-6, or a term agreement, F-7, look at the projected need for the program. The term agreement is to be used when the projected need is beyond three years, but not for a sufficient time to create a tenure-track position. Designate the salary rate by crossing through the word "monthly" or "annual" as appropriate.

8. **Form F-8**, Notice of Employment of Adjunct Faculty, will be used for the hiring of adjunct faculty and summer term faculty. Adjunct faculty are temporary appointments based on demand each semester, may be full or part-time and are not eligible for employment benefits. The method of salary payment should be specified. No notice provision has been included. For regular faculty, the institution should cross out paragraph 4 and have the parties to the agreement initial. For tenured faculty teaching during the summer, the institution should cross out paragraphs 4 and 6 and have the parties initial.

9. **Form G-1**, Notice of Agreement of Employment for Graduate Assistant/Instructor, will be used for the hiring of graduate assistants/graduate instructors on a temporary basis. The method of payment, length of the appointment, and whether full or part-time should be specified.

10. **Form S-1**, Notice of Appointment and Agreement of Employment, should be used for all regular staff except faculty. Notices of renewal and

non-renewal are not necessary for these appointments, and the appointments are subject to termination at any time by the institution or TCAT (see paragraph 4). Designate the salary rate by crossing through the word "month" or "year" as appropriate. Please note the option to add additional language to paragraph 2. Such statements need not be included if the employee is put on notice of this practice through employee orientation or other employee information documents given at the time of initial hiring.

11. **Form S-2**, Notice of Modified Fiscal Year Appointment and Agreement of Employment, should be used to appoint regular administrative, clerical and support staff to modified fiscal year appointments. Fill in the blank in paragraph 3 as appropriate. Designate the salary rate by crossing through the word "month" or "year" as appropriate.

12. **Form S-3**, Notice of Temporary Employment and Agreement for Non-Faculty Administrative/Professional and Clerical/Support, will be used for the hiring of non-faculty on a temporary basis for employees who will work longer than 60 days and who do not work on an "as needed" basis. The method of salary payment should be specified.

13. **Form S-4**, Notice of Termination, is the form notice of termination for non-faculty personnel and provides no reason for termination whatsoever. Institutions and TCATs may wish to provide notice of the opportunity for an oral statement of the reason similar to that specified in Form F-5 for faculty. It is assumed that employees should be aware of the reasons for termination under an effective personnel system. Form E-1, Notice of Recommended Salary, should be used to notify all personnel of the recommended salary for the ensuing academic or fiscal year. Notice of the recommended salary is not included in the notices of renewal for faculty since the recommended salary may not be known at the time of such notices. However, you may wish to add the language of this form to Forms F-2 and F-3.

14. **Form V-1**, Statement of Understanding/Agreement between Institution and Volunteer, will be used for volunteer workers. In order for a volunteer worker in an institution supported program to be eligible for reimbursement of the costs of defense in the event of a claim arising out of their actions, the institution is required by T.C.A. § 8-42-101(3)(B) to register the name of the volunteer with the Tennessee Board of Claims. (See attachment to Form V-1.) If the institution fails to register the volunteer and the state pays attorney fees or a judgment based on the volunteer's actions, cost and awards will be funded through the institution's budget. In addition, if the volunteer is a medical professional providing direct health care as a volunteer, he/she is only considered a

"state employee" under the defense reimbursement provisions for purposes of medical malpractice.

15. **Form D-1** Request for Approval for Change in Personnel Status of TCAT Employee is addressed above.

16. Form E-1 Notice of Recommended Salary

D. Institutions and TCATs are advised to exercise extreme caution in connection with employment letters to personnel and any cover letters which are used to transmit personnel transaction forms, to ensure against inconsistent statements or commitments. Moreover, all personnel transactions at the institutions and TCATs shall comply with the principles and provisions of the Board policy on equal employment opportunity and affirmative action (5:01:02:00).

VI. **Immigration Expense Allowance**

Comment [AP3]: Propose Inserting Immigration from General Personnel Policy Here

VI. **Transaction Records and Reports**

A. Transaction Records

1. Institutions and TCATs shall develop and maintain adequate records to document all personnel transactions, including transactions which do not require the approval of the Chancellor.

2. As provided in Section IX.A. of the General Personnel Policy (5:01:00:00), all transaction records for an employee must be maintained as provided in Guideline G-070, Disposal of Records.

B. Transaction Reports

1. All campus personnel transactions shall be incorporated as part of the institutions' and TCATs' proposed operating budgets and October 31 budget revisions. The Board staff shall determine the appropriate form and medium for the information.

2. Current personnel information may be reported periodically to the staff by institutions and TCATs for administrative purposes relative to the maintenance and operation of management information systems.

3. Current personnel reports may be requested from the institutions and TCATs at any time in response to requests for information for the Board staff, Board, Legislature, etc.

C. Affirmative action compliance audit reports may be requested on an annual basis.

Source

July 2, 1976 and August 19, 1976 TBR staff memoranda; Revised September 16, 1980 TBR staff memorandum; July 1, 1984; August 16, 1984 TTC Sub Council meeting; July 1, 1985; February 16, 1988 Presidents Meeting; May 15, 1990 Presidents Meeting, September 21, 1990 Presidents Meeting; November 13, 1990 Presidents Meeting; November 11, 1991 Presidents Meeting; November 12, 1996 Presidents Meeting; August 5, 1997 Presidents Meeting; February 16, 2000 Presidents Meeting; May 21, 2001 Presidents Meeting; February 13, 2002 Presidents Meeting; November 5, 2003 Presidents Meeting ; November 8, 2006 Presidents Meeting; February 13, 2007 Presidents Meeting; August 19, 2008 Presidents Meeting; May 12, 2009 Presidents Meeting; May 18, 2010 Presidents Meeting.

Exhibits

Exhibit 1: Form A-1 Certification of Search Pool - Upper Level Administrative Vacancies

Exhibit 2: Form A-2 Approval for Appointment Recommendation

Exhibit 3: Form F-1 Notice of Tenure-Track Appointment and Agreement of Employment for faculty

Exhibit 4: Form F-2 Notice of Renewal of Tenure-Track Appointment for Faculty

Exhibit 5: Form F-3 Notice of renewal of Tenure-Track Appointment and Amendment of Agreement of Employment for Faculty

Exhibit 6: Form F-4 Notice of Award of Tenure

Exhibit 7: Form F-5 Notice of Non-Renewal of Appointment

Exhibit 8: Form F-6 Notice of Temporary Employment and Employment Agreement for Faculty

Exhibit 9: Form F-7 Notice of Term Appointment and Agreement of Employment for Faculty

Exhibit 10: Form F-8 Notice of Employment of Adjunct Faculty

Exhibit 11: Form G-1 Notice of Agreement of Employment for Graduate Assistant/Instructor

Exhibit 12: Form S-1 Notice of Appointment and Agreement of Employment

Exhibit 13: Form S-2 Notice of Modified Fiscal Year Appointment and Agreement of Employment

Exhibit 14: Form S-3 Notice of Temporary Employment and Agreement for Non-Faculty Administrative/Professional and Clerical/Support

Exhibit 15: Form S-4 Notice of Termination

Exhibit 16: Form V-1 Statement of Understanding/Agreement between Institution and Volunteer

Exhibit 17: Form D-1 Request for Approval for Change in Personnel Status of TCAT Employee

Exhibit 18: Form E-1 Notice of Recommended Salary

Related

5:01:02:00

5:02:02:10

5:02:02:20

5:02:02:30

5:02:03:10

5:02:03:60

5:02:03:70

G-030

Guideline Area

P = Personnel Guidelines

Number – P-043

Name: Compensation

Purpose

~~For the purpose of implementing the amendment in the 1999-2000 appropriations bill on compensation required by state law and approved by the Board of Regents at their meeting in June 1999, the following guidelines are established to provide direction for the Tennessee Board of Regents system.~~
The goal of the Tennessee Board of Regents is to provide all employees compensation consistent with market and satisfactory job performance. This goal is reflected within all TBR budgets and will be dependent upon budget availability.

Applies To

Central Office

Univ

CCs

TCATs

Definitions

Definitions are part of the body of the Guideline, and are found in Section III.

Guideline

I. Compensation Philosophy

A. The Tennessee Board of Regents desires to have a compensation system which is fair, equitable and accountable to the Board of Regents and the public-at-large.

1. Furthermore, the Board of Regents will consider budget availability in all salary decisions.

2. This guideline will cover compensation transactions at ~~6 universities, 13 two-year campuses, the~~ all TBR Institutions and the Central Office, and ~~26 colleges of applied technology with approximately 16,000 full-time and part-time employees.~~

~~3. A Board Committee on Compensation approves the salary increase recommendations.~~

3. The same reportable guidelines apply to positions totally supported by restricted or auxiliary funds.

~~B. The goal of the Tennessee Board of Regents is to provide all employees compensation consistent with market and job performance.~~

~~1. This goal is reflected within all TBR budgets and will be dependent upon budget availability. The same reportable guidelines apply to positions totally supported by restricted or auxiliary funds.~~

B. Faculty

1. Faculty salaries will be a primary objective and priority in developing and approving the overall system budget.

2. It is the goal of the Board of Regents, within available funds, to provide competitive compensation for faculty, consistent with the market for their discipline and rank at officially recognized peer institutions and consistent with performance.

C. Nonexempt Staff

1. It is the goal of the Board of Regents, within available funds, to compensate nonexempt staff within the approved classification system compensation plan consistent with market and performance.

E. Exempt staff

~~1. It is the goal of the Board of Regents, within available funds, to compensate exempt staff consistent with the market of peers at comparable organizations and consistent with market and performance.~~

II. Procedures

A. All reportable salary increases are subject to approval by the Board of Regents.

1. Employees receiving a salary increase must be informed that the increase is subject to review by the TBR administration Central Office and approval by the Board of Regents.

2. Salary increases are not final until approved by the Board.

3. An executive level, informational report will be provided to the Board of Regents regarding these salary adjustments for the purpose of complying with language contained in the appropriations bill.

B. Institutions ~~sal heads have~~ shall developed compensation plans approved by the full Board. ~~as required by the legislative amendment.~~ These plans will be updated consistent with this policy.

1. The plans are due to the Central Office in the spring.

2. A committee comprised of representatives from Academic Affairs, Finance, Human Resources, and the TCAT Office will review the proposed compensation plans for clarity, and internal and external equity.

3. Once agreed upon at the Central Office they are submitted to the Board Personnel and Compensation Committee for approval. A guide of what to include in the individual institution compensation plans is available on the TBR Human Resource Website.

C. The following non-reportable increases will not require Board of Regents approval but will be ~~provided~~ available to the Legislative Budget Analysis Office, as requested. An executive-level, informational report will be provided to the Board of Regents regarding these salary increases ~~for the purpose of complying with language contained in the appropriations bill.~~

A. 1. Reclassifications and Degree Certification Adjustments

(1) For all EEO 4-7 ~~less than \$3,500~~ and for EEO 1-3 with less than \$4,500 and an annual salary of less than \$100,000 and those over \$100,000, but with an increase of less than ten percent (10%) ~~for the universities and community colleges.~~

2. Degree Certification Adjustments

2. D. The following reportable increases will require Board of Regents approval and will be ~~provided~~ available to the Legislative Budget Analysis Office. An executive-level, informational report will be provided to the Board of Regents regarding these salary increases.

a. Reportable increases are:

(1) All Equity and Market Adjustments.

(2) All faculty promotions.

~~(3) All reclassifications and degree certification adjustments for EEO 4-7 more than \$3,500 -- job audits from the HR office are required for these reclassifications.~~

~~(4) All reclassifications and degree certification adjustments for EEO 1-3 more than \$4,500 and an annual salary of \$100,000 or above and an increase of more than ten percent (10%) for the universities and community colleges or above—j~~ Job audits from the HR office are required for these reclassifications.

(5) All special and critical adjustments.

(6) Counteroffers

(7) Merit Adjustments

b. Plans for merit and equity increases are submitted to the Central Office in the spring for staff review.

c. Plans for merit and equity increases are then recommended to the Committee on Personnel and Compensation and approved by the Board at the Summer Quarterly Board meeting.

d. Increases pursuant to the plans are approved at the Fall Quarterly Board meeting.

e. Faculty promotions are approved at the ~~Quarterly~~ Quarterly Summer Board meeting.

f. Reclassifications and degree certification increases are included as part of the Interim Action Report of the Chancellor during all Quarterly Board meetings.

g. Special increases and critical increases are included as part of the Committee on Personnel and Compensation Agenda.

~~3.. The Board of Regents will report guidelines for administering statewide salary policy initiatives when appropriate to the Legislative Budget Analysis Office.~~

~~C. Nothing in these procedures shall constrain the Board of Regents in making administrative or other appointments and establishing contracts of employment or compensation for Senior Staff Appointments.~~

~~1. Further, in implementing these guidelines, the Tennessee Board of Regents shall comply with all applicable laws and attend carefully to requirements and objectives of the Board of Regents.~~

~~D. An initial salary of \$100,000 (universities and community colleges) for an exempt position shall be subject to the prior approval of the Office of the Chancellor and notice to the Board of Regents; and, in the case of a Senior Central Office staff, prior approval of the full Board.~~

~~1. All annual and mid-year salary increases for exempt staff with a base salary of \$100,000 (universities and community colleges) or higher shall be subject to the prior approval of the Office of the Chancellor, with notice to the full Board, and, in the case of a Senior Central Office staff, prior approval of the full Board.~~

~~E. Academic deans, academic department and/or division heads, directors of the centers of emphasis and excellence (including those officers who with varying titles have line responsibility for administration of academic faculty or staff at the academic disciplinary unit level, including interim appointments).~~

~~F. Upon retirement, administrators, with the prior approval of the Chancellor and notice to TCRS, shall be eligible to work on a part-time basis. The retired administrator's compensation shall not exceed that allowed by state law to avoid forfeiture of retirement benefits.~~

III. Definitions

A. Definitions for salary increase categories have been provided as follows:

1. Reportable increases are those increases reported to the Board ~~and the Office of Legislative Budget Analysis.~~
2. Reclassifications –RCLS—Increases given when an employee's duties and responsibilities ~~evolve~~ **change** ~~to the extent that another classification is more appropriate and~~ **may** includes an appropriate salary adjustment.
3. Degree Certification Change Increase –DGCH—Increases for educational achievement, such as completing the requirements for the Bachelors, Masters, and Doctorate programs, or certifications designated by the campus.
4. Merit Increases—MERT—Increases based on the employee's job performance. Requires written documentation and an adequate plan to objectively measure the employee's performance.
5. Equity and Market Adjustments—EQIN—Increases intended to mitigate an internal institution inequity or a documented, proven, external inequity.
6. Critical and Special Adjustments—CSAJ—Increases may be granted in extraordinary circumstances to retain a uniquely qualified employee where

the institution is in danger of losing the employee and failing to act at this time could result in harm to the institution.

a. Evidence of another job offer is not required; however, the president or director must provide documentation of the special circumstances which justify the recommended salary increase. ~~or increases for employees who assume significant new job responsibilities and whose position title remains the same.~~

b. Special adjustment ~~or~~ increases for employees who assume significant new job responsibilities and whose position title remains the same may be granted. Adjustments of this type are infrequent and usually relate to significant reorganizations within the campuses. The president or director must provide documentation of the special circumstances which justify the recommended salary increase.

7. Additional Across the Board Increase—AATB—Increases across the ~~B~~board recommended as in additional to state mandated ATB.

8. Faculty Promotions—FPRM—Increases associated with faculty promotion recommendations.

9. Counteroffers—COFF—An offer made to retain an employee who has been offered another job. Documentation of the offer must be secured (prior to the counteroffer).

10. Athletic Increase—AATH—Principles for Compensation Increases:

a. TBR encourages all institutions to include athletic coaches and staff as part of the compensation plan for the institution.

b. TBR encourages all institutions to award compensation increases for athletic coaches and staff at the same time as other faculty and staff in time for the Fall September Quarterly Board meeting ~~timeframe for Board review.~~

c. However, TBR recognizes the competitive nature of athletics. Therefore, compensation increases for head coaches, other coaches, and their staff within the same discipline may be approved as exceptions (similar to the existing counteroffer process).

(1) These compensation increases are ~~would be~~ considered exceptions to the previously approved compensation guideline. The Chancellor ~~would~~ must review and approve

the increases before implementation. The actual increases ~~would be~~ are reported to the Board after-the-fact.

~~(2) This could be out of cycle as an exception and would be reported to the Board after the fact as an exception.~~

~~(3)~~ However, a request for approval to pay a supplement for a winning season (if the contract provides for the supplement and the contract has been approved by the Chancellor or designee) does not require a second approval. The campus administrator designated to report the athletic increases to the Board shall be assigned by the President.

(4) Contracts must be reviewed by the Office of General Counsel for legality and content. Any changes in salary must be processed according to the guidelines in P-043.

11. Additional Bonus – One time ~~increases~~ payments recommended as an additional to state mandated bonus. (Will be reported as a group total)

12. Technical Adjustments – OOPS—Technical Adjustments and/or omissions. Any type of salary adjustment or omission to the previously approved salary for the employee.

13. Non-reportable increases are those increases that occur and do not require reporting to the Board or the Office of Legislative Budget Analysis:

a. Non-faculty promotions - Increases resulting from applying for and being selected to fill a vacant position – or ~~increases~~ which are provided when an employee is assigned to a position in a different class which has a higher pay grade than the employee's previous position, and the assignment is not a result of a reclassification of the employee's existing position. A promotional appointment must occur within the guidelines in TBR P-010.

b. Percent of Employment - Increases attributable to an increase in the percent of time worked (such as moving from 75% to 100% time).

c. Certified ~~Professional~~ Administrative Professional (CAP) ~~Secretary~~ - Increases of 9% given upon passing of all parts of the CAPS examination according to state law.

d. Additional temporary duties - Increases associated with the assumption of additional duties on a temporary basis, e.g. stipend. Temporary appointments must occur within the guidelines in TBR P-010.

Source

TBR Meetings: Presidents Meeting May 16, 2006; Presidents Meeting November 8, 2006; Presidents Meeting February 13, 2007; Presidents Meeting May 12, 2009

Related

P-010 Personnel Transactions and Related Forms

Exhibits

Exhibit 1 Compensation Approval Matrix

Compensation Approval Matrix

Row No.	Type of Salary Transaction	Requires Board Notice (Requires prior approval only if noted)	Requires Chancellor's Approval	Requires President's/ Designee Approval
1	Equity and Market Adjustments for non-exempt and exempt employees	X Prior Board Approval	X	X
2	Merit Adjustments	X Prior Board Approval	X	X
3	All Faculty Promotions	X	X	X
4	Initial appointments at \$100,000 or higher for executive positions, including Central Office senior staff	X Prior Board approval –for Central Office senior staff only	X	X
5	Reclassifications for EEO 1-3 employees more than 10% <u>and</u> an annual salary of \$100,000 or above.	X	X	X
6	Reclassifications for EEO 1-3 employees with an increase of 10% or less and/or an annual salary of less than \$100,000.	X		X
7	Reclassifications for EEO 4-7 employees \$	X		X

8	Degree Certification increases	X		X
9	Initial appointments of directors of the centers of emphasis and excellence, including interim appointments	X	X	X
10	New appointments less than \$100,000.		Follow P-010 Guidelines	X
11	Non-faculty promotions, when someone fills a vacant position.		Follow P-010 Guidelines	X
12	Increases in compensation due to increase in time worked from part-time to full-time or conversions in compensation due to moving from AY to FY.		Follow P-010 Guidelines	X
13	All legislated across the board increases	X	Follow Budget Guidelines	X
14	CAP Adjustments			X
15	Changes in source of funding or grant account resulting in no change in annual salary.			X
16	Interim Appointments		Follow P-010 Guideline	X
17	Critical and Special Increases	X – prior Board Approval	X	X
18	Additional Across the Board Increase	X – prior Board Approval	X	X
19	Counteroffers	X	X	X
20	Athletic Increases		X	X
21	Additional Bonus (will be reported as a group)	X - Prior Board Approval	X	X
22	Technical Adjustments and/or Omissions	X	X	X

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 with a maximum of 4 terms per year.

“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, with a maximum of 4 terms per year. An employee may enroll in more than one course during the summer as long as the summer terms in which the courses are to be taken do not overlap. 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

Guideline P-131

Subject: Educational Assistance for Spouse and Dependents of TBR Employees

~~(PERTAINS ONLY TO UNDERGRADUATE COURSES TAKEN BY SPOUSES AND DEPENDENT CHILDREN AT TENNESSEE BOARD OF REGENTS AND UNIVERSITY OF TENNESSEE INSTITUTIONS)~~

~~Support for Educational Assistance~~

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

~~Types of Support for Educational Assistance~~

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

~~P-130—Educational Assistance for TBR Employees~~

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

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

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

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

~~I. — Public Higher Education Fee Waiver for State Employees Program~~

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

~~B-062 — Other Educational Assistance Programs~~

~~I. — Veterans' Dependents' Post-Secondary Education Program~~

~~II. — Age 65 or Above Program~~

~~Complete eligibility information is contained within each Guideline.~~

~~Taxation of Educational Assistance Programs~~

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

~~**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 employees and their dependents is an important vehicle for addressing that need. The Programs described in this guideline provide benefits to spouses and dependents of employee at TBR institutions and the Central Office to further their formal education. The classes and programs for TBR employees and dependents are available subject to funds being budgeted and available within the institution. 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).~~

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

The purpose of this policy is to establish the provisions for ~~such~~ fee discounts up to 50% of the undergraduate fee and all mandatory student fees payable at the time of registration for spouses and dependent children of regular full-time and regular part-time employees, and to encourage ~~such~~ qualified students to attend the ~~Tennessee technology centers~~, TBR and UT institutions. These mandatory student fees include maintenance fees, ~~registration fees~~, tuition, debt service fee, ~~online course fees~~, ~~RODP fees~~, ~~service charges~~, student activity fee, general access fee, student government fee, and technology access fee. The mandatory student fees do not include the application fee, off-campus facilities fee, or any special course fees.

A. Eligibility

The following groups will be eligible under this program:

1. Regular full-time employees are eligible for a student fee discount for their spouses and dependent children who have been admitted to any of the institutions in the TBR or UT system as undergraduate students through regular admission procedures. Spouses and dependent children of regular part-time employees who have one or more years of continuous service within either system working a minimum of fifty percent (50%) time shall receive a pro rata discount based on the employee's percentage of employment. (Part-time employees with temporary service immediately preceding regular service shall receive credit for such service if they are eligible for leave accrual adjustments.)

2. Spouses of employees having 10 or more years of continuous full-time service within the Tennessee Board of Regents system immediately preceding retirement or death are eligible for the fee discount for 5 years from the date of death or retirement of the employee whichever shall occur first.

3. Dependent children [of employees having 10 or more years of continuous full-time service within the Tennessee Board of Regents system immediately preceding retirement or death of such employees who that](#) are age 26 and under are eligible for the fee discount.

4. Spouses of employees having less than 10 years of full-time continuous service within the Tennessee Board of Regents system immediately preceding retirement or death are eligible for the fee discount for two years from the date of death or retirement of the employee, whichever shall occur first.

5. Dependent children of employees having less than 10 years of full-time continuous service immediately ~~preceding retirement~~[preceding retirement](#) or death are eligible for the fee discount for 2 years from the date of death or retirement of the employee, whichever comes first. The fee discount is only available for dependent children age 26 and under. However, in accordance with TCA§ 8-50-115, dependents under age 24 at the end of the two-year period become eligible for a 25% discount if the parent:

(1) died while employed full-time (effective May 31, 1997)

or

(2) was killed on the job or in the line of duty while a full-time employee

Example 1: A dependent is 24 years of age when an employee with less than 10 years of service retires/dies. The dependent is eligible for the 50% discount for 2 years or through age 26, whichever comes first. Since he/she is 26 at the end of 2 years, no additional benefit is available under TCA§8-50-115.

Example 2: A dependent is 18 years old when an employee dies with less than 10 years of service. He/she is eligible for a 50% discount for 2 years. Since he/she is 20 when the two-year period expires, the dependent is then eligible for a 25% discount through age 23.

64. Spouses of employees who had 10 or more years of continuous regular part-time service immediately preceding retirement or death are eligible for the fee discount on a pro rata basis for 2 years from the date of death or retirement of the employee.

Dependent children of such employees are eligible for the fee discount for 2 years from the date of death or retirement of the employee.

The pro rata discount will be based on the employee's percentage of employment at the time of retirement or death.

75. Spouses and dependent children must be admitted to the Tennessee Board of Regents or University of Tennessee institutions, ~~or Tennessee Technology centers~~, through standard admissions procedures.

86. For purposes of this program, dependent children shall be defined as:

- a. The employee's natural children 26 years of age or under;
- b. The employee's stepchildren, provided such children are 26 years of age or under;
- c. The employee's legally adopted children who are 26 years of age or under; or
- d. Any other individuals who are 26 years of age or under and living in a parent/child relationship with the employee, such as children of deceased parents who are being raised by a grandparent who is a TBR system employee.

The institution, at its discretion, may require satisfactory proof of the relationship or criteria qualifying an employee's dependent for eligibility under this program.

97. Benefits provided by the Veterans' Dependents' ~~Post-Secondary~~ Post-Secondary Education Program are greater than those provided by the Student Fee Discount for Spouse and Dependent Children of Employees Program. Therefore, dependents receiving such benefits are not simultaneously eligible for benefits from this program. [\(See Program VIII for complete information regarding rules and regulations.\)](#)

Example: A female employee has an eighteen (18) year old son whose father died while serving in the U.S. military during a qualifying period of armed conflict as defined in the Veterans' Dependents' ~~Post-Secondary~~ Post-Secondary Education Program. The dependent has been approved for monetary benefits under that program. As a result, he is no longer eligible for benefits under the Student Fee Discount for Spouse and Dependent Children of Employees Program.

- | 108. The employment status of the employee on the first day of classes for each term in which the spouse and/or dependent enrolls shall be used to determine eligibility and the amount of the student fee discount for his or her spouse and/or dependent children; a change in employee status after the first day of classes shall not affect eligibility for the student fee discount for that term.
- | 119. For employees who meet eligibility requirements after the first day of classes in which the spouse and/or dependent enrolls, the discount will be available at the beginning of the next term.
- | 120. Each institution, ~~technology center,~~ or the Central Office shall be responsible for certifying employee eligibility for fee discounts under this policy.
- | 131. Employees who are on leave of absence with pay will retain eligibility under this policy; the employee's percentage of employment immediately prior to the effective date of the leave of absence shall determine the amount of the student fee discount.
- | 142. Employees who are on leave of absence without pay are not eligible for the spouse/dependent discount under this policy unless the leave of absence (a) is due to an on-the-job injury, (b) complies with the provisions of the Family and Medical Leave Act of 1993, or (c) is approved by the institution, ~~technology center,~~ or Central Office to permit the employees to engage in teaching or other job-related activities intended to increase their efficiency as employees. Examples are activities such as student teaching or internships that are required parts of a degree program being sought.
- | 153. If a regular employee also qualifies under this policy as an employee's spouse or dependent child, other fee waiver and staff development provisions for employees shall take precedence.
- | 164. Employees are responsible for notifying the Office of Human Resources of any changes in eligibility.

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

- | 1. This 1. This program is applicable to undergraduate courses at Tennessee Board of Regents and University of Tennessee institutions up to and including full-time study.
- | 2. Correspondence or non-credit courses are not eligible, except at the ~~Tennessee technology centers~~ Colleges of Applied Technology. If the spouse or dependent child is receiving Title IV Financial Aid, the employee must notify the Financial Aid Office. The amount remaining after financial aid and the discount rendered under this program 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's spouse/dependent is attending.
- | 3. Auditing a course is allowed if the course is a credit course.

C. Payback Provisions

Payback provisions do not exist.

~~D. When the Participant May Attend~~

~~Does not apply.~~

DE. Accounting/Budgeting Provisions

1. Discounts of 50% of the undergraduate maintenance fee and mandatory student fees are available for dependents of full-time employees; discounts for dependent children and spouses of eligible part-time employees are prorated based on percentage of time worked.

2. The discount shall not be applicable to other fees, i.e., application for admission fees, applied music fees, lab fees, books and supplies, parking fees, dormitory charges or meal plans. The amount of the discount shall be rounded to the nearest dollar.

3. The request needs to be submitted two weeks prior to enrollment on TBR Request for Fee Discount for Spouse and/or Dependent form. (See Appendix A.)

~~4. The institution/technology center/Central Office or Central Office~~ where the person is an employee shall account for the chargeback as an employee benefit to indicate that the ~~employer (institution or Central Office n/technology center/~~

Central Office) is paying the cost for the benefit of the employee. The charged institution or Central Office /Technology center/Central Office shall remit the tuition fees to the institution providing instruction as maintenance income.

EF. Where the Participant May Attend

Spouses and dependent children may enroll in undergraduate courses in either the Tennessee Board of Regents or the University of Tennessee Systems.

Source: Presidents Meeting February 7, 2006; Presidents Meeting November 8, 2006; Presidents Meeting August 19, 2008; Presidents Meeting August 19, 2008

Policy Area

5= Personnel Policies

Number – 5:01:01:09

Name: Bereavement Leave

Purpose

It is the policy of the Tennessee Board of Regents to provide all regular, full-time and part-time employees time off without loss of pay due to the death of an immediate family member as defined below, consistent with T.C.A. § 8-50-113.

Applies To

All TBR

Definitions

Immediate family - shall be deemed to include:

- 1) spouse;
- 2) child, stepchild;
- 3) parent, stepparent, foster parent, parent-in-law;
- 4) sibling(s); ~~and~~
- 5) grandparents and grandchildren **and**
- 6) other members of the family who reside within the home.

Policy

I. **Bereavement Leave**

A. An employee who is absent during his/her regularly scheduled work week due to the death of an immediate family member shall receive payment for reasonable and customary days absent, such days of payment not to exceed three (3) regularly scheduled work days. **The TBR Sick Leave Policy references the use of sick leave in the event of death of other family members not covered under the definition of immediate family above.**

1. In addition to the three (3) regularly scheduled work days, sick leave not to exceed two (2) days may be granted at the discretion of the appropriate approving authority in the instance of death of one of the immediate family members listed. **At the discretion of the approving authority, the days off provided under this policy do not have to be consecutive.**

B. Regular part-time employees, including academic personnel scheduled to carry less than a full teaching load or its equivalent, regardless of probationary status, shall be eligible to receive bereavement leave on a prorated basis equal to the percentage of their employment to full-time employment.

Source

TBR Meetings: September 16, 1988; June 30, 1989; September 25, 1995; March 7, 1997; December 7, 2007 (Approved by Finance and Administration, January 23, 2008)

Policy Area

5= Personnel Policies

Number – 5:01:01:15

Name: Transfer of Sick Leave between Employees

Purpose

In accordance with T.C.A. § 8-50-802, which became effective April 12, 1994, this policy establishes guidelines and procedures for transferring sick leave to members of the Sick Leave Bank who experience a continuing disability due to illness or injury.

Applies To

All TBR

Definitions

Policy

I. Eligibility Criteria for Receiving Sick Leave

A. In order to receive sick leave donated by another employee, all of the following criteria must be met.

B. The recipient must

1. Be a current member of the institution's sick leave bank;
2. Have used all accumulated sick leave, annual leave, compensatory time, and made application through any eligible leave amount through the Sick Leave Bank(s) for each separate serious illness or recurring diagnosed illness or accident;
3. Have a continuing disability resulting from a serious personal illness or injury and be unable to work; and
4. Not be receiving any other form of compensation including social security disability benefits, TIAA or Hartford long term disability benefits, Division of Claims Administration worker's compensation benefits, or compensation through the State Retirement Plan or Sick Leave Bank.

C. Before an employee is eligible to receive donated leave, his or her physician must provide current certification that the employee has a disability resulting from serious personal illness or injury and is unable to work.

1. Upon receipt of such medical certification, the employee is eligible to receive up to 20 days of leave for which he/she would otherwise be without pay including holidays.
2. Eligibility for additional increments of 20 working days may be based on current medical certification of the continuing disability.
3. The maximum amount that may be transferred to an employee is limited to 90 days for which the employee would otherwise not be paid as stated above.
4. Transfer of sick leave to an employee may not be denied if all eligibility criteria are met.

D. For regular full-time employees receiving transferred leave, a "day" is defined as 7.5 hours for employees on a 37.5-workweek schedule and 8 hours for employees on a 40-hour workweek schedule.

E. Regular part-time employees shall receive sick leave on a prorated basis equal to the percentage of their employment to full-time employment.

F. Recipients shall continue to accrue leave and service in accordance with the provisions of the appropriate policies and guidelines, **which shall be used prior to any donated leave.**

II. **Criteria for Donating Leave**

A. A donating employee is not required to be a member of the Sick Leave Bank. If the institution/school has both Faculty and Staff Sick Leave Banks, employees may donate to members of both banks of the home institution. No transfers may be made beyond the home institution.

B. In order to donate sick leave to a member of the Sick Leave Bank, an employee must have a current minimum balance of 20 sick leave days based on his/her accrual rate. (Example: 20 x 7.5 hours accrual rate = 150.0 hours.)

C. In addition, the donor must agree to donate a minimum of 5 days of accrued leave. However, in the event the donor's percentage of employment exceeds that of the recipient, the minimum donation will be based on the recipient's accrual rate.

D. Regular part-time employees will donate leave equal to their accrual rate. (Example: 10 days x 3.75 hours accrual rate = 37.50 hours.)

E. The maximum amount of sick leave which an employee may donate during his/her employment at the home institution is the equivalent of 90 accrued days.

F. An employee may donate more than one time to a single individual.

1. However, the employee may not donate more than one-half of his/her leave balance in effect at the time of the initial transfer.
2. For example, an employee with a leave balance of 200 hours may donate 100 hours to a sick leave bank member.
3. If the recipient only used 75 hours during the first occurrence, the donor could only give that same recipient a total of 25 hours at a later date.

III. Procedural Guidelines

A. In order to facilitate sick leave transfer between employees, the following procedures should be followed:

1. The donating employee (donor) must complete a form (see Exhibit A) stating the name of the recipient and the amount of leave being donated.
2. This form must be signed **by the donating employee and a representative of Human Resources.** ~~and witnessed by two employees of the institution.~~
3. Upon completion, the donor should send the form to the office responsible for processing leave.

B. Following verification that;

1. The recipient is a member of the Sick Leave Bank;
2. The donating employee has sufficient sick leave to cover the donation; and
3. The amount does not exceed one-half the donor's current balance; the form will be approved by the appropriate official.
4. A copy of the form will be placed in both the donor and recipient's personnel files, and the original will be retained by the office responsible for processing leave.

C. Donor forms will be date and time stamped in the order received.

1. This will determine the order in which sick leave will be deducted from the donors' sick leave balances where there are multiple donors for a single individual.

D. The recipient's **supervisor** ~~department~~ will be notified of the amount of leave that has been donated.

E. Before the initial transfer of leave is completed, the office processing leave will verify that the recipient has provided current certification from his/her health care provider that he/she continues to be unable to work.

1. A current medical form may be required prior to the transfer of sick leave for every subsequent 20 days of donated leave.

F. At the time of transfer, adjustment forms will be completed by the appropriate office.

1. Prior to deducting leave from a donor, this office will verify that the donor has sufficient leave to cover the amount originally donated and also maintain the required balance.
2. If less than the required amount is available, the leave donation is voided.

G. Payment of the donated leave will be based on the recipient's established rate of pay.

1. However, this rate may be changed due to any pay increases which occur during periods of donated leave.

H. Only the amount of leave which has been projected as necessary to cover each pay period will be transferred at any given time.

1. If an employee has donated 10 days and only 4 days are required for the current pay period, only 4 days will be deducted during this pay period.
2. If the disability continues into the next pay period, the remaining days will be deducted at the appropriate time.

I. Sick leave may not be transferred retroactively beyond one ~~pay period~~ month.

1. For example, if no one has agreed to donate leave to an employee who has exhausted all of his/her Sick Leave Bank entitlements and has been placed on an approved leave of absence without pay, another employee may later donate sick leave to this employee.
2. Retroactive payment for the value of this leave may not be extended beyond one ~~pay period~~ month.

J. Donated sick leave which has not been used by the recipient will be transferred to the Sick Leave Bank.

K. If the donor terminates employment, retires, transfers to another institution or State agency, dies, or has an insufficient leave balance to meet the eligibility criteria; all responsibility to donate this leave is voided.

L. The decision to donate sick leave to another individual should be a choice made freely by each employee.

1. Any person attempting to unduly influence another employee to donate leave shall be subject to disciplinary action, and any prior agreement made to donate leave under these conditions shall be voided.

Source

TBR Meeting, December 9, 1994; TBR Meeting, March 29, 1996 (Finance and Administration approval November 13, 1996); TBR Meeting, June 19, 1998; March 28, 2008

Appendix A