

Tennessee Board of Regents
MEETING OF THE COMMITTEE CHAIRS
AGENDA
Wednesday, June 1, 2022

1. Opening remarks (*Reynolds/Tydings*)
2. Finance and Business Update (*Gibbs*)
 - Proposed Revisions to TBR Policies
 - a. TBR Policy 4.01.03.00, Fees, Charges, Refunds, and Payments – Community Colleges
 - b. TBR Policy 4.01.03.01, Fees, Charges, Refunds, and Payments – TCATS
 - c. TBR Policy 4.01.00.02, Institutional Financial Performance Review
3. External Affairs Update (*McCormick*)
4. Personnel and Compensation Update
 - Proposed Revisions to TBR Policies (*Lapps/Preston*)
 - a. Policy 5.01.01.20, Alternate Work Arrangements
 - b. Policy 5.02.04.10, Faculty Compensation During Summer Session
 - c. Policy 5.01.05.00, Outside Employment and Extra Compensation for Additional Assignments
 - d. Policy 5.01.07.00, Commissioning of Law Enforcement and Security Personnel
 - e. Policy 5.01.01.07, Sick Leave
5. Competency-Based Education (*Blackwood*)
6. Jackson State and Dyersburg State Service Areas (*Deaton/Cook/Pimentel*)
7. Reimagining the Community College Experience: Discussion of a Concept Paper (*Deaton*)
8. Review draft of the June Quarterly Meeting Schedule (*Tydings*)
 - Committee Meeting Schedule for Thursday
 - 50th Anniversary Celebration
 - Board meeting

1 Fees, Charges, Refunds, and Payments –

2 Community Colleges:

3 4.01.03.00

4 Policy Area

5 Business and Finance

6 Applicable Divisions

7 Community Colleges

8 Purpose

9 The purpose of the following policy is to outline significant provisions for consistent
10 administration of fees, charges, refunds, payment of fees and enrollment of students for the
11 community colleges governed by the Tennessee Board of Regents. The policy largely
12 represents a consolidation of existing statements and practices. The policy contents include
13 general and specific provisions for: in-state tuition (sometimes referred to as maintenance
14 fees); out-of-state tuition; other fees; deposits; refunds; payment of fees and enrollment of
15 students.

16 The policy supersedes all previous fee and refund policies and may be revised by action of the
17 Tennessee Board of Regents or the Chancellor. Exceptions to the policy may be made by the
18 Chancellor.

19 I. General Provisions

20 A. Establishment of Fees and Charges

- 21 1. The Tennessee Board of Regents must establish or approve all institutional fees
22 and charges unless authority has been delegated to the chancellor or presidents.
- 23 2. The institution president is responsible for the enforcement and collection of all fees
24 and charges. Fees and charges which specifically do not require Board approval,
25 unless otherwise noted, must receive formal approval by the chancellor (or
26 designee) or the president (or designee) as applicable (see section VII for pass-
27 through charges).
- 28 3. Institutions should attempt to follow a general format in publishing information on
29 fees and charges, including but not limited to the following:
 - 30 a. All statements which include the fee amount should be complete and specific
31 enough to prevent misunderstanding by readers.

- 32 b. When a fee is quoted, the refund procedures should be clearly stated. If there
- 33 are qualifying conditions for refunds, those conditions also should be stated. If
- 34 there is no refund, it should be labeled as non-refundable.
- 35 c. Whenever possible, specific dates related to the payment of fees and the
- 36 refund procedures should be stated.
- 37 d. It should be made clear that all fees are subject to change at any time.

38 II. In-State Tuition

39 A. Description

- 40 1. In-state tuition is a charge to in-state students enrolled in credit courses. It is
- 41 calculated based on the number of Student Credit Hours (SCH's) for which the
- 42 student enrolls.
- 43 2. The charge is applicable to courses for which the student is enrolled on an audit
- 44 basis.

45 B. Rates

- 46 1. Rates are established by the Board and incorporated in a fee schedule. The hourly
- 47 rate will be discounted when students enroll in greater than 12 hours.
- 48 2. For community colleges with multiple summer sessions, tuition may be assessed by
- 49 using the current part-time rate with no maximum amount for total credit hours
- 50 enrolled.
- 51 3. In-state tuition may not be waived. However, specific exceptions are provided in the
- 52 following instances:
 - 53 a. Pursuant to T.C.A. § 49-7-113, exceptions exist for certain disabled and elderly
 - 54 students, as well as state service retirees. For audit courses, no tuition or
 - 55 mandatory fee is required for persons with a permanent, total disability, persons
 - 56 60 years of age or older and domiciled in Tennessee and persons who have
 - 57 retired from state service with 30 or more years of service, regardless of age.
 - 58 For courses taken for credit, a fee of \$70 per semester may be charged to
 - 59 persons with a permanent, total disability, and persons who will become 65

60 years of age or older during the academic semester in which they begin classes
61 and who are domiciled in Tennessee. (Note: This fee includes all mandatory
62 fees (including but not limited to debt service, student activity, general access,
63 SGA, technology access, program service, sustainable campus, and
64 international education); it does not include any other non-mandatory fees.

65 b. Pursuant to T.C.A. § 49-7-102, certain statutory fee exceptions exist for
66 dependents and spouses of military personnel killed, missing in action, or
67 officially declared a prisoner of war while serving honorably as a member of the
68 armed forces during a period of armed conflict. If these provisions are invoked
69 by a student, the correct applicable law should be determined and followed.

70 4. Military reserve and national guard personnel who are mobilized to active military
71 service within six months of attendance at a TBR institution and whose mobilization
72 lasts more than six months shall be charged upon re-enrollment at such institution
73 the tuition, student activity fees and required registration or matriculation fees that
74 were in effect when such student was enrolled prior to mobilization. After re-
75 enrollment, no increase in tuition, student activity fees or required registration or
76 matriculation fees shall be assessed to such student until a period of time equal to
77 one year plus the combined length of all military mobilizations has elapsed. In no
78 event, however, shall a student's tuition and fees be frozen after re-enrollment for
79 more than four years.

80 a. To be eligible for the tuition and fee freeze, the student shall have completed
81 military service under honorable conditions and shall re-enroll in a TBR
82 institution within six months of release from active duty.

83 b. A student eligible for the tuition and fee freeze may transfer from one state
84 institution of higher education to another state institution of higher education
85 one time with such student's tuition and fees calculated at the institution to
86 which the student transfers as if the student had been in attendance at that

87 institution before the mobilization that resulted in the student's tuition and fee
88 freeze at the initial institution.

89 C. Accounting Treatment

- 90 1. A revenue account for in-state tuition is used to record both the revenue assessed
91 and refunds made.
- 92 2. As provided in GASB Statements 34 and 35, summer school revenues and
93 expenditures must be accrued at fiscal year-end. Summer school activity will not be
94 allocated to only one fiscal year.
- 95 3. In some cases, full fees are not assessed to students. These occur when statutes
96 establish separate rates for such groups as the disabled, elderly, and military
97 dependents. The difference between normal fees and special fees is not assessed.
98 Fees not assessed in these cases do not represent revenue. For administrative
99 purposes the fees may be calculated and credited to revenue, then written off
100 against a contra revenue account.
- 101 4. Agreements/contracts may be executed with a third party (federal agency,
102 corporation, institution, etc.), but not with the individual student, to deliver routine
103 courses at a fixed rate or for the cost of delivering the course and may provide for
104 fees not to be charged to individual students. Individual student fees will be
105 assessed as usual and charged to the functional category Scholarships and
106 Fellowships. The amount charged to or paid by the third party is credited to the
107 appropriate Grants and Contracts revenue account.
- 108 5. In some cases, a non-credit course provides an option to grant regular credit. If a
109 separate (or additional) fee is collected because of the credit, that amount is
110 reported as tuition revenue.
- 111 6. Full-time employees of the Tennessee Board of Regents, the Locally Governed
112 Institutions (LGIs), and the University of Tennessee systems may enroll in one
113 course per term at any public postsecondary institution, with tuition and mandatory

114 fees waived for the employee. No tuition paying student shall be denied enrollment
115 in a course because of enrollment of TBR, LGI, and UT employees.

116 7. Spouses and dependents of employees of the Tennessee Board of Regents system
117 may be eligible for a tuition and mandatory fee discount for undergraduate courses
118 at Tennessee Board of Regents institutions, the LGIs, and the University of
119 Tennessee.

120 Tennessee Board of Regents institutions exchange funds for tuition and mandatory
121 fee discounts of employees' spouses and dependents who participate in a
122 Tennessee Board of Regents educational assistance program. This also applies to
123 exchanging of funds for tuition discounts between Tennessee Board of Regents
124 institutions, the LGIs, and the University of Tennessee institutions.

125 8. Fee waivers for full-time State employees and fee discounts to children of certified
126 public-school teachers shall be accounted for as a scholarship.

127 III. [Out-of-State Tuition](#)

128 A. Description of Fee

129 1. Out-of-State tuition is charged to students classified as non-residents who are
130 enrolled for credit courses, including audit courses.

131 2. Out-of-state tuition fee rates are established by the Tennessee Board of Regents
132 and are incorporated in the annual fee schedule.

133 3. Applicability of out-of-state tuition is determined pursuant to Tennessee Board of
134 Regents Policy for Classifying Students In-State and Out-of-State for Paying
135 College Fees & Tuition & for Admission Purposes (No. 3.05.01.00). The business
136 office will collect fees based upon student classification as determined by the
137 appropriate authority within the institution.

138 B. Accounting Treatment

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

- 141 2. Other accounting is the same for out-of-state tuition as that outlined under in-state
142 tuition except separate out-of-state accounts are used.
- 143 a. In the case of fees not collected from students under grants and contracts, the
144 same expense account under Scholarships and Fellowships may be used.

145 IV. eRate

146 A. Description of Fee

- 147 1. The eRate is available to students who enroll at TBR institutions, who are classified
148 as non-residents of Tennessee, and who are enrolled exclusively in online or other
149 remote delivery courses.
- 150 2. The eRate is 150% of the institution's approved in-state tuition rate.
- 151 3. The hourly rate will not be discounted for students receiving the eRate and enrolling
152 in greater than 12 hours.
- 153 4. To qualify for an eRate, students must:
- 154 a. Meet all institution admission requirements and must
- 155 b. Be verified and documented by the institution as an online out-of-state student
156 enrolled exclusively in courses delivered exclusively online or by other remote
157 delivery methods.
- 158 c. Out-of-state students must both be classified as an out-of-state student and be
159 physically living outside the state of Tennessee. Undocumented students living
160 in Tennessee do not qualify for the eRate.
- 161 5. Students enrolled in any type courses with an on-ground, in Tennessee component
162 will not be eligible for the eRate specified in this guideline and will instead incur
163 traditional out-of-state tuition and fees.
- 164 a. Students who enroll in both online or remote delivery courses and on-ground in
165 Tennessee courses and subsequently drop the on-ground courses will not then
166 become eligible for the eRate.

167 B. Accounting Treatment

- 168 1. The eRate fee will be recorded as out-of-state tuition.

169 V. **Mandatory Fees**

170 Mandatory fees are generally fees to support various programs that are assessed to all
171 enrolled students and are not course dependent.

172 **A. Debt Service Fees**

- 173 1. The amount of debt service fees will be approved by the Tennessee Board of
174 Regents. Separate rates are recommended by each institution based on
175 requirements of the institution.
- 176 2. Revenue from debt service fees will be recorded in the unrestricted current fund and
177 then transferred to the retirement of indebtedness fund.
- 178 3. At the conclusion of the debt retirement for a given project, the debt service fee
179 attributed to the project will cease. Any new project requires the approval of a new
180 debt service fee on its own merits without the reallocation of any existing fee. Any
181 continuation of fees necessary for renewal and replacement of a project for which
182 the debt is totally retired must be approved for that purpose by the Tennessee
183 Board of Regents.

184 **B. Student Activity Fees**

- 185 1. Student activity fees must be approved by the Tennessee Board of Regents. Such
186 fees may be recommended by each institution based on facilities and services to be
187 provided which are related to the activity fee. These services include but are not
188 limited to access to all social, athletic, and cultural functions sponsored by the
189 school. Per TCA §49-8-109, these services are available to any student upon the
190 payment of the regular activity fee.

191 A portion of the student activity fee (and/or tuition) may be allocated to the student
192 government association (SGA) and recorded in the restricted fund as an SGA fee.

193 A referendum providing for an increase in that portion of the student activity fee
194 (and/or tuition) received by the SGA may be held for student body approval or
195 rejection. Per TCA §49-8-110, the referendum shall be held at the election for
196 SGA officers and shall be on the ballot with the candidates for the offices. The

197 referendum shall be held if the SGA legislative body votes to hold such a
198 referendum and if the appropriate college administrative body approves the
199 decision to hold a referendum. In the event a majority of the students voting in the
200 election approve the question submitted in the referendum, then that portion of the
201 student activity fee allocated to the SGA shall be increased by the amount
202 approved subject to the Board's approval. The increased portion shall be used for
203 student projects, student activities and student scholarships. The uses shall be
204 approved by the appropriate administrative body of the college designated to
205 supervise and advise the SGA.

206 The student activity fee portion will be unrestricted current funds revenues. These
207 fees are refundable on the same basis as tuition or as established by the
208 institution.

209 C. Technology Access Fees

210 1. A fee shall be levied by each institution for the purpose of providing student access
211 to computing and similar technologies. It is refundable on the same basis as tuition
212 or as established by the institutions. Institutions shall establish expenditure
213 accounts and designated revenue accounts for purposes of recording technology
214 access fees and expenditures.

215 2. Use

216 The TAF should be used by TBR institutions for direct student benefit, for items
217 such as new and improved high technology laboratories and classrooms,
218 appropriate network and software, computer and other equipment, and
219 technological improvements that enhance instruction. Use of TAF funds includes
220 but is not limited to the following items:

221 a. Computers and other technical laboratory supplies, equipment, and software
222 and maintenance.

223 b. Network costs (internet service, interactive video, etc.)

- 224 c. "Smart" or multimedia classroom equipment and classroom modifications.
- 225 d. Lab and course staffing - student and staff assistance for lab and classroom
- 226 uses; community colleges are limited to 25% maximum of current-year TAF
- 227 revenues for student or staff employees.
- 228 e. Renewal and replacement reserves as necessary.
- 229 f. New machines for faculty use when faculty are actively engaged in developing
- 230 and conducting on-line courses.
- 231 g. Faculty and staff development directly related to the introduction or application
- 232 of new technology which impacts students. These guidelines should have the
- 233 flexibility to place instructional technology in a faculty lab where course
- 234 materials are being prepared. For example, TAF funds can be used to create
- 235 faculty labs to include the purchase of computers and to conduct faculty
- 236 training and course development. (Travel costs for faculty and staff are
- 237 excluded; however, consultants may be hired as needed for training.)
- 238 h. Infrastructure (wiring, network, servers, etc.) necessary to provide students
- 239 maximum computing capability. A ceiling is established of 50% of the total
- 240 project costs from which technology access fees can be used.
- 241 i. Expand technology resources in library, i.e., video piped anywhere on campus,
- 242 interactive video room for distance education, network for web video courses.

243 Compliance with these guidelines will be audited by the internal audit staff and

244 reported to the Board as determined by the internal auditor's annual risk-based

245 planning process or other appropriate means.

246 D. Program Services Fee

- 247 1. This includes support for application to the college, change of course processing,
- 248 transcript processing, graduation ceremonies, parking facilities, etc. It is refundable
- 249 on the same basis as tuition or as established by the institution.

250 E. Sustainable Campus Fee

251 1. This supports campus environmentally sustainable efforts and initiatives. See TBR
252 Guideline B-065 *Sustainable Campus Fee Program* for program requirements.

253 F. International Education Fee

254 1. The amount of the International Education Fee will be approved by the Tennessee
255 Board of Regents. Separate rates are recommended by each institution based on
256 requirements of the institution. Generally, the fee supports cultural and international
257 opportunities, student activities for all students, and promotion of student's world
258 knowledge. This fee assists in integrating cultural and international concepts across
259 all academic disciplines in order to increase a student's ability to compete in the
260 international environment.

261 2. International Education Fee Usage Per TBR Policy 2.08.10.00

262 a. Recognizing the need for flexibility while maintaining accountability, the TBR
263 has established the optional assessment of an international education fee to be
264 paid by each student enrolled in the institutions.

265 b. Individual institutions have authority to allocate funds to activities in support of
266 globalization efforts for the campus, including international professional
267 development of the faculty.

268 c. Institutions should use a portion of the revenue generated through the
269 international education fee for study abroad scholarships.

270 d. Individual institutions are responsible for establishing an infrastructure to
271 determine the allocation of the international education fees collected from
272 students to promote globalization at the home institution. The infrastructure
273 should include student representation or input received from the entire study
274 body.

275 e. Employee Compensation/Benefits provided by Program Abroad

276 i. An allocation of salary and benefit costs for those involved in providing
277 direct support for international programs are allowable but should be
278 controlled and kept to a minimum.

279 ii. Faculty engaged in directing or teaching study abroad courses receive
280 remuneration from their home institutions. Direct instructional cost should
281 be charged to the appropriate departmental budget and not to the
282 international education fee budget.

283

284 VI. Specialized Academic Program Fees

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

291 A. High Cost of Instruction. Programs qualifying for charging specialized academic fees
292 must demonstrate that they are more costly than other programs offered by the
293 institution. If appropriate, the extraordinary cost of the program must be validated
294 including benchmarking with similar programs in the region and nation.

295 B. High Demand. The number of students enrolled in the program and the student credit
296 hours generated are sufficient to justify additional fees.

297 C. High Cost of Updating/Maintaining Equipment and Software. Programs qualifying for
298 charging specialized academic fees are expected to be those that require extensive
299 maintenance and regular updating of equipment and/or software, all of which are very
300 expensive. An average hardware/software cost per student credit hour serves as the
301 basis for determining the amount of the fee.

302 D. Accreditation. Meeting standards of specific accrediting agencies may also qualify a
303 specialized program for charging specialized academic fees. The accrediting standards
304 that justify a fee are those that specify the possession and use of certain equipment and
305 unique software that are extraordinarily costly and/or the employment of faculty with
306 specific credentials that demand high salaries.

- 307 E. High Recognition and Quality. The programs approved for specialized academic fees
308 are expected to be distinctive and with a regional reputation. The program should
309 demonstrate that it has achieved exceptional recognition in its particular enterprise.
- 310 F. High Value to Tennessee. The program should demonstrate that it is a good investment
311 for the State of Tennessee to justify charging extra fees to the student. The graduates'
312 earning potential and the associated benefit to the state economy should be projected,
313 as well as the efforts taken by the institution to aid graduates in finding appropriate
314 employment in Tennessee.
- 315 G. Impact on Affected Students. Through surveys, questionnaires, or other suitable
316 means, the program should demonstrate that the charging of additional fees will not
317 diminish enrollment. The program should demonstrate that enrolled students realize
318 that the potential earning power in the work force justifies their additional investment.
- 319 H. Institution must submit documentation of the above applicable criteria when requesting
320 approval of a specialized academic fee. Specialized academic course fee revenues are
321 limited to funding related costs accumulated in the instruction function.

322 VII. [Miscellaneous Course Fees](#)

323 All miscellaneous fees must be approved by TBR. Fees for courses requiring special off-
324 campus facilities or services do not require Board approval but should reflect the cost of the
325 facilities or services. Fees for courses requiring materials or services that are required or
326 recommended by faculty and are a direct pass-through of the actual cost charged by a
327 third-party provider may be approved by the chancellor. Examples include but are not
328 limited to state board nursing exam preparatory programs, industry certification exam fees,
329 etc. Fees approved by the chancellor will be provided to the Board as an interim action
330 item.

331 VIII. [Incidental Fees and Charges](#)

332 A. Uniform Rates and Policies - Institutions

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

336 1. Returned Check Fee: \$30.00 per check - nonrefundable. All institutions will charge
337 a returned check fee that is the maximum set by state law. This fee will apply to all
338 returned checks received by the institution, whether from students, faculty, staff, or
339 other parties. The Board will review state statutes each spring to determine any
340 changes. (T.C.A. § 47-29-102)

341 2. Prior Learning Assessment (PLA) fee: \$25 (non-refundable). This fee, also known
342 as credit by exam fee, will be assessed at the rate of \$25 per exam, regardless of
343 the number of credit hours awarded. PLA standards were developed by the
344 Tennessee Prior Learning Assessment Task Force and adopted by the TBR and UT
345 Systems.

346 B. Other Fees and Charges Subject to Board Approval

347 1. All Institutions

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

353 i. Motor Vehicle Registration - nonrefundable. A fee may be levied by each
354 institution per academic year, per fiscal year and/or per academic term
355 for motor vehicle registration. The fee may be assessed to faculty and
356 staff.

357 ii. Traffic Fines - nonrefundable. These fines will apply to all employees and
358 students.

- 386 iii. Admissions fees to athletic and other events open to the public, including
387 special events sponsored by campus organizations and activities.
- 388 iv. Sales and services of educational activities such as clinical services,
389 publications, etc.
- 390 v. Registration for conferences, institutes, and non-credit activities. Fees
391 established for non-credit courses and activities shall at a minimum be
392 sufficient to cover the total costs incurred in providing instruction and
393 may be influenced by current market rates for comparable courses or
394 training.
- 395 vi. Fees for use of campus facilities for recreational purposes.
- 396 vii. Parking permits and parking meters for use by guests and visitors.
- 397 viii. Library fines, which will apply to students, faculty, staff, and other library
398 users.
- 399 ix. Child Care Fees - Kindergarten, Preschool, Early Childhood, Day Care,
400 or similarly defined activities. The refund policy will be established by the
401 institution.
- 402 x. Special Exam Fee and Standardized Test Fees - nonrefundable. The fee
403 will be determined based upon cost to the institution.
- 404 xi. Identification Card Replacement - nonrefundable. There will be no
405 charge for the original identification card. A fee may be set by each
406 institution to offset the cost of replacing the card. This fee applies only to
407 student ID cards and not to faculty and staff ID's.
- 408 xii. Change of Course or Section Fee - nonrefundable. If the change is
409 caused by the institution, there will be no charge for the change. If two or
410 more forms are used at one time, they will be treated as one
411 change/form. Institutions may waive the fee for schedule changes.

412 IX. [Deposits](#)

- 413 A. Breakage deposits may be required by the institution for courses or items in which it
414 can be shown that there is a reasonable chance of loss or damage to items issued to
415 students. The amount of the deposit should be related to the materials issued and
416 subject to a 100% refund.
- 417 B. A deposit may be established by the institution for rent or lease of buildings and
418 facilities or for the issuance of other institutional property or equipment. Deposits should
419 be subject to a 100% refund if no damage or loss occurs. The amount of such deposits
420 should be related to the value of the facilities or equipment subject to loss and the
421 general ability of the institution to secure reimbursement should loss or damage occur.

422 X. **Other Fee and Charge Considerations**

- 423 A. Institutions may submit for Board of Regents approval fees and charges not specifically
424 covered by those guidelines when the establishment of a fee or charge is justified by
425 the institution.
- 426 B. When fees and charges are incorporated in agreements with outside contractors and
427 vendors, specific rates, refunds, and conditions must be clearly stated.

428 X. **Refunds and Fee Adjustments**

- 429 A. Adjustments to all fees and charges must be in accordance with the following provisions
430 except as previously stated, or when required by federal law or regulation to be
431 otherwise.
- 432 B. Pursuant to T.C.A. §§ 49-7-2301 and 49-7-2302, students called to active military or
433 National Guard service during the semester are entitled to a 100% adjustment or credit
434 of mandatory fees.
- 435 C. Tuition Refunds and Adjustments
- 436 1. Refunds are 100% for courses canceled by the institution.
- 437 2. Changes in courses involving the adding and dropping of equal numbers of SCH's
438 for the same term at the same time require no refund or assessment of additional
439 tuition, unless the dropping and adding involves TNeCampus courses.

- 440 3. The fee adjustment for withdrawals or drops during regular terms (fall and spring) is
441 75% from the first day of classes through the fourteenth calendar day of classes
442 and then reduced to 25% for a period of time which extends 25% of the length of
443 the term. When the first day of the academic term falls on a Saturday, the 100%
444 refund period is extended through the weekend until the following Monday morning
445 (12:01 am). There is no fee adjustment after the 25% period ends. Dropping or
446 withdrawing from classes during either the 75% or the 25% fee adjustment period
447 will result in a fee adjustment of assessed tuition based on the total credit hours of
448 the final student enrollment.
- 449 4. For summer sessions and other short terms, the 75% fee adjustment period and the
450 25% fee adjustment period will extend a length of time which is the same proportion
451 of the term as the 75% and 25% periods are of the regular terms.
- 452 5. All fee adjustment periods will be rounded to whole days and the date on which
453 each fee adjustment period ends will be included in publications. In calculating the
454 75% period for other than the fall and spring and in calculating the 25% length of
455 term in all cases, the number of calendar days during the term will be
456 considered. When the calculation produces a fractional day, rounding will be up or
457 down to the nearest whole day.
- 458 6. A full refund (100%) is provided on behalf of a student whose death occurs during
459 the term. Any indebtedness should be offset against the refund.
- 460 7. A 100% refund will be provided for students who drop a course or courses prior to
461 the beginning of the first day of class.
- 462 8. A 100% refund will be provided to students who are compelled by the institution to
463 withdraw when it is determined that through institutional error, they were
464 academically ineligible for enrollment or were not properly admitted to enroll for the
465 course(s) being dropped. An appropriate official must certify in writing that this
466 provision is applicable in each case.

467 9. When courses are included in a regular term's registration process for
468 administrative convenience, but the course does not begin until later in the term, the
469 75%/25% fee adjustment periods will be based on the particular course's beginning
470 and ending dates. This provision does not apply to classes during the fall or spring
471 terms which may meet only once per week. Those courses will follow the same
472 refund dates as other regular courses for the term.

473 10. The fee adjustment is calculated as the difference between (1) the per credit hour
474 cost of originally enrolled hours and (2) the per credit hour cost of the courses at
475 final enrollment after adjustments have been applied for all courses
476 dropped. Adjustments are calculated at the full per credit hour rate less the fee
477 adjustment credit at the applicable fee adjustment percentage (regardless of the
478 original number of hours enrolled). Not all drops/withdrawals will result in fee
479 adjustments.

480 D. Out-of-State Tuition Refunds and Fee Adjustments

481 1. The fee adjustment provision for out-of-state tuition is the same as that for in-state
482 tuition. The 75% fee adjustment period and the 25% fee adjustment period will
483 follow the same dates as the fee adjustment periods for in-state tuition.

484 E. Debt Service Fee Refunds

485 1. Debt service fees will be subject to the same refund policy as tuition.

486 XI. **Payment of Student Fees and Enrollment**

487 A. All assessed fees by an institution governed by the Tennessee Board of Regents are
488 due and payable at the time of registration or at a time set by the institution.-

489 1. ~~An-Community colleges institution-~~ may implement deferred payment plans as may
490 be allowed under a TBR guideline and as authorized for the student.

491 B. An individual will be considered enrolled and counted as a student at a TBR institution
492 when:

493 1. all assessed fees have been paid (unless otherwise noted in policy); or

- 494 2. the initial minimum payment due under any deferred payment plans has been paid;
495 or
496 3. an acceptable commitment from an agency or organization approved by the
497 institution has been received by the institution.

498 C. An individual shall possess an acceptable commitment when an application(s) for
499 financial aid has been timely submitted with the reasonable probability of receiving
500 such.

501 ~~1. Agencies or organizations which may be approved by the institution for purposes of~~
502 ~~making acceptable commitments for applicants shall be limited to agencies of the~~
503 ~~federal or state governments authorized to provide financial aid, established~~
504 ~~financial institutions within the state, established in state and out of state~~
505 ~~corporations which employ the applicant, foreign embassies and foreign~~
506 ~~corporations, and other organizations within the state which have previously~~
507 ~~demonstrated the ability to pay the commitment.~~

508 2.1. An acceptable commitment from an agency or organization shall be limited
509 to a commitment which identifies the applicant and promises to pay all unpaid
510 assessed fees for such applicant.

511 2. No commitments from individuals will be accepted on behalf of applicants.

512 D. Pursuant to the above condition, institutions ~~with a continuous registration process~~ must
513 require payment of all applicable fees or payment of the initial minimum payment due
514 under the deferred payment plan or have an acceptable commitment from an agency or
515 organization. Otherwise, institutions must purge students from the class rolls that
516 haven't satisfied the payment requirements.

517 1. At a minimum, two purges for non-payment should occur.

518 2. One purge for non-payment must occur sometime prior to the beginning of classes.

519 3. A final purge should must occur on or before the census date to ensure that only
520 students that have met the payment requirements are reported in the census
521 reports. prior to the regular registration period as defined by each institution.

522 3.4. Students will not be purged for non-payment if the debt owed, whether current
523 debt or prior debt is less than \$100.

524

525 ~~Students who do not prepay all fees or have an acceptable approved financial aid~~
526 ~~deferment will forfeit pre-registration privileges and must enroll under the normal~~
527 ~~registration process.~~

528 ~~A prepayment plan to assist parents and students with planning and budgeting their~~
529 ~~academic year expenses is authorized. Under the plan, students may choose the~~
530 ~~expenses they wish to prepay including tuition, and fees. Expenses can be prepaid~~
531 ~~over a period of eight months.~~

532

533 D.E. Notwithstanding any other requirements in policy, there will be no record holds,
534 enrollment holds, or purging of students for non-payment if the debt owed, whether
535 current debt or prior debt, is less than \$100.

536 E.F. All outstanding debts and obligations of \$100 or greater not evidenced by an
537 acknowledgement of debt/promise to pay agreement (see Section IVXIV) or a current
538 semester deferred payment agreement must be fully satisfied by the 14th day purge of
539 the semester.

540 F.G. An individual will not be considered for admission/readmission as a student until
541 all past due debts and obligations of \$100 or greater incurred in prior academic terms,
542 of whatever nature, have been paid, or the student-, if allowable, has entered into an
543 acceptable acknowledgement of debt/promise to pay agreement (see Section IVXIV)
544 with the institution for the past due debts and obligations.

545 G.H. When an individual tenders payment of fees by means of a personal check or
546 credit card, the individual may be considered and counted as a student. If the payment

547 is subsequently dishonored by the financial institution, and the payment is not
548 redeemed in cash, the institution has the option to not consider that student as enrolled
549 for the term.

550 1. At the discretion of the institution, the student may be considered enrolled and will
551 be assessed the applicable returned payment fee, the applicable late registration
552 fee, and normal collection procedures as prescribed in TBR Guideline B-010
553 (Collection of Accounts Receivable) will be followed.

554 2. Institutions may deny future check writing privileges to students who have paid
555 registration fees with checks that are subsequently dishonored.

556 3. While institutions have discretion in how these situations will be handled, all
557 students must be treated the same at that institution.

558 4. The institutions are authorized, subject to approval by the Board, to establish
559 charges for late registration and/or payments which are returned dishonored, and
560 such charges shall become assessed fees for purposes of admission.

561 XII. [Records Holds](#)

562 A. Except as provided in sub-section [HXII](#). B. hereof, institutions shall not issue diplomas,
563 transcripts, certificates of credit or grade reports until the student involved has satisfied
564 all debts or obligations of \$100 or greater or the debts or obligations are evidenced by
565 notes or other written contracts providing for future payment, such as, but not, limited
566 to, loans authorized under federal or state education or student assistance acts. This
567 does not prohibit the conferring of the degree. Diplomas, transcripts, certificates of
568 credit, and grade reports shall not be withheld for debts that are less than \$100.

569 B. The colleges in the college system of Tennessee shall issue a certificate of credit or
570 official transcript for a student seeking admission to any college in the college system of
571 Tennessee if the student has entered a written agreement (acknowledgement of
572 debt/promise to pay) to satisfy the outstanding debt or obligation owed to the college
573 issuing the certificate of credit or official transcript in the form of Exhibit 1 hereto.

- 574 1. Any credit or official transcript issued under this subsection shall indicate that it is
575 subject to an outstanding debt to the issuing college.
- 576 2. The college receiving the certificate of credit or official transcript issued shall not
577 subsequently issue a diploma, certificate of credit or official transcript to that student
578 until it receives proof that the student has satisfied the outstanding debt to the
579 college that issued the certificate of credit or official transcript. This does not prohibit
580 the conferring of the degree.

581 XIII. **Enrollment Holds**

- 582 A. A student must pay any past due debts and obligations owed to the institution
583 incurred in prior academic terms before being permitted to register at the institution
584 unless the debt is less than \$100, or an acknowledgement of debt/promise to pay
585 agreement (see section [IVXIV](#)) for the prior debt or obligation has been executed.
- 586 B. Institutions shall allow enrollment when the outstanding obligation is less than \$100.
- 587 1. Additionally, all known debts and obligations to the institution incurred during the
588 current term of \$100 or greater must be satisfied prior to a student being allowed
589 to pre-register for any future terms.
- 590 C. An amount owed under the institution's deferred payment plan for enrollment fees
591 which is not yet due shall not cause an enrollment hold to be applied.
- 592 D. A student that is currently assigned to a collection agency will be allowed to register
593 if the student signs an acknowledgement of debt/promise to pay agreement in the
594 form of Exhibit 1 hereto that acknowledges they will not receive a diploma,
595 certificate of credit or official transcript (except as provided in XIII. A and B above)
596 until the debt is paid in full. This does not prohibit the conferring of the degree. The
597 student account will not be recalled from the collection agency.

598 XIV. **Acknowledgement of Debt/Promise to Pay Agreement for Prior Debt and Obligations**

- 599 A. A student who has prior outstanding debt of \$100 or more and was not enrolled in
600 the preceding semester (excluding summer semester) may execute an
601 acknowledgement of debt/promise to pay agreement with the institution.

- 602 1. The acknowledgement of debt/promise to pay agreement will require that the
603 debt be fully satisfied before a diploma or degree will be issued. However, this
604 does not prohibit the conferring of the degree.
- 605 2. The acknowledgement of debt/promise to pay agreement will require continuous
606 enrollment.
- 607 a. If continuous enrollment is not maintained the institution may continue with
608 immediate collection efforts as prescribed in TBR Guideline B-010
609 (Collection of Accounts Receivable) or pursuant to the terms of any
610 previously executed repayment agreement.
- 611 3. A student may only ever execute one such agreement with the institution.
- 612 4. "Continuous enrollment" means a student is enrolled in the fall and spring
613 semesters of a single academic year unless granted a medical or personal leave
614 of absence. Allowable medical or personal reasons may include illness of the
615 student; illness or death of an immediate family member; extreme financial
616 hardship of the student or student's immediate family; fulfillment of a religious
617 commitment encouraged of members of that faith; fulfillment of required initial
618 active duty for training as a National Guard or Reserve member or for National
619 Guard or Reserve mobilization.

620 XV. Applicability of Fees

- 621 A. In accordance with this policy, the president or designee of an institution or the
622 chancellor or designee has the authority to determine the applicability of certain fees
623 ~~(as defined in Guideline B-060 Fees, Charges, Refunds and Fee Adjustments)~~, fines,
624 charges, and refunds, and to approve exceptions in instances of unusual circumstances
625 or for special groups. All such actions should be properly documented for auditing
626 purposes.

627 XVI. Exceptions

- 628 A. With regard to payment of student fees and enrollment, ~~t~~The Chancellor or designee
629 may approve exceptions to the requirements of this policy in appropriate circumstances.

630 B. Requests for exceptions [from Presidents](#) must ~~be signed by the President and~~
631 include sufficient justification documentation.

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644 **Sources**

645 **Authority**

646 T. C.A. §§ 47-29-102, 49-7-102, 49-7-113, 49-7-2301, 49-7-2302, 49-8-109

647 **History**

648 December 2, 1977 TBR meeting. Revised March 14, 1980 TBR meeting; November 13, 1991
649 presidents meeting; November 8, 1982 presidents meeting; July 1, 1984; November 1, 1988;
650 May 15, 1990 presidents meeting; August 14, 1990 presidents meeting; November 1st, 1992
651 presidents meeting; August 10, 1993 presidents meeting; November 9, 1993 presidents
652 meeting; August 9, 1994 presidents meeting; May 8, 1995 presidents meeting, August 8, 1995
653 presidents meeting, November 8, 1995 presidents meeting, February 6, 1996 presidents
654 meeting, May 14, 1996 presidents meeting, November 12, 1996 presidents meeting, May 6,
655 1997 presidents meeting, July 16, 1997 called Board meeting, November 5, 1997 presidents
656 meeting, February 17, 1998 presidents meeting via conference call, August 25, 1998
657 presidents meeting, May 9, 2000 presidents meeting, August 8, 2000 presidents meeting,
658 November 8, 2000 presidents meeting, February 13, 2001 presidents meeting, August 21,
659 2001 presidents meeting, May 21, 2002 presidents meeting, February 11, 2003 presidents
660 meeting, May 20, 2003 presidents meeting, February 10, 2004 presidents meeting, August 17,
661 2004 presidents meeting, February 8, 2005 presidents meeting, May 17, 2005 presidents
662 meeting, February 8, 2006 presidents meeting, May 16, 2006 presidents meeting, August 16,
663 2006 presidents meeting, May 15, 2007 presidents meeting, August 21, 2007 presidents
664 meeting, November 6, 2007 presidents meeting, February 17, 2009 presidents meeting; May
665 12, 2009 presidents meeting; August 11, 2009 presidents meeting; November 10, 2009
666 presidents meeting; February 16, 2010 presidents meeting; February 15, 2011 presidents
667 meeting; May 17, 2011 presidents meeting; August 16, 2011 presidents meeting; May 16, 2012

668 presidents meeting; August 21, 2012 presidents meeting; Revised at Presidents Meeting,
669 February 4, 2014; Revised at Presidents Meeting, August 18, 2015; Revised at Presidents
670 Meeting, November 10, 2015; Presidents Meeting February 2, 2016; August 8, 2017.

671 **Related Policies**

- 672 • [Access to and Use of Campus Property and Facilities](#)
- 673 • [Policy for Classifying Students In-State & Out-of-State for Paying College Fees & Tuition &](#)
- 674 [for Admission Purposes](#)

675

1 Fees, Charges, Refunds, and Payments-TCAT:

2 4.01.03.10

3 **Policy Area**

4 Business and Finance Policy

5 **Applicable Divisions**

6 TCATS

7 **Purpose**

8 The purpose of the following policy is to outline significant provisions for consistent
9 administration of fees, charges, refunds, payment of fees and enrollment of students at the
10 institutions governed by the Tennessee Board of Regents. The policy largely represents a
11 consolidation of existing statements and practices. The policy contents include general and
12 specific provisions for: tuition (sometimes referred to as maintenance fees); student activity;
13 technology access fee; and refunds; payment of fees and enrollment of students.

14 The policy supersedes all previous fee and refund policies and may be revised by action of the
15 Tennessee Board of Regents or the Chancellor. Exceptions to the policies may be made by the
16 Chancellor.

17 I. **General Provisions**

18 A. Establishment of Fees and Charges

- 19 1. The Tennessee Board of Regents must establish or approve all institutional fees and
20 charges unless authority has been delegated to the chancellor or presidents.
- 21 2. The institution president is responsible for the enforcement and collection of all fees
22 and charges. Fees and charges which specifically do not require Board approval,
23 unless otherwise noted, must receive formal approval by the chancellor (or their
24 designee) or president (or their designee) as applicable. See Section V for pass-
25 through charges.
- 26 3. Institutions should attempt to follow a general format in publishing information on
27 fees and charges, including but not limited to the following:
 - 28 a. All statements which include the fee amount should be complete and specific
29 enough to prevent misunderstanding by readers.
 - 30 b. When a fee is quoted, the refund procedures should be clearly stated. If there
31 are qualifying conditions for refunds, those conditions also should be stated. If
32 there is no refund, it should be labeled as non-refundable.

- 33 c. Whenever possible, specific dates related to the payment of fees and the
34 refund procedures should be stated.
- 35 d. It should be made clear that all fees are subject to change at any time.

36 II. Tuition

37 A. Description

- 38 1. Tuition is a charge to students, whether residents or non-residents, enrolled in clock
39 hour courses. It is calculated based on the number of Student Clock Hours (SCH's)
40 for which the student enrolls. TCAT students who enroll concurrently in two or more
41 programs/classes will be assessed fees appropriate to the number of clock hours
42 scheduled to attend in each program/class.
- 43 2. The charge is applicable to courses for which the student is enrolled on an audit
44 basis.

45 B. Rates

- 46 1. Rates are established by the Board and incorporated in a fee schedule.
- 47 2. Tuition may not be waived. However, specific exceptions are provided in the
48 following instances:
- 49 a. Pursuant to T.C.A. § 49-7-113, exceptions exist for certain disabled and elderly
50 students, as well as state service retirees. For audit courses, no tuition or
51 mandatory fee is required for persons with a permanent, total disability,
52 persons 60 years of age or older and domiciled in Tennessee and persons who
53 have retired from state service with 30 or more years of service, regardless of
54 age. For courses taken for credit, a fee of \$60 per trimester may be charged to
55 persons with a permanent, total disability, and persons who will become 65
56 years of age or older during the academic trimester in which they begin classes
57 and who are domiciled in Tennessee. (Note: This fee includes all mandatory
58 fees including but not limited to student activity fee and technology access fee;
59 it does not include any other non-mandatory fees).

60 b. Pursuant to T.C.A. § 49-7-102, certain statutory fee exceptions exist for
61 dependents and spouses of military personnel killed, missing in action, or
62 officially declared a prisoner of war while serving honorably as a member of the
63 armed forces during a period of armed conflict. If these provisions are invoked
64 by a student, the correct applicable law should be determined and followed.

65 3. Military reserve and national guard personnel who are mobilized to active military
66 service within six months of attendance at a TBR institution and whose mobilization
67 lasts more than six months shall be charged upon re-enrollment at such institution
68 the tuition, student activity fees and required registration or matriculation fees that
69 were in effect when such student was enrolled prior to mobilization. After re-
70 enrollment, no increase in tuition, student activity fees or required registration or
71 matriculation fees shall be assessed to such student until a period of time equal to
72 one year plus the combined length of all military mobilizations has elapsed. In no
73 event, however, shall a student's tuition and fees be frozen after re-enrollment for
74 more than four years.

75 a. To be eligible for the tuition and fee freeze, the student shall have completed
76 military service under honorable conditions and shall re-enroll in a TBR
77 institution within six months of release from active duty.

78 b. A student eligible for the tuition and fee freeze may transfer from one state
79 institution of higher education to another state institution of higher education
80 one time with such student's tuition and fees calculated at the institution to
81 which the student transfers as if the student had been in attendance at that
82 institution before the mobilization that resulted in the student's tuition and fee
83 freeze at the initial institution.

84 C. Accounting Treatment

85 1. A revenue account for tuition is used to record both the revenue assessed and
86 refunds made.

- 87 2. As provided in GASB Statements 34 and 35, summer school revenues and
88 expenditures must be accrued at fiscal year-end. Summer school activity will not be
89 allocated to only one fiscal year.
- 90 3. In some cases, full fees are not assessed to students. These occur when statutes
91 establish separate rates for such groups as the disabled, elderly, and military
92 dependents. The difference between normal fees and special fees is not assessed.
93 Fees not assessed in these cases do not represent revenue. For administrative
94 purposes the fees may be calculated and credited to revenue, then written off
95 against a contra revenue account.
- 96 4. Agreements/contracts may be executed with a third party (federal agency,
97 corporation, institution, etc.), but not with the individual student, to deliver routine
98 courses at a fixed rate or for the cost of delivering the course and may provide for
99 fees not to be charged to individual students. Individual student fees will be assessed
100 as usual and charged to the functional category Scholarships and Fellowships. The
101 amount charged to or paid by the third party is credited to the appropriate Grants and
102 Contracts revenue account.
- 103 5. In some cases, a non-credit course provides an option to grant regular credit. If a
104 separate (or additional) fee is collected because of the credit, that amount is reported
105 as tuition revenue.
- 106 6. Full-time employees of the Tennessee Board of Regents, the Locally Governed
107 Institutions (LGIs), and the University of Tennessee systems may enroll in one
108 course per term at any public postsecondary institution, with tuition and mandatory
109 fees waived for the employee. No tuition paying student shall be denied enrollment in
110 a course because of enrollment of TBR, LGI, and UT employees.
- 111 7. Spouses and dependents of employees of the Tennessee Board of Regents system
112 may be eligible for a tuition and mandatory fee discount for undergraduate courses at
113 Tennessee Board of Regents institutions, the LGIs, and the University of Tennessee.

114 Tennessee Board of Regents institutions exchange funds for tuition and mandatory
115 fee discounts of employees' spouses and dependents who participate in a
116 Tennessee Board of Regents educational assistance program. This also applies to
117 exchanging of funds for tuition discounts between Tennessee Board of Regents
118 institutions, the LGIs, and the University of Tennessee institutions.

119 8. Fee waivers for full-time State employees and fee discounts to children of certified
120 public-school teachers shall be accounted for as a scholarship.

121 III. **Mandatory Fees**

122 Mandatory fees are generally fees to support various programs that are assessed to all
123 enrolled students and are not course dependent.

124 A. **Student Activity Fees**

125 Student activity fees must be approved by the Tennessee Board of Regents. Such
126 fees may be recommended by each institution based on facilities and services to be
127 provided which are related to the activity fee. These services include but are not
128 limited to access to all social and cultural functions sponsored by the school. Per
129 TCA 49-8-109, these services are available to any student upon the payment of the
130 regular activity fee.

131 These fees will be unrestricted current funds revenues. These fees are refundable on
132 the same basis as tuition or as established by the institution.

133 B. **Technology Access Fees**

134 1. A fee shall be levied by each institution for the purpose of providing student access to
135 computing and similar technologies. It is refundable on the same basis as tuition or as
136 established by the institutions. Institutions shall establish expenditure accounts and
137 designated revenue accounts for purposes of recording technology access fees and
138 expenditures.

139 2. Use

140 The TAF should be used by TBR institutions for direct student benefit, for items
141 such as new and improved high technology laboratories and classrooms,

142 appropriate network and software, computer and other equipment, and
143 technological improvements that enhance instruction. Use of TAF funds include
144 but is not limited to the following items:

- 145 a. Computers and other technical laboratory supplies, equipment, and
146 software and maintenance.
- 147 b. Network costs (internet service, interactive video, etc.)
- 148 c. "Smart" or multimedia classroom equipment and classroom modifications.
- 149 d. Lab and course staffing - student and staff assistance for lab and
150 classroom uses; expenditures are limited to 25% maximum of current-
151 year TAF revenues for student or staff employees.
- 152 e. Renewal and replacement reserves as necessary.
- 153 f. New machines for faculty use when faculty are actively engaged in
154 developing and conducting on-line courses.
- 155 g. Faculty and staff development directly related to the introduction or
156 application of new technology which impacts students. This policy should
157 have the flexibility to place instructional technology in a faculty lab where
158 course materials are being prepared. For example, TAF funds can be
159 used to create faculty labs to include the purchase of computers and to
160 conduct faculty training and course development. (Travel costs for faculty
161 and staff are excluded; however, consultants may be hired as needed for
162 training.)
- 163 h. Infrastructure (wiring, network, servers, etc.) necessary to provide
164 students maximum computing capability. A ceiling is established of 50%
165 of the total project costs from which technology access fees can be used.
- 166 i. Expand technology resources in library, i.e., video piped anywhere on
167 campus, interactive video room for distance education, network for web
168 video courses.

169 3. Compliance with this policy will be audited by the internal audit staff and reported to
170 the Board as determined by the internal auditor's annual risk-based planning process
171 or other appropriate means.

172 IV. Specialized Academic Program Fees

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

179 A. High Cost of Instruction. Programs qualifying for charging specialized academic fees
180 must demonstrate that they are more costly than other programs offered by the
181 institution. If appropriate, the extraordinary cost of the program must be validated
182 including benchmarking with similar programs in the region and nation.

183 B. High Demand. The number of students enrolled in the program and the student
184 clock hours generated are sufficient to justify additional fees.

185 C. High Cost of Updating/Maintaining Equipment and Software. Programs qualifying for
186 charging specialized academic fees are expected to be those that require extensive
187 maintenance and regular updating of equipment and/or software, all of which are
188 very expensive. An average hardware/software cost per student clock hour serves
189 as the basis for determining the amount of the fee.

190 D. Accreditation. Meeting standards of specific accrediting agencies may also qualify a
191 specialized program for charging specialized academic fees. The accrediting
192 standards that justify a fee are those that specify the possession and use of certain
193 equipment and unique software that are extraordinarily costly and/or the
194 employment of faculty with specific credentials that demand high salaries.

- 195 E. High Recognition and Quality. The programs approved for specialized academic
196 fees are expected to be distinctive and with a regional reputation. The program
197 should demonstrate that it has achieved exceptional recognition in its particular
198 enterprise.
- 199 F. High Value to Tennessee. The program should demonstrate that it is a good
200 investment for the State of Tennessee to justify charging extra fees to the student.
201 The graduates' earning potential and the associated benefit to the state economy
202 should be projected, as well as the efforts taken by the institution to aid graduates in
203 finding appropriate employment in Tennessee.
- 204 G. Impact on Affected Students. Through surveys, questionnaires, or other suitable
205 means, the program should demonstrate that the charging of additional fees will not
206 diminish enrollment. The program should demonstrate that enrolled students realize
207 that the potential earning power in the work force justifies their additional investment.
- 208 H. Institution must submit documentation of the above applicable criteria when
209 requesting approval of a specialized academic fee. Specialized academic course fee
210 revenues are limited to funding related costs accumulated in the instruction function.

211 V. **Miscellaneous Course Fees**

212 All miscellaneous fees must be approved by TBR. Fees for courses requiring special off-
213 campus facilities or services do not require Board approval but should reflect the cost of the
214 facilities or services. Fees for courses requiring materials or services that are required or
215 recommended by faculty and are a direct pass-through of the actual cost charged by a third-
216 party provider may be approved by the chancellor and do not require Board approval.
217 Examples include but are not limited to, industry certification exam fees, professional liability
218 insurance, etc. Fees approved by the chancellor will be provided to the Board as an interim
219 action item.

220 VI. **Incidental Fees and Charges**

221 A. Uniform Rates and Policies - Institutions

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

225 1. Returned Check Fee: \$30.00 per check - nonrefundable. All institutions will charge a
226 returned check fee that is the maximum set by state law. This fee will apply to all
227 returned checks received by the institution, whether from students, faculty, staff, or
228 other parties. The Board will review state statutes each spring to determine any
229 changes. (T.C.A. § 47-29-102)

230 B. Other Fees and Charges Subject to Board Approval

231 1. All Institutions

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

237 i. Traffic Fines - nonrefundable. These fines will apply to all employees and
238 students.

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

243 2. Fees and Charges to be Established and Administered by the Institution.

244 a. The following fees and charges may be established and administered by each
245 institution. No specific approval or notification to the Tennessee Board of
246 Regents will be required unless subject to other Board or State requirements.
247 The institution will establish appropriate refund policies.

248 i. Sales of goods and services of a commercial nature, including bookstores
249 (including digital textbook costs assessed on the student's account), food

250 services, vending, and similar activities. Fees for auxiliary services must take
251 into consideration that Auxiliary Enterprises should be a break-even
252 operation with rates and charges generating revenue sufficient to cover all
253 expenses as defined in operating budget guidelines.

254 ii. Rental of facilities. Fees may be established to control the utilization of
255 facilities and services or to offset the cost of extraordinary requirements as a
256 result of specific programs or activities. [Reference Tennessee Board of
257 Regents Policy on Access to and Use of Campus Property and Facilities
258 (No. 1.03.02.50).]

259 iii. Admissions fees to events open to the public, including special events
260 sponsored by campus organizations and activities.

261 iv. Sales and services of educational activities such as live work fees, fees to
262 customers for specific school instructional projects to defray incidental costs
263 incurred by the TCAT in performing the project, etc.

264 v. Registration for conferences, institutes, non-credit activities, and special
265 industry training. Fees established for non-credit courses and activities shall
266 at a minimum be sufficient to cover the total costs incurred in providing
267 instruction and may be influenced by current market rates for comparable
268 courses or training.

269 vi. Special Exam Fee and Standardized Test Fees - nonrefundable. The fee will
270 be determined based upon cost to the institution.

271 vii. Identification Card Replacement - nonrefundable. There will be no charge
272 for the original identification card. A fee may be set by each institution to
273 offset the cost of replacing the card. This fee applies only to student ID cards
274 and not to faculty and staff ID's.

275 viii. Deposits-Breakage deposits may be required by the institution for courses or
276 items in which it can be shown that there is a reasonable chance of loss or

277 damage to items issued to students. The amount of the deposit should be
278 related to the materials issued and subject to a 100% refund.

279 Also, a deposit may be established by the institution for rent or lease of
280 buildings and facilities or for the issuance of other institutional property or
281 equipment. Deposits should be subject to a 100% refund if no damage or
282 loss occurs. The amount of such deposits should be related to the value of
283 the facilities or equipment subject to loss and the general ability of the
284 institution to secure reimbursement should loss or damage occur.

285 VII. **Other Fee and Charge Considerations**

286 A. Institutions may submit for Board of Regents approval fees and charges not specifically
287 covered by the policy when the establishment of a fee or charge is justified by the
288 institution.

289 B. When fees and charges are incorporated in agreements with outside contractors and
290 vendors, specific rates, refunds and conditions must be clearly stated.

291 VIII. **Refunds and Fee Adjustments**

292 A. Adjustments to all fees and charges must be in accordance with the following provisions
293 except as previously stated, or when required by federal law or regulation to be
294 otherwise.

295 B. Pursuant to T.C.A. §§ 49-7-2301 and 49-7-2302, students called to active military or
296 National Guard service during the trimester are entitled to a 100% adjustment or credit
297 of mandatory fees.

298 C. **Tuition Refunds and Adjustments**

299 1. **Eligibility for Refunds**

300 a. Change in a full-time student's schedule which results in reclassification to a
301 part-time student.

302 b. Change in a part-time student's schedule which results in a class load of fewer
303 hours.

304 c. Voluntary withdrawal of the student from the school.

- 305 d. Cancellation of a class by the school.
- 306 e. Death of the student.
- 307 f. Students administratively dismissed will not be eligible for refunds.
- 308 2. Calculation of the Refund
- 309 a. Full Refund:
- 310 i. 100% of fees will be refunded for classes canceled by the school.
- 311 ii. 100% of fees will be refunded for drops or withdrawals prior to the first
- 312 official day of classes.
- 313 iii. 100% of fees will be refunded in the case of death of the student during
- 314 the term.
- 315 iv. A 100% refund will be provided to students who are compelled by the
- 316 institution to withdraw when it is determined that through institutional
- 317 error, they were academically ineligible for enrollment or were not
- 318 properly admitted to enroll for the course(s) being dropped. An
- 319 appropriate official must certify in writing that this provision is applicable
- 320 in each case.
- 321 v. Students who have not visited the school facility prior to enrollment will
- 322 have the opportunity to withdraw without penalty within three days
- 323 following either attendance at a regularly scheduled orientation or
- 324 following a tour of the facilities and inspection of the equipment.
- 325 b. Partial Refunds
- 326 i. A refund of 75% may be allowed if a program is dropped or a student
- 327 withdraws within the first 10% of the class hours.
- 328 ii. A refund of 50% may be allowed if a program is dropped or a student
- 329 withdraws within the first 20% of the class hours.
- 330 iii. No refund may be permitted after 20% of the class hours has been
- 331 completed.
- 332 3. Processing of Refunds

333 a. The TCAT will be responsible for determining the amount of student refunds
334 and will process refunds in accordance with TBR policy and the Council on
335 Occupational Education (COE) standards.

336 b. Refunds, when due, will be made without requiring a request from the
337 student.

338 4. Retention of tuition and fees collected during pre-registration or in advance for a
339 student who does not commence class will not exceed \$100.

340 5. Refunds, when due, will be made within 45 days (1) of the last day of attendance if
341 written notification has been provided to the institution by the student, or (2) from the
342 date the institution terminates the student or determines withdrawal by the student.

343

344 IX. **Payment of Student Fees and Enrollment**

345 A. All assessed fees by an institution governed by the Tennessee Board of Regents
346 are due and payable at the time of registration or at a time before classes begin as
347 set by the institution.

348 B. An individual will be considered enrolled and counted as a student at a TBR
349 institution when:

350 1. All assessed fees have been paid (unless otherwise noted in policy); or

351 ~~2. An acceptable commitment from an agency or organization approved by the~~
352 ~~institution has been received by the institution.~~

353

354 C. An individual shall possess an acceptable commitment when an application(s) for
355 financial aid has been timely submitted with the reasonable probability of
356 receiving such.

357 ~~1. Agencies or organizations which may be approved by the institution for~~
358 ~~purposes of making acceptable commitments for applicants shall be limited to~~
359 ~~agencies of the federal or state governments authorized to provide financial~~

aid, established financial institutions within the state, established in-state and out-of-state corporations which employ the applicant, foreign embassies and foreign corporations, and other organizations within the state which have previously demonstrated the ability to pay the commitment.

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

2. No commitments from individuals will be accepted on behalf of applicants.

D. Pursuant to the above condition, institutions must require payment of all applicable fees or have an acceptable commitment from an agency or organization.

Otherwise, institutions must purge students from the class rolls that haven't satisfied the payment requirements.

1. One purge for non-payment must occur prior to the beginning of classes.

3-2. A final purge must occur on or before the seventh calendar day of class to ensure that only students that have met the payment requirements are reported in the census reports allowed to continue in class.

Students will not be purged for non-payment if the debt owed, whether current debt or prior debt is less than \$100.

4-3.

~~Students who do not prepay all fees or have an acceptable approved financial aid deferment will forfeit pre-registration privileges and must enroll under the normal registration process.~~

~~A prepayment plan to assist parents and students with planning and budgeting their academic year expenses is authorized. Under the plan, students may choose the expenses they wish to prepay including tuition, and fees. Expenses can be prepaid over a period of eight months.~~

387

388 D.E. Notwithstanding any other requirements in policy, there will be no record holds,
389 enrollment holds, or purging of students for non-payment if the debt owed, whether
390 current debt or prior debt, is less than \$100.

391 E.F. All outstanding debts and obligations of \$100 or greater not evidenced by an
392 acknowledgement of debt/promise to pay agreement (see Section ~~IVXII~~) or a
393 current semester-trimester deferred payment agreement must be fully satisfied by
394 the 14th-7th day purge of the semester-trimester.

395 F.G. An individual will not be considered for admission/readmission as a student until all
396 past due debts and obligations of \$100 or greater incurred in prior academic terms,
397 of whatever nature, have been paid, or the student-, if allowable, has entered into
398 an acceptable acknowledgement of debt/promise to pay agreement (see Section
399 ~~IVXII~~) with the institution for the past due debts and obligations.

400 G.H. When an individual tenders payment of fees by means of a personal check or
401 credit card, the individual may be considered and counted as a student. If the
402 payment is subsequently dishonored by the financial institution, and the payment
403 is not redeemed in cash, the institution has the option to not consider that student
404 as enrolled for the term.

405 1. At the discretion of the institution, the student may be considered enrolled
406 and will be assessed the applicable returned payment fee, the applicable
407 late registration fee, and normal collection procedures as prescribed in TBR
408 Guideline B-010 (Collection of Accounts Receivable) will be followed.

409 2. Institutions may deny future check writing privileges to students who have
410 paid registration fees with checks that are subsequently dishonored.

411 3. While institutions have discretion in how these situations will be handled, all
412 students must be treated the same at that institution.

413 X. **Records Holds**

414 A. Except as provided in sub-section ~~IX~~. B. hereof, institutions shall not issue
415 diplomas, transcripts, certificates of credit or grade reports until the student
416 involved has satisfied all debts or obligations of \$100 or greater or the debts or
417 obligations are evidenced by notes or other written contracts providing for future
418 payment, such as, but not, limited to, loans authorized under federal or state
419 education or student assistance acts. This does not prohibit the conferring of the
420 degree. Diplomas, transcripts, certificates of credit, and grade reports shall not be
421 withheld for debts that are less than \$100.

422 B. The colleges in the college system of Tennessee shall issue a certificate of credit
423 or official transcript for a student seeking admission to any college in the college
424 system of Tennessee if the student has entered a written agreement
425 (acknowledgement of debt/promise to pay) to satisfy the outstanding debt or
426 obligation owed to the college issuing the certificate of credit or official transcript in
427 the form of Exhibit 1 hereto.

428 1. Any credit or official transcript issued under this subsection shall indicate
429 that it is subject to an outstanding debt to the issuing college.

430 2. The college receiving the certificate of credit or official transcript issued shall
431 not subsequently issue a diploma, certificate of credit or official transcript to
432 that student until it receives proof that the student has satisfied the
433 outstanding debt to the college that issued the certificate of credit or official
434 transcript. This does not prohibit the conferring of the degree.

435 XI. **Enrollment Holds**

436 A. A student must pay any past due debts and obligations owed to the institution
437 incurred in prior academic terms before being permitted to register at the institution
438 unless the debt is less than \$100, or an acknowledgement of debt/promise to pay
439 agreement (see section ~~IXII~~) for the prior debt or obligation has been executed.

440 B. Institutions shall allow enrollment when the outstanding obligation is less than \$100.

441 1. Additionally, all known debts and obligations to the institution incurred during the
442 current term of \$100 or greater must be satisfied prior to a student being allowed
443 to pre-register for any future terms.

444 C. An amount owed under the institution's deferred payment plan for enrollment fees
445 which is not yet due shall not cause an enrollment hold to be applied.

446 D. A student that is currently assigned to a collection agency will be allowed to register if
447 the student signs an acknowledgement of debt/promise to pay agreement in the form
448 of Exhibit 1 hereto that acknowledges they will not receive a diploma, certificate of
449 credit or official transcript (except as provided in ~~HX~~. A and B above) until the debt is
450 paid in full. This does not prohibit the conferring of the degree. The student account
451 will not be recalled from the collection agency.

452 XII. **Acknowledgement of Debt/Promise to Pay Agreement for Prior Debt and Obligations**

453 A. A student who has prior outstanding debt of \$100 or more and was not enrolled in the
454 preceding ~~semester-trimester (excluding summer semester)~~ may execute an
455 acknowledgement of debt/promise to pay agreement with the institution.

456 1. The acknowledgement of debt/promise to pay agreement will require that the
457 debt be fully satisfied before a diploma or degree will be issued. However, this
458 does not prohibit the conferring of the degree.

459 2. The acknowledgement of debt/promise to pay agreement will require continuous
460 enrollment.

461 a. If continuous enrollment is not maintained ~~the debt~~ the institution may
462 continue with immediate collection efforts as prescribed in TBR Guideline
463 B-010 (Collection of Accounts Receivable) or pursuant to the terms of any
464 previously executed repayment agreement.

465 3. A student may only ever execute one such agreement with the institution.

466 4. "Continuous enrollment" means a student is enrolled in the fall, ~~and~~ spring ~~and~~
467 ~~summer semesters~~ trimesters of a single academic year unless granted a
468 medical or personal leave of absence. Allowable medical or personal reasons

469 may include illness of the student; illness or death of an immediate family
470 member; extreme financial hardship of the student or student's immediate
471 family; fulfillment of a religious commitment encouraged of members of that
472 faith; fulfillment of required initial active duty for training as a National Guard or
473 Reserve member or for National Guard or Reserve mobilization.

474XIII. **Applicability of Fees**

475 A. In accordance with this policy, the president of an institution has the authority to
476 determine the applicability of certain fees, fines, charges, and refunds, and to approve
477 exceptions in instances of unusual circumstances. All such actions should be properly
478 documented for auditing purposes.

479XIV. **Exceptions**

480 A. With regard to payment of student fees and enrollment, tThe Chancellor (or designee)
481 may approve exceptions to the requirements of this policy in appropriate
482 circumstances.
483 B. Requests for exceptions from the President must ~~be signed by the President and~~
484 include sufficient justification documentation.

485

486 ~~C. —.~~

487 ~~—~~

488

490 **Sources**

491 **Authority**

492 T. C.A. §§ 47-29-102, 49-7-102, 49-7-113, 49-7-2301, 49-7-2302, 49-8-109

493 **History**

494 December 2, 1977 TBR meeting. Revised March 14, 1980 TBR meeting; November 13, 1991
495 presidents meeting; November 8, 1982 presidents meeting; July 1, 1984; November 1, 1988;
496 May 15, 1990 presidents meeting; August 14, 1990 presidents meeting; November 15, 1992
497 presidents meeting; August 10, 1993 presidents meeting; November 9, 1993 presidents
498 meeting; August 9, 1994 presidents meeting; May 8, 1995 presidents meeting, August 8, 1995
499 presidents meeting, November 8, 1995 presidents meeting, February 6, 1996 presidents
500 meeting, May 14, 1996 presidents meeting, November 12, 1996 presidents meeting, May 6,
501 1997 presidents meeting, July 16, 1997 called Board meeting, November 5, 1997 presidents
502 meeting, February 17, 1998 presidents meeting via conference call, August 25, 1998 presidents
503 meeting, May 9, 2000 presidents meeting, August 8, 2000 presidents meeting, November 8,
504 2000 presidents meeting, February 13, 2001 presidents meeting, August 21, 2001 presidents
505 meeting, May 21, 2002 presidents meeting, February 11, 2003 presidents meeting, May 20,
506 2003 presidents meeting, February 10, 2004 presidents meeting, August 17, 2004 presidents
507 meeting, February 8, 2005 presidents meeting, May 17, 2005 presidents meeting, February 8,
508 2006 presidents meeting, May 16, 2006 presidents meeting, August 16, 2006 presidents
509 meeting, May 15, 2007 presidents meeting, August 21, 2007 presidents meeting, November 6,
510 2007 presidents meeting, February 17, 2009 presidents meeting; May 12, 2009 presidents
511 meeting; August 11, 2009 presidents meeting; November 10, 2009 presidents meeting;
512 February 16, 2010 presidents meeting; February 15, 2011 presidents meeting; May 17, 2011
513 presidents meeting; August 16, 2011 presidents meeting; May 16, 2012 presidents meeting;
514 August 21, 2012 presidents meeting; Revised at Presidents Meeting, February 4, 2014; Revised
515 at Presidents Meeting, August 18, 2015; Revised at Presidents Meeting, November 10, 2015;
516 Presidents Meeting February 2, 2016; August 8, 2017.

517 **Related Policies**

- 518 • [Access to and Use of Campus Property and Facilities](#)
- 519 • [Policy for Classifying Students In-State & Out-of-State for Paying College Fees & Tuition &](#)
- 520 [for Admission Purposes](#)

521

Institutional Financial Performance Review:

4.01.00.02

Policy Area

Business and Finance Policies

Applicable Divisions

TCATs, Community Colleges, System Office

Purpose

It is the policy of the Board that institutions have a sound financial base and demonstrate financial stability sufficient to support the mission of the institution over the long term. Although missions may vary among institutions, a sound financial base and a pattern of financial stability provide the foundation for accomplishing an institution's mission, regardless of changing economic conditions. Financial and physical resources should be managed in a manner that permits the institution to fulfill its mission long term.

Policy

I. Responsibility

- A. The chief executive officer of each institution is responsible for administering and managing the institution's financial affairs in such a manner as to ensure the institution's current and future financial health. This policy establishes the tools used to assess the financial health of an institution, the reporting process, and actions to be taken if an institution shows signs of financial weakness.

II. Background

- A. The analytical framework contained within this policy is derived from Strategic Financial Analysis for Higher Education; Identifying, Measuring & Reporting Financial Risks; Seventh Edition, published by KPMG; Prager, Sealy & Co., LLC; and ATTAIN. This framework and its primary metric, referred to as the Composite Financial Index ("CFI"), are widely used in the higher education community to understand the financial health of institutions. The methodology, ratios, and related benchmarks contained in this policy are taken from this publication.
- B. To determine an institution's financial performance, four questions are asked:
 - 1. Are resources sufficient and flexible enough to support its mission;
 - 2. Does financial asset performance support the institution's strategic direction;

- 32 3. Do operating results indicate the institution is living within its available resources;
33 and
34 4. Is debt managed strategically to advance its mission.

35 C. To address these four questions, data from an institution’s unaudited financial report are
36 used to determine four “core” financial ratios that are then combined into a single
37 composite metric of financial condition – the Composite Financial Index.

38 G.D. Additionally, trends in adjusted unrestricted net position will be monitored to determine
39 the overall financial health of the institutions. Adjusted net position is the unrestricted
40 net position adjusted to eliminate the impact of deferred inflows related to pensions;
41 deferred inflows related to OPEB; noncurrent liabilities for compensated absences; net
42 pension liability; net OPEB obligation; current liabilities for compensated absences;
43 deferred outflows related to pensions; and deferred outflows related to OPEB.

44 III. Calculation of Core Ratios and CFI

45 A. All calculations include the financial results of the institution’s component unit (i.e.
46 related foundation(s), noted as “CU”) to present a comprehensive picture of the
47 institution’s overall financial condition. The data source for calculation of each ratio is the
48 institution’s unaudited annual financial report, with all calculations reflecting the results
49 from a single year (i.e. no use of moving averages). The four core financial ratios,
50 including general descriptions, the calculation method, data sources, an expected
51 performance standard, and a performance watch level and a similar description of the
52 calculation and interpretation of the Composite Financial Index value, are as follows.

53 1. Return on Net AssetsPosition

54 a. Description: The return on net assetsposition ratio measures total economic
55 return during the fiscal year. This measure is similar to the return on equity ratio
56 used in examining for profit concerns and answers the questions, “Are they
57 better off financially than they were a year ago” and “Does financial asset
58 performance support the strategic direction of the institution?” While

59 investments in plant, a capital campaign, or a poor stock market can all create
60 year to year volatility in this measure, the trend over time should be positive.

61 1. Calculation: **Change in Net AssetsPosition + CU Change in Net**
62 **AssetsPosition / Total Net AssetsPosition (beginning of year) + CU**
63 **Total Net AssetsPosition (beginning of year)**

64 2. Expected Performance Standard: The return on net assetsposition ratio should be at
65 least 3 percent above the rate of inflation. For example, if the Consumer Price Index
66 (CPI) is at 3 percent, a return on ~~the~~-net assetsposition ratio of 6 percent is
67 desirable.

68 3. Watch Level: Consistently below the rate of inflation. Anything below the rate of
69 inflation indicates a reduction of the institution's asset base in real dollars, thereby
70 eroding the purchasing power of institutional resources for future generations.

71 a. Net Operating Revenues Ratio

72 1. Description: The net operating revenues ratio indicates an operating surplus
73 or deficit in the given fiscal year. A positive ratio indicates that the institution
74 experienced an operating surplus for the year. This ratio is similar to a profit
75 margin and answers the questions, "Did they balance operating expenses
76 with available revenue" and "Do the operating results indicate that the
77 institution is living within available resources?" Depreciation expense is
78 included to reflect the use of physical assets in measuring operating
79 performance.

80 1. Calculation: **Operating Income (Loss) + Non-operating Revenues**
81 **(Expenses) + CU Change in Unrestricted Net AssetsPosition /**
82 **Operating Revenues + Non-operating Revenues + CU Total**
83 **Unrestricted Revenue**

84 2. Expected Performance Standard: A ratio of 4.0%. This is considered
85 adequate to keep pace with the growth in operating expenses and maintain
86 reserves at acceptable levels.

- 87 3. Watch Level: Consistently below zero. A deficit in a single year does not
88 necessarily indicate a problem, but unexplained deficits over several years
89 ~~are a cause~~could be a cause for concern and suggest that the institution's
90 mission cannot be sustained, and institutional finances should be
91 restructured.
- 92 b. Primary Reserve Ratio.
- 93 1. Description: The primary reserve ratio measures financial strength and
94 flexibility by comparing expendable net assetsposition to total expenses.
95 This measure answers the question, "How long can the institution survive
96 without additional net assetsposition generated by operating revenue?"
- 97 1. Calculation: **Expendable Net AssetsPosition + CU Expendable Net**
98 **AssetsPosition / Total Expenses + CU Total Expenses**
- 99 2. Expected Performance Standard: A ratio of 0.40 (representing about 5
100 months of expenses) or higher. At this level an institution has the flexibility to
101 manage minor financial disruptions and other unforeseen events with less
102 need to immediately disrupt ongoing activities. At this level, an institution
103 can be expected to carry on a reasonable level of facilities maintenance
104 activities.
- 105 3. Watch Level: A ratio of 0.133 (represents less than 1.5 months of expenses
106 in ready assets) or less. Institutions at these levels have less operating
107 flexibility to meet unexpected events, generally lack sufficient resources to
108 pursue strategic initiatives, and may struggle to invest in plant maintenance.
- 109 c. Viability Ratio
- 110 1. Description: The viability ratio measures the financial health of the institution
111 by comparing total expendable net assetsposition to total current and non-
112 current liabilitiesplant debt. This ratio is similar to a coverage ratio used in
113 the private sector to indicate the ability of an organization to cover its long
114 term debt from readily available resources and answers the questions, "How

115 much of their debt can the institution pay off with existing resources” and “Is
116 debt managed strategically to advance the institution's mission”. For
117 institutions with no debt or nominal debt, this ratio is ignored in the
118 calculation of the CFI score. A ratio of 1.0 indicates an institution has
119 expendable resources sufficient to satisfy all outstanding plant related debt.

- 120 1. Calculation: **Expendable Net AssetsPosition + CU Expendable Net**
121 **AssetsPosition / Plant Related Debt + CU Plant Related Debt**
- 122 2. Expected Performance Standard: A ratio of 1.25 or higher (the higher the
123 ratio, the stronger the credit-worthiness of the institution). At these levels, an
124 institution has increased flexibility to address unexpended events.
- 125 3. Watch Level: A ratio of 0.41 or less. Similar to the primary reserve ratio
126 Watch level, institutions at this level have decreased flexibility to respond to
127 unforeseen events, essentially a reduced “margin of error” in the financial
128 management of the institution. Dropping below a ratio of 0.41 may identify
129 the institution as a credit risk.

130 IV. **Composite Financial Index (CFI)**

131 A. After their calculation, these four ratios are combined to deliver a single measure of the
132 overall financial health of the institution. By blending these four core financial ratios into
133 one metric, a more balanced view of the institution’s finances is provided since
134 weakness in one measure can be offset by strength in another. Additionally, measuring
135 the index over time provides a glimpse as to the progress institutions are making toward
136 achieving financial goals. CFI scores range from a low of -4.0 to a high of 10.0. The CFI
137 is computed using a four-step methodology:

- 138 1. Computing the values of the core ratios as outlined above;
 - 139 2. Calculating strength factors by dividing the core ratios by threshold values;
 - 140 3. Multiplying the factors by specific weights; and
 - 141 4. Totaling the resulting scores to obtain the composite financial index.
- 142 a. Institutions with More than Nominal Outstanding Debt:

Core Ratio Value		Threshold Value		Strength Value		Weight		Score
Return on Net <u>AssetsPosition</u>	/	0.020	=	0.00	x	20%	=	0.00
Net Operating Revenues	/	0.013	=	0.00	x	10%	=	0.00
Primary Reserve	/	0.133	=	0.00	x	35%	=	0.00
Viability	/	0.417	=	0.00	x	35%	=	0.00
Composite Financial Index Score							=	0.00

143 b.

144 e.b. Institutions with No or Nominal Outstanding Debt:

Core Ratio Value		Threshold Value		Strength Value		Weight		Score
Return on Net <u>AssetsPosition</u>	/	0.020	=	0.00	x	30%	=	0.00
Net Operating Revenues	/	0.013	=	0.00	x	15%	=	0.00
Primary Reserve	/	0.133	=	0.00	x	55%	=	0.00
Viability	/	0.417	=	0.00	x	0%	=	0.00
Composite Financial Index Score							=	0.00

145 B. Expected Performance Standard: A score of at least 3.0. Strategic Financial Analysis for
146 Higher Education indicates that at this level an institution is relatively financially healthy
147 in that sufficient liquid resources exist to meeting unforeseen circumstances, net
148 operating revenues are adequate, expendable net assetsposition exceed the level of
149 debt, and the return on net assetsposition is reasonable.

150 C. Watch Level: A score of 1.0 or less. Again, Strategic Financial Analysis for Higher
151 Education suggest that scores of 1.0 or below call into question the institution's long-
152 term ability to carry out existing programs and survive.

153 V. Review Periods

154 A. While important, the Board acknowledges that annual results should be placed in
155 context by reviewing longer terms trends. By focusing on 3 to 5 year trends, the Board
156 believes the long term financial health of an institution may be better ascertained. This
157 is true for the various ratios that are used to compute the CFI, the CFI itself, as well as
158 overall the trends in unrestricted net position.

159 VI. Process for Reporting

160 A. After completion of the financial statements review by board staff, the ratios, CFI score
161 and trends in adjusted unrestricted net position will be computed by board staff and will
162 be provided to the college presidents and business officers for their review.
163 Furthermore, the results will be reviewed with the chancellor and Board. Within thirty
164 days of submission to the System Office of published financial statements, each
165 institution's chief business officer or TCAT president shall be responsible for calculation
166 of the institution's core ratios and CFI score and submitting this information to the
167 System Office.

168 Using a holistic approach to evaluate the overall financial health of an institution, the
169 Vice Chancellor for Business and Finance and staff will review the ratios, CFI scores,
170 and adjusted unrestricted net position for the current period and trends over time. Often
171 there are underlying reasons why a particular ratio, the CFI, or the adjusted unrestricted
172 net position may not be at the desired level, but which don't pose a significant risk to the
173 institution. In those cases, the Vice Chancellor should document the reason and no
174 further explanations would be needed. However, if the Vice Chancellor, using their
175 professional judgement, has concerns over a particular ratio, the CFI, the adjusted
176 unrestricted net positions, or trends with any of the aforementioned, As part of this
177 submission, the chief business officer or TCAT president shall provide a narrative that
178 explains addresses the factors concerns underlying changes in ratio values and CFI
179 scores from the prior year, and whether these factors were planned or unexpected. If
180 Watch Level performance is evidenced on any indicator, theThe submission shall also

181 address what action the institution plans to take to improve the ratio, the CFI, and/or the
182 adjusted unrestricted net position-or score in subsequent years.

183 A.B. The System Office shall review the narrative submitted by the institution. ~~institutional~~
184 ~~submissions. For any measure that evidences Watch Level performance, if deemed~~
185 necessary by the Vice Chancellor, the System Office will review with the community
186 college chief business officer and/or president or the TCAT president the adequacy of
187 the institution's plan to address the issue. Concerns regarding the adequacy of such
188 plans, if any, shall be communicated to the Chancellor and the institution's president. ~~if a~~
189 ~~Watch Level performance issue persists, Any concerns of the Vice Chancellor or~~
190 Chancellor ~~it~~ will be brought to the attention of the ~~Chancellor and the~~ Board, ~~in an~~
191 ~~exception report.~~

192 B.C. On an annual basis, the Board shall be advised on the aggregate overall financial
193 performance of the System and its institutions, in summary by sector. The System Office
194 staff shall report to the Board any institution whose performance meets the Composite
195 Financial Index Watch Level criteria specified in this policy.

196

197 Sources

198 Authority

199 T.C.A. § 49-8-203

200 History

201 NEW Policy approved at Board Meeting, September 26, 2014; Revision approved at Board
202 Meeting, September 21, 2017.

203 Related Policies

- 204 • [Budget Control](#)
- 205 • [Budget Principles](#)

206

BOARD TRANSMITTAL

MEETING:	Committee Chairs Meeting
SUBJECT:	External Affairs Update
DATE:	June 1, 2022
PRESENTER:	Executive Vice Chancellor Kim McCormick
PRESENTATION REQUIREMENTS:	10 minutes with discussion
ACTION REQUIRED:	Informational Purposes
STAFF RECOMMENDATION:	Not Applicable

The 112th Tennessee General Assembly reconvened on January 11, 2022, and concluded the second annual session on April 28, 2022. The Government Relations Department will share legislation that affects Tennessee public higher education. The committee will be provided a timeline for the distribution of the 2022 TBR Public Chapter Compilation.

The Department of Marketing & Digital Strategy will provide an update of the latest projects and advertising campaigns.

Strategic Advancement Department will highlight recent happenings with a full report at the Quarterly Board Meeting on the Foundation for the College System of Tennessee provided by Board Treasurer and Finance Committee Chair, Erik Clinite.

The committee will be updated on the development of the System Office Campus Safety and Security Department and TCAT Police Department.

BOARD TRANSMITTAL

MEETING: Committee Chairs Meeting

SUBJECT: TBR Policy 5.01.01.20, Alternate Work Arrangements

DATE: June 1, 2022

PRESENTER: Brian Lapps

PRESENTATION REQUIREMENTS: 5 minutes

ACTION REQUIRED: Discussion

STAFF RECOMMENDATION: Not Applicable

The Alternate Work Arrangements Policy proposed revisions are substantial and driven by changes during the course of the COVID-19 pandemic.

- Part I of the policy includes portions applicable to all forms of alternate work.
- Part II is directed at Remote Work and is intended to reflect changes in how many people have worked in the past two years and to update the process going forward.
- One of the major goals is to make clear that employees at TBR institutions are generally expected to have a central/primary workplace in Tennessee. The policy permits exceptions in certain circumstances, but because working in other states may subject an institution to the laws of other states, approval, including by the President and HR, is required. Any exceptions for international work (not including working with foreign study programs and short-term travel), must have the Chancellor's approval.
- Revisions also make clear that employees who work remotely might incur tax consequences, particularly if they work in states with a state income tax. State income taxes vary widely from state to state, and thus employees are required to comply with state tax laws.
- Certain provisions of the AWA are not applicable to faculty, as set out in the Purpose.
- There are a number of other clarifications and updates, which are intended to be self-explanatory.

Attachment

Alternate and Remote Work Arrangements: 5.01.01.20

Policy/Guideline Area

Personnel Policies

Applicable Divisions

TCATs, Community Colleges, System Office

Purpose

The purpose of this policy is to set the standards for ~~a consistent process and treatment of employees regarding~~ alternate work arrangements, including remote work, across the TBR system. Alternate work arrangements may enable an institution to retain and attract employees, increase productivity, improve morale, and optimize the use of institutional space. Availability of an alternate work arrangement is at the discretion of each institution and subject to change with or without notice. ~~This policy applies only to non-faculty employees in institutions who choose to offer alternative work arrangements. Future references to employees in this policy refer to non-faculty.~~ Any reference to institutions includes the TBR System Office. Given the nature of faculty work, only Sections I and Sections II (D, E, F, H, I, K, and L) of this policy are applicable to faculty. Institutions may have additional procedures applicable to faculty.

Definitions

- Remote work Telecommuting - A work arrangement in which a supervisors authorizes an employees to perform their usual job duties away from their central workplace ~~in accordance with work agreements.~~
- Flex Time - Adjusted work schedule where daily working hours may fall outside the hours of 8:00 am to 4:30 pm.
- Compressed Work Week - Adjusted schedule where the employee works a 37.5-hour week in less than 5 days.
- Flex Year - Any time period, greater than 9 but and less than 12 months, scheduled to accommodate a the cyclical workload ~~of the Institution.~~
- Job Sharing - Two or more people share a single job for which they are equally each accountable.
- Central Workplace - The employer's place of work to which where an employees is primarily assigned ~~normally are located.~~

- ~~Employee – A person employed by the institution pursuant to the Board of Regents policies.~~
- Alternate Work Arrangement ~~Agreement (Work Agreement)~~ - The written ~~arrangement, as documented by an acknowledgement, agreement between the institution and the employee~~ that details the terms and conditions of an employee's work schedule whether away from or at the central workplace. A remote work arrangement is one type of alternate work arrangement. ~~Work agreements are required for any alternate work arrangement.~~
- ~~Work Schedule – The employee's hours of work in the central workplace and/or in the alternate work location.~~

Policy/Guideline

I. General Procedures

- A. ~~Requests for a~~Alternate work arrangements should ~~be initiated by the employee's supervisor, and~~ supervisor and should address and establish the business justification for the alternate work arrangement. Each institution must establish an internal procedure to review and approve/deny proposed alternate work arrangements, regardless of whether the institution, supervisor, or employee proposes the alternate work arrangement. ~~these requests.~~
- B. Alternate work arrangements are not ~~to be considered~~ a universal employee benefit or right. No employee is entitled to or guaranteed ~~the opportunity to~~ an alternate work arrangement. Management is responsible for the continued successful operations of each institution, and thus management has the sole discretion to designate positions and/or individuals for an alternate work arrangement.

- C. Alternate ~~w~~Work ~~a~~Arrangements do not change the conditions of employment or required compliance with laws and policies. Employees working on an alternate work arrangement are subject to the same policies, statutes, and procedures applicable to all employees including, but not limited to, [outside employment](#), [conflict of interest](#), [IT acceptable use](#), time and attendance, and leave policies. Institutions must ensure that procedures are in place to document the work hours of employees in alternate work arrangements ~~and to ensure~~ing compliance with the Fair Labor Standards Act. Supervisors may require employees to report to a central workplace or video conference as needed for work-related meetings or other events or may meet with employees in [person](#) ~~the alternative work location~~ as needed [regardless of the alternate work arrangement](#). ~~to discuss work progress or other work related~~work-related issues. If a holiday falls on an employee's scheduled day off as a result of an alternate work arrangement, the employee's supervisor will make appropriate schedule adjustments to accommodate the holiday.
- D. If approved for an alternate work arrangement, the employee is expected to maintain appropriate levels of productivity and quality of work. ~~If working from a home-based location, the employee will be expected to make arrangements which allow the work site to be a productive work environment during the agreed upon work hours.~~ The supervisor will use the institution's normal performance management system to clearly define the performance expectations and to assess the employee's performance. If a decline in performance is noted, the arrangement will be canceled.

- E. Approved alternate work arrangements must be supported by initiated through a written formal alternate work arrangement agreement. At a minimum, this arrangement agreement will must include and establish:
1. That the arrangement agreement may be revoked any time without cause by written notification of the ~~h~~institution or upon request by the employee, if approved by the supervisor;
 2. That the agreement will be reviewed periodically (and no less than annually) for compliance and to insure the continued business justification for the work arrangement agreement;
 3. The employee's work schedule;
 4. The employee's work location(s); and
 5. ~~How communications between the employee, supervisors, colleagues and others will be maintained~~;
 6. ~~Exclusions of liability for the institution and the State related to injury or property damage to third persons at employee maintained home-based work locations~~;
 7. ~~6. An indemnification and hold harmless clause releasing the institution and the State from any and all claims, demands, judgments, liabilities, losses, damages, or expenses resulting or arising from any injury or damage to any person, corporation or other entity caused directly or indirectly by the employee's acts, omissions, bad faith, willful misconduct or negligence excluding acts within the scope of the employee's employment pursuant to TCA 9-8-307(h);~~ The employee will be responsible for the tax consequences of any alternate work arrangement;

~~8.7. The institution's right to inspect home-based work facilities upon request;~~

~~9.8. The employee's status during emergency or weather-related closings. Employees whose alternate work location is in their home are expected to continue working during emergency or weather-related closings, unless otherwise determined by the institution or the employee requests annual leave.~~

~~F. Requests for alternate work arrangements as an accommodation for a disability will be addressed through the institution's accommodation request process.~~

~~G. A sample Alternate Work Arrangement Acknowledgement Agreement is provided in Exhibit 1.~~

II. Remote Work Procedures

~~A. Remote work may be viable in certain instances. Remote work arrangements may be for partial, or in certain situations, on a full-time basis. This policy does not apply to remote work on an informal basis, such as occasional work from home or while traveling.~~

~~B. The majority of job positions require staff to be on campus to support students, faculty, fellow staff, and other members of the institutional community. Remote work thus is not suitable for all employees and all jobs. In determining the appropriateness of a remote work arrangement, the supervisor should consider:~~

~~1. Job responsibilities—the amount of required in-person interaction with faculty, students, and other employees and the ability for the individual and operational unit to perform as competently and efficiently as if working at the central workplace.~~

2. Needs of the unit and other units—whether the unit obtains optimal performance by collaborating in person, whether employees are able to interact sufficiently via remote means, and whether working remotely adversely affects other units.
3. Resources—whether the institution can save money by having certain units and certain employees work remotely and whether the employee has appropriate resources at the remote location, including reliable, high-speed internet service.
4. Employee suitability—whether the employee has demonstrated traits necessary to work remotely, such as the ability to work independently, good organization and time-management skills, satisfactory attendance and punctuality, and self-motivation.

C. ~~If working from a home-based location, An employee working~~ remotely has the same responsibility as one working at a central workplace for maintaining regular work hours consistent with the core workday of the institution (unless a variation is approved by a supervisor) and for devoting working time to work-related functions. The employee is responsible for maintaining a productive workplace and for limiting interruptions during working time, which includes making appropriate dependent-care arrangements. A remote work arrangement is not a substitute for dependent care or for taking leave. Requests for leave to address such issues should be made pursuant to the appropriate leave policy. ~~the employee will be expected to make arrangements which allow the work site to be a productive work environment during the agreed upon work hours.~~

A.D. _____ Employees working from a location within their home are responsible for maintaining their work environment as a safe and productive work space workspace. The employee is responsible for

making arrangements for a safe work environment. Work related injuries occurring while working away from the central workplace at the employee's home-based work location should be reported consistently with those occurring at a central workplace, are subject to Tennessee Worker's Compensation laws. Alternate work locations are considered extensions of the employee's central work location during the time period outlined in the Alternate Work Arrangement Agreement.

E. The supervisor should consider material and equipment needs when drafting a proposal for an alternate work arrangement with the goal of making the arrangement cost-neutral, i.e., no more equipment, supplies or expense should be necessary as a result of the alternate work arrangement than would be needed at the central workplace in the original work location. However, at the institution's discretion, appropriated funds may be used to provide office equipment, such as docking stations or scanner/printers if doing so enhances the cost efficiency of the arrangement or is otherwise in the institution's best interests.

F.

1. Pay for leased telephone lines in employee's alternate work location;
2. Install and provide basic telephone service in employees' alternate work location or;
3. Provide cell phones or cell phone allowances to employees for business use;
4. If cell phones or cell phone allowances are not provided, institutions may reimburse employees for business-related long distance calls made from their

personal telephones upon submission of appropriate documentation.

F. The ~~i~~Institution will not be responsible for any additional costs associated with alternate work locations such as utilities, home maintenance, furniture etc. The employee is responsible for maintaining reliable, secure high-speed internet and telephone service capability at their alternate work location.

G. In the event an employee is unable to work remotely due to internet outages or other reasons, the employee should contact the supervisor and may be required to report to the central workplace or take leave.

H. Employees with remote work arrangements shall not receive mileage for travel to their central workplace. Travel to a central workplace is not working time.

I. The employee will be responsible for any tax implications of a home-based work location. For a home-based work location, the employee will be responsible for providing insurance coverage for equipment, supplies, etc. provided by the employee, as the institution is not responsible for damage to an employee's personal property. The employee will be responsible for compliance with any local zoning ordinances or other restrictions related to maintaining a home-based work site. The ~~i~~Institution will not be liable for any fines, penalties, taxes or other expenses that may accrue as a result of any violation of applicable restrictions.

J. Employees are not permitted to have in-person, work-related meetings in their homes, unless with an individual employed by a TBR institution or State of Tennessee agency.

K. Out of state ~~alternate~~ remote work locations.

1. Employees working for Tennessee Board of Regents institutions are generally expected to have a central workplace in Tennessee. For that reason, institutions will not routinely enter into remote work arrangements that involve working entirely or primarily in another state. Any -requests for out-of-state remote work must be approved by the president (or Chancellor for System Office employees) supervisor and human resources in advance. Because working outside of Tennessee may subject the institution to the laws of other states, remote work will not be approved from all states. If a supervisor is considering hiring an employee who wishes to spend a significant amount of working time in another state, the supervisor should consult human resources and obtain the required approvals early in the recruiting process. The Chancellor must approve any international remote work arrangement. Approval to work remotely is not needed for the following:

a. while traveling on institutional business;

b. while traveling on a Tennessee Center for International Studies program;

c. while on personal travel or on weekends and holidays;

and

d. where the employee commutes to a central workplace in Tennessee from across state lines.

B2. Working outside of Tennessee may create state and local income tax obligations for an employee. State and local income tax laws differ significantly and may be based on both personal residence and work location. The employee is responsible for understanding the tax consequences associated with a remote

work arrangement and for properly paying any applicable state and local income taxes that result from remote work as a result of residing outside the state of Tennessee. TBR institutions do not withhold income and remit taxes to other states. The employee must indemnify the institution for any unpaid tax liability resulting from a remote work arrangement.

L. G. — Employees working remotely must protect institution-owned equipment, records, data, and material. Employees must follow the institution's approved data security policies and procedures for protecting confidential information. The employee will be responsible for any materials and documents transported from the institution and/or printed at the alternate work location. The employee is responsible for appropriate disposal of records. Employees must report loss, damage, theft, or unauthorized access at the earliest opportunity and cooperate with the institution in following up on such matters. Institution-provided equipment and supplies must be returned in good working order upon termination of the remote work arrangement, or at any time upon request by the institution.

Exhibits

-  [Exhibit 1 - Alternative Work Arrangement Acknowledgment Agreement Sample](#) (docx /35.62 KB)

Sources

Authority

T.C.A. §§ 49-8-203, 9-8-307

History

TBR Meeting: December 4, 2008; TBR Meeting: December 5, 2013, this policy was revised and renamed. The previous revision was named "Telecommuting:" Revised, 2022.

BOARD TRANSMITTAL

MEETING:	Committee Chairs Meeting
SUBJECT:	TBR Policies 5.02.04.10, Faculty Compensation During Summer Session; and 5.01.05.00, Outside Employment and Extra Compensation for Additional Assignments
DATE:	June 1, 2022
PRESENTER:	Brian Lapps
PRESENTATION REQUIREMENTS:	5 minutes
ACTION REQUIRED:	Discussion
STAFF RECOMMENDATION:	Not Applicable

The impetus behind revisions to the Faculty Compensation During Summer Session and the Outside Employment and Extra Compensation for Additional Assignments policies is to reflect and more clearly document current practices, as well as to clarify payment during some of the shorter, non-traditional academic periods, primarily Maymester and Wintermester.

- Summer Session and thus Maymester, which is considered part of Summer Session for academic purposes, continue to be paid at the 1/32 of their academic year salary per semester hour of teaching load.
- If a teaching assignment is not part of Summer Session/ Maymester, it is paid at Overload Rates. This includes Wintermester, which is attached to either Fall or Spring Semester.
- This approach ensures consistency among community colleges, where the rates are established across the TBR System.
- Given the varied nature of TCAT programs, their presidents have more flexibility to establish Overload Rates of pay.

The major revisions to the Outside Employment and Extra Compensation for Additional Assignments policy, in addition to aligning with the Faculty Compensation During Summer Session policy, recognize that part-time employees are likely to have other employment, and because that additional employment is expected, it need not be approved as required of full-time employees. All employees remain subject to the conflict of interest policy. Employees further

must disclose potential outside employment prior to hiring, as well as prior to commencing new outside employment while employed in the TBR system.

Other revisions in the policy are intended to be self-explanatory and to clarify the process for outside employment, including approval processes.

Because the policies are interrelated, they are presented at the same time, and a single vote is requested.

Attachments

Faculty Compensation During Summer Session ~~and Inter-Sessions~~: 5.02.04.10

Policy Area

Personnel Policies

Applicable Divisions

Community Colleges

Purpose

The Tennessee Board of Regents recognizes and considers summer session ~~and inter-session~~ assignments for of faculty as separate assignments from academic year appointments. Summer session includes any mini-term that is academically attached to summer semester (e.g., a Maymester session). It is further recognized that compensation for faculty assignments during summer sessions ~~and inter-sessions~~ should be a factor of the regular academic year salary which takes into account the nature and extent of the duties and responsibilities involved in these separate appointments. To provide for such appropriate levels of compensation for faculty service during summer sessions ~~and inter-sessions~~, the Board hereby adopts the following compensation provisions.

Policy

I. Classifications

- A. Category I: Regular Academic year faculty personnel who serve the institution as teaching faculty during ~~inter-sessions and~~ summer sessions.
 1. Faculty in this category shall be compensated at the rate of 1/32 of their academic year salary per semester hour of teaching load.
 2. The maximum summer ~~and inter-session~~ pay may not exceed 25 percent of the preceding academic year salary. ~~;-H~~however, based on the needs of the institution, except as needs are determined by the institution, the Chief Academic Officer may approve a faculty member ~~may to~~ teach and receive be compensation ed for up to nine semester hours for the summer term and up to an additional three hours for an additional class offered through TNeCampus. ~~-, with appropriate documentation of need maintained at the institution. .~~ The additional hours for the course offered through

TNeCampus will be paid as overload hours and not at the summer session rate.

- B. Category II: Regular academic year faculty who serve under sponsored contracts for research and other professional services between academic years.
 - 1. Compensation for personnel in this category shall not exceed the rate equivalent to one-ninth per month of the preceding academic year salary.
 - 2. If the faculty member works on a part-time basis on a sponsored contract project, the pay should be adjusted accordingly.
- C. Category III: Division/Department Heads on an academic year appointment.
 - 1. The level of compensation for these administrators should be commensurate with the duties assigned.
 - 2. For a full-time assignment, the rate of pay shall not exceed 25 percent of the preceding academic year salary.
- D. Category IV: Part-time faculty.
 - 1. The level of compensation for faculty in this category should follow the schedule set forth as an exhibit to ~~in~~ TBR Policy 5.01.00.00 (General Personnel Policy).

II. Exceptions

- A. The above compensation provisions do not apply to campus-based study abroad programs or study abroad programs included in the Tennessee Consortium for International Studies (TnCIS).
 - 1. Compensation for these programs will be determined by the institution or the Executive Director of TnCIS, respectively.
- ~~B. The number of total hours can be increased beyond the nine (9) hours for the summer term to a maximum of twelve (12) hours (four classes), if the additional course (three credit hours) is offered through TNeCampus. The three additional hours for the course offered through TNeCampus will be paid as overload hours versus the normal summer school rate.~~

~~1. This exception is optional for campuses and the Chief Academic Officer must sign a request for the waiver.~~

~~C.B.~~ The number of total hours can be increased beyond the nine (9) hours for the summer term to a maximum of twelve (12) hours (four classes), if the additional course (three credit hours) is deemed an institutional need and approved by the president.

~~C.~~ Any exception to the compensation provisions indicated above requires prior approval by the Chancellor.

III. Other Assignments

~~A. Teaching assignments that do not qualify as summer session (e.g., winter-session) are treated as overload pay in accordance with TBR Policy 5.01.05.00, Outside Employment and Extra Compensation for Additional Assignments.~~

Sources

Authority

T.C.A. § 49-8-203

History

TBR Meetings: March 4, 1977; March 17, 1989; March 16, 1990; October 2, 1998; September 28, 2007; Revision approved at Board Meeting June 20, 2019; Revision approved at the Board Meeting _____, 2022.

Outside Employment and Extra Compensation for Additional Assignments: 5.01.05.00

Policy Area

Personnel Policies

Applicable Divisions

TCATs, Community Colleges, System Office

Purpose

The purpose of this policy is to establish standards for permissible outside employment and the payment of extra compensation for additional assignments for employees throughout the TBR system.

Definitions

- Outside Employment - any employment outside an employee's regular employment with a TBR institution or the System Office. This includes self-employment.
- Additional Assignment - an assignment of duties within the current employing Institution or System Office, but not within the existing job description of an employee ~~of a TBR institution or the System Office.~~
- Extra Compensation - compensation over and above the regular compensation of an employee ~~of a TBR institution or the System Office~~ paid for an additional assignment.
- Overload Assignment - employment at ~~an employee's~~ your institution or another TBR institution ~~of higher education~~ of no more than 2 courses per semester or ~~trimester~~ quarter for extra pay.
- Course ~~—~~ a unit of teaching that lasts one academic term, including mini-terms, and other periods shorter than a semester or trimester.

Policy

I. Introduction

- A. Full-time employment with the Tennessee Board of Regents demands an individual's full-time professional expertise, commitment, and energies ~~;~~ and

~~T~~he assigned teaching load of a full-time TBR faculty member constitutes a full-time assignment.

- B. However, the Tennessee Board of Regents recognizes~~se~~ the value to its students, its personnel, ~~state its member~~ institutions of higher education, and to the citizens of Tennessee arising from outside consulting and other professional experiences by employees~~in which members of the faculty and staff may engage~~. Such activities contribute to the economic development of the state and bring credit to the institution. These activities also create valuable links between the institutions and their communities.
- C. The Board also recognizes that, under certain conditions, employees may be requested to perform additional assignments for which extra compensation may be warranted.

II. Outside Employment – Disclosure and Approval

A. Section II of this policy applies only to full-time employees. All employees, including part-time employees, must comply with TBR Policy 1.02.03.10, Conflict of Interest.

~~A.B.~~ Upon initial employment, an employee must disclose any existing outside employment that they intend to continue and seek approval in accordance with this policy.

~~B.C.~~ Once employed, prior to engaging in a new outside employment opportunity, and annually for existing ongoing opportunities, an employee must notify appropriate supervisors and the president/~~chancellor, – or his or her~~ designee of the nature or activity of the work, name of the employer, the anticipated beginning and ending dates, and the expected time commitment,~~of the nature of the employment and the expected commitment of time~~ and obtain approval. A copy of the approval must be provided to the institution's Human Resource Office. Exhibit 1 is a form approval memorandum.

~~C.D.~~ The supervisor and President or designee, may Approval may be provided only for e-outside employment and additional assignments ~~only for efforts~~ that:

1. Are performed ~~entirely outside of, and~~ in addition to, normal working assignments and responsibilities;
2. Do not interfere with assigned duties and responsibilities or with regular institutional operations;
3. Are consistent with Tennessee Board of Regents policies, ~~and~~ guidelines, and ~~with~~ state law;
4. Do not constitute a conflict of interest or commitment or compete with the institution's education, research, or public service programs;
5. Require only a reasonable time commitment from the employee; and
6. Are not undertaken with an inappropriate claim that the individual is officially representing the institution in connection with the employment.

~~7. If the employee is a part-time non-faculty employee of the system, approval may only be withheld if the outside employment creates a conflict of interest.~~

~~D.E.~~ If the employment involves other agencies, departments, or institutions of Tennessee State government, it is also subject to prior approval by an of the President, or appropriate representative of the other agency, department, or institution. Services rendered by a TBR employee to another state agency or institution of higher education will be paid by the contracting agency to the TBR institution in accordance with the applicable TBR policies and procedures, including Contracts Guideline G-030.

~~E.F.~~ Each institution shall develop procedures relating to outside employment and extra compensation for additional assignments that are consistent with Tennessee Board of Regents policy.

III. Additional Assignments for Faculty

- A. Faculty acceptance of additional assignments, including overload assignments, for instruction or other purposes, is strictly voluntary.

~~Overload assignments should be employed only when situations arise which warrant such action.~~

- B. Overload assignments are based on the needs of the institution but should not be ~~used~~ employed on a long-term basis or in lieu of hiring qualified faculty or instructors to fill a continuing need.
- C. Supervisors must be careful to ~~protect untenured faculty~~ protect faculty against excessive time commitments, ~~when making overload assignments and should make every effort to distribute overloads as staffing needs allow.~~
- D. Institutions may develop policies for faculty regarding outside employment, overload assignments, and/or extra assignments that are more restrictive than the TBR policies. Any such standards ~~but~~ must be ~~applied~~ consistently for all full-time faculty members within that institution. All policies regarding outside employment, overloads, and extra compensation must be approved by the Tennessee Board of Regents Offices of Academic Affairs and General Counsel.

IV. Rates of Compensation for ~~Overload~~ Additional Assignments to Faculty

- A. Community Colleges: ~~t~~The minimum rates per credit hour of instruction, as articulated in TBR Guideline P-055 must be applied when calculating compensation for overload assignments ~~extra-service~~ for full-time faculty or staff teaching credit courses at community colleges ~~or universities~~. This includes courses that are taught in any mini-term that is academically attached to fall or spring semester (e.g., i.e. winter-mester courses).
 - 1. Compensation for overload assignments ~~extra-service~~ must be based on commensurate with the instructor's highest degree, rank, and experience, within their academic unit at their institution.
 - 2. With the approval of the Chancellor, Ppresidents or their designees may approve exceptions to these minimum rates ~~when circumstances warrant~~.
 - 3. Presidents or their designees may approve rates that are greater than those stated in TBR Guideline P-055 as long as the rates are applied consistently

for similar faculty (degree, rank, and experience) within the same academic unit.

~~B. The minimum rates per clock hour of instruction, as articulated in TBR Guideline P-0550 must be applied when calculating compensation for extra service for full-time faculty or staff teaching at colleges of applied technology.~~

~~C. Compensation for extra service must be commensurate with the individual's highest degree, rank, and experience, within their academic unit at their institution.~~

~~D.B. With the approval of the Chancellor, Presidents or their designees may approve exceptions to these minimum rates when circumstances warrant.~~

TCATs: Presidents or their designees may establish overload rates and assignments based on factors including highest degree, rank, experience, salary, and area of expertise. ~~approve rates that are greater than those stated in TBR Guideline P-0550 as long as the rates are applied consistently for similar faculty (degree, rank and experience) within the same academic unit.~~

V. **Exceptions** - This policy does not apply to:

A. ~~To o~~Ordinary short-term professional activities such as participation in symposia, accreditation visits, speaking engagements, exhibitions, or recitals, even though honoraria may be received for such participation, or to sporadic extra-professional activities such as providing occasional child care. Such activities are subject to the applicable laws and policies regarding conflicts of interest.

~~B. B.~~ To aActivities to be performed outside the employee's contract terms of employment, e.g., summer for faculty, period or during annual leave.

~~C.B. To s~~Salaries paid to academic year faculty for teaching in inter-session or summer session, which are addressed in TBR Policy 5.02.04.10.

VI. **Sanctions**

- A. Failure to comply with the requirements of this policy will result in disciplinary action, up to and including termination of employment.

Sources

Authority

T.C.A. §§ 49-8-203; 49-5-410

History

TBR Meetings, March 10, 1979; September 30, 1983; TBR Meeting September 21, 1990; TBR meeting March 15, 2002, TBR Meeting December 2, 2005; Revised at Board Meeting March 21, 2019; [Revised at Board Meeting _____, 2022](#).

Related Policies

- [Faculty Compensation During Summer Session and Inter-Sessions](#)
- [Faculty Compensation for Teaching Credit Courses as an Overload](#)
- [Part-Time Faculty Compensation](#)
- [Contracts Guideline](#)
- [Conflict of Interest](#)

BOARD TRANSMITTAL

MEETING: Committee Chairs Meeting

SUBJECT: TBR Policy 5.01.07.000, Commissioning Police, Public Safety, and Security Officers

DATE: June 1, 2022

PRESENTER: Brian Lapps

PRESENTATION REQUIREMENTS: 5 minutes

ACTION REQUIRED: Discussion

STAFF RECOMMENDATION: Not Applicable

The proposed revisions to the Commissioning Security Officers policy are minor.

- The primary proposed revision makes clear that the Board has explicitly authorized the TBR System Office to have a police force. Last year the Board authorized the budget for a System Office police force, but the policy change will make sure that the authorization is part of policy.
- The proposed name change is to reflect more accurately the scope of the policy.

Attachment

Commissioning Police, Campus Safety, and Security Officers: 5.01.07.00

Policy/Guideline Area

Personnel Policies

Applicable Divisions

TCATs, Community Colleges, TBR System Office

Purpose

The purpose of this policy is to set forth the following general provisions to cover the circumstances and processes for the employment of law enforcement and security personnel by institutions governed by the Tennessee Board of Regents, as well as to a law enforcement agency for the TBR System Office. For purposes of this policy, references to "presidents" and "institution" also refer to the "Chancellor" and "TBR System Office," as applicable.

Definitions

As used in this policy the following terms shall mean:

- Campus police officer - means a person commissioned by an employing institution and rendered an oath to provide police services, enforce law, exercise arrest authority, and carry firearms; and thus is subject to the provisions of the Tennessee peace officer standards and training commission.
- Public safety officer - means a person who, in addition to being a commissioned, campus police officer under the provisions of Paragraph I.A., performs other significant duties such as a certified firefighter, a medical first

responder, and/or other tasks associated with homeland security, based on the needs of a particular institution.

- Campus security officer - means a person employed by an institution to provide non-police, security-related services and as such is not commissioned to exercise arrest authority nor carry firearms without additional provision of law, nor is subject to the provisions of the Tennessee peace officer standards and training commission.
- Law enforcement agency - means an institution employing one (1) or more campus police officers and/or public safety officers.

Policy/Guideline

I. [Employment and Commissioning of Campus Law Enforcement Personnel \(Campus Police Officers and Public Safety Officers\)](#)

- A. The presidents of TBR institutions are authorized to employ and commission campus police officers and public safety officers who shall have all the police powers necessary to enforce all state laws as well as rules and regulations of the Board of Regents and the employing institution.
 1. Campus police officers and public safety officers being so commissioned may exercise their authority on all property or facilities owned, leased or operated by the Board or the employing institution, as prescribed by Tennessee law, including any public roads or rights of way which are contiguous to or within the perimeter of the facilities or property of a particular institution.
- B. All campus police officers and public safety officers employed under this policy shall meet the minimum certification

requirements set by the Tennessee Peace Officers Standards and Training Commission (T.C.A. § 38-8-101 et seq.).

1. The Chancellor is authorized to establish other minimum qualifications that are not in conflict with those established by the Commission or by Tennessee law.
2. It shall be the duty of each president to ensure that the commissioned officers meet the necessary standards.

II. [Employment of Campus Security Personnel \(Campus Security Officers\)](#)

- A. The presidents of TBR institutions are authorized to employ campus security officers who shall provide non-police, security-related services and as such are not commissioned to exercise arrest authority nor carry firearms.
- B. Campus security officers shall not be subject to the Tennessee Peace Officer Standards and Training Commission.
- C. Campus security officers may execute their security related duties on all property or facilities owned, leased or operated by the Board or the employing institution.

III. [Mutual Assistance Agreements - Authority of Campus Law Enforcement Personnel](#)

- A. The campus police officers and public safety officers employed by the law enforcement agency of one Tennessee Board of Regents institution may exercise their authority on property or facilities owned, leased, or operated by another Tennessee Board of Regents institution only in accordance with Tennessee Board of Regents policies where there is an agreement between the presidents or directors of the institutions involved.

- B. A law enforcement agency may enter into written mutual assistance agreements with other law enforcement agencies, including a county sheriff's department, municipal police department, judicial district drug task force, Tennessee Bureau of Investigation or Tennessee Highway Patrol, as are necessary to preserve and protect the property, students and employees of the institution employing the officers and to otherwise perform their duties.
1. Such agreements may provide for the exchange of law enforcement officers when required for a particular purpose or for mutual assistance to effectuate arrests, execute search warrants and perform other law enforcement functions when the law enforcement agency finds it necessary to act outside of their statutory jurisdiction.
 2. Notwithstanding any mutual assistance agreement or an absence thereof, a campus law enforcement agency must comply with any state or federal law providing that a particular law enforcement agency must lead the investigation of specified criminal acts.

Sources

Authority

T.C.A. §§ 49-8-203; 38-8-101 et seq.

History

TBR Meeting, June 26, 1987; December 3, 2004; [June 17, 2022](#)

BOARD TRANSMITTAL

MEETING:	Committee Chairs Meeting
SUBJECT:	Revisions to TBR Sick Leave Policy 5:01:01:07
DATE:	June 1, 2022
PRESENTER:	April Preston
PRESENTATION REQUIREMENTS:	5 minutes
ACTION REQUIRED:	Discussion
STAFF RECOMMENDATION:	Not Applicable

Summary:

The Sick Leave Policy revisions are specifically addressing adding an additional 36 hours of sick leave annually to employees who are identified as special disabled veterans. The state implemented a policy effective July 2021, and while TBR doesn't have to follow the state policy, the TBR sub-councils agreed with the following revisions. The highlights of the proposed changes include:

- An individual is identified as a special disabled veteran if they are 30% or more disabled due to a service-related injury they received while serving our country.
- The revisions provide up to 36 hours of sick leave – that doesn't accumulate each year but starts anew each fiscal year – specifically for those Veterans who have identified as Special Disabled.
- The person self identifies as a specially disabled veteran at the time of hire or if return to work after a medical discharge.
- The Human Resource Office may ask for documentation to support the use of the additional leave.
- The purpose of the leave is specifically for the individual's medical appointments.

Attachments

Sick Leave: 5.01.01.07

Policy Area

Personnel Policies

Applicable Divisions

TCATs, Community Colleges, System Office

Purpose

It is the policy of the Tennessee Board of Regents to protect all regular full-time and part-time employees against loss of earnings due to illness, injury, or incapacity to work including illness or incapacity to work due to pregnancy, and to provide the time off to employees in the event of illness or death of certain family members.

Definitions

The body of the policy defines terms.

Policy

- I. **Eligibility to Accrue Sick Leave**
 - A. Regular full-time employees and academic personnel, regardless of probationary status, shall be eligible to accrue sick leave. All eligible employees (regular full-time and regular part-time) will accrue sick leave after working more than 50% of the month.
 - 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 accrue sick leave on a prorated basis equal to the percentage of their employment to full-time employment.
 - C. Temporary employees shall not be eligible to accrue sick leave. Temporary employees who are subsequently appointed as regular employees with no break in service between the temporary assignment and the regular position shall become eligible to accrue sick leave and shall receive sick leave balances accrued retroactively from the date of employment.
 - D. All full-time and part-time employees who are employed pursuant to funds available to the institution through grants or contracts are not eligible to accrue sick leave unless the grant or contract involved provides sufficient funds to cover the costs of such leave, or unless eligibility to accrue sick leave is approved by the president of the institution.
 - E. Student employees shall not be eligible to accrue sick leave.

II. Eligibility for and Rate of Accrual of Sick Leave

- A. Regular full-time personnel and full-time academic personnel, whether employed on a twelve-month or nine-month service basis, shall accrue sick leave at the rate of 7.5 hours (1 day) for each month of actual service.
 - 1. A regular full-time employee working 37.5 hours per week earns 90 hours (12 days) of sick leave per year.
 - 2. An employee on a 40 hour per week schedule shall accrue 8 hours (1 day) for each month of actual service or 96 hours of sick leave per year.
- B. Regular part-time personnel and part-time academic personnel, whether employed on a twelve-month or nine-month service basis shall accrue sick leave on a prorated basis equal to the percentage of their employment compared to full-time employment.
- C. Accrued days of sick leave shall be cumulative for all days not used.
- D. Eligible employees shall accrue sick leave from the date of employment. (See Section I, item C, providing for retroactive credit for temporary employees who subsequently become eligible to accrue sick leave.)
- E. Eligible employees earn and accrue sick leave for each month upon completion of service for a major fraction thereof.
- F. All modified fiscal year (MODFY) employees who are employed during the period which would normally be the non-duty period of their appointment shall accrue sick leave at the rate of 7.5 hours for each month of full-time employment. For part-time employment during that period, MODFY employees shall accrue sick leave on a prorated basis in accordance with item B of this section.
- G. Notwithstanding any other provision herein which might be construed to the contrary, regular nine-month academic personnel shall accrue 67.5 hours (9 days) of sick leave for full-time employment for a full academic year and up to 22.5 hours (3 days) of sick leave for full-time employment throughout summer sessions based on hours worked during the summer.

H. Employees otherwise eligible to earn sick leave do not earn or accrue sick leave while on an unpaid leave of absence.

III. Special Disabled Veterans Sick Leave Accrual

- A. In addition to any other leave accrued, any ~~eSpecial Disabled Veterans (SDV)~~ employee who accrues sick leave under this policy and self-identifies as a veteran with a service-connected disability of 30% or more will be granted ~~who have self-identified as such, will have~~ an additional 36 hours of sick leave available each year. This special bank of sick leave (Special Disabled Veteran sick leave or “SDV sick leave”) is available for use for medical appointments, ~~illness or injury~~ specifically related to the service-connected-related disability.
- B. The additional ~~(SDV)~~ sick leave will be available from the first day of employment and replenish each fiscal year. It will not rollover from year to year. Each new fiscal year, any remaining SDV sick leave not used will be replaced with a new 36 hour bank of SDV sick leave.
- C. There is no cash value for the SDV sick leave if the employee leaves employment. If the employee transfers to another TBR college, the remaining unused balance of SDV sick leave for that fiscal year will transfer. If the employee transfers to any other higher education institution or state agency, the new employer’s policy will be in effect.
- D. If the veteran dies while employed, the unused SDV sick leave for that year will be paid out, as any remaining sick leave is paid. If the eligible veteran retires while employed with a TBR institution or system office any remaining unused special disabled leave will be reported and certified as part of the sick leave reporting for retirement purposed.

III-IV. Use of Sick Leave

- A. Sick leave and Family and Medical Leave (FMLA) shall run concurrently in accordance with the provisions of TBR Policy 5.01.01.14. (Note: Unless an employee is on a reduced or intermittent work schedule, periods of less than three days shall not be designated as FMLA leave.)
- B. Sick leave is generally applicable to absences due to illness or injury to an employee, including illness or incapacity to work due to pregnancy, medical examinations and dental appointments. In addition, sick leave may be used for parental leave. Refer to TBR Policy 5.01.01.08.
- C. Where an employee must be absent because of illness in the immediate family, sick leave may be granted by the appropriate approving authority.
 - 1. For purposes of this section, "immediate family" shall be deemed to include:
 - a. spouse;
 - b. child, step-child, foster child;
 - c. parent, step-parent, foster parent and parent-in-law;
 - d. sibling; and
 - e. other members of the family who reside within the home of the employee.
- D. Sick leave, if available, may be granted at the discretion of the appropriate approving authority in instances of death of a member of the family as follows:
 - 1. Immediate family member as defined in Policy No. 5.01.01.09 - Bereavement Leave, may be granted for a maximum of two (2) days after the three (3) day bereavement leave has been used for a maximum of five (5) consecutive or non-consecutive regularly scheduled work days.
 - 2. In instances of death of one of the following relatives, sick leave may be granted for a maximum of 22.5 hours (3 days):
 - a. sons-in-law and daughters-in-law;
 - b. brothers-in-law and sisters-in-law;
 - c. foster brothers and foster sisters.

- E. Abuse of sick leave by an employee will result in the withholding of payment of the sick leave and possible additional disciplinary action. Sick leave may not be taken until earned and available, and may not be advanced.
- F. Sick leave may not be used by nine-month academic personnel for absences due to illness or injury during a summer or other inter-session unless the employee has been physically present and actually commenced employment for the term in question.
- G. Upon prior approval of the Chancellor, an employee who is injured in the line of duty as a result of the commission of an assault upon them which disables the employee from performing their regular duties, may be retained on the regular payroll for a period not to exceed twenty-eight (28) calendar days without being required to use any accrued sick leave. The length of time for such retention on the payroll shall be based upon a written statement from the attending physician that the employee is unable to perform their regular duties.
- H. Subject to the conditions outlined in Transfer of Sick Leave between Employees Policy 5.01.01.15, sick leave may be transferred to members of the institution/school's Sick Leave Bank(s).

IV.V. Physician's Statement or Other Certification

- A. An employee may be required to present evidence in the form of personal affidavits, physician's certificates, or other testimonials in support of the reason for sick leave upon request of their supervisor or an appropriate approving authority.
- B. Sick leave may not be denied where an employee furnishes an acceptable statement from a licensed physician or accredited Christian Science practitioner or other healthcare provider, provided that the supervisor or approving authority may require additional documentation or statements from other physicians or accredited practitioners.

V.VI. Return to Work

- A. An employee may be required to present a written release to return to work, including any restrictions that may apply, from a licensed physician or other accredited practitioner prior to resuming employment.
- B. An employee will be allowed to return to work if the release certifies that he/she is able to perform the essential functions of the position with or without a reasonable accommodation.

~~VI~~.VII. Exhaustion of Sick Leave

- A. When the illness, injury, or disability of an employee continues beyond the period of accumulated sick leave, the employee shall use any accumulated annual leave for continued absence.
- B. However, in cases of workers' compensation, an employee may choose to be placed on an unpaid leave of absence and retain sick and/or annual leave.
- C. When an employee has exhausted all accumulated sick and annual leave, they may be placed on leave of absence, if requested and found to be justifiable. (See TBR Policy No. 5.01.01.03.)

~~VII~~.VIII. Separation of Employees with Accrued Sick Leave

- A. Upon termination of employment, accumulated sick leave shall not be used as terminal leave, and the employee shall not be entitled to any lump sum payment for accumulated sick leave.
- B. If an employee is transferring to another state agency, accumulated sick leave shall be transferred according to Leave Transfer between TBR Institutions and State Agencies. (See TBR Policy No. 5.01.01.06.)
- C. If an employee leaves the System or any other state service in good standing after having worked on a full-time continuous basis for at least one (1) full year and thereafter returns to service with the System on a full-time basis, the employee shall immediately be credited with all sick leave to which they were entitled at the time of the previous termination.

1. Certification of such entitlement must be received from the previous employer if other than the new employer;
 2. If the employee has had interim employment with the System or any other agency of the State of Tennessee of less than one (1) year, they shall not be disqualified from receiving credit for sick leave to which they are otherwise entitled.
- D. Notwithstanding the above paragraph, if any state employee or teacher employed by a local school board in Tennessee leaves the employment of the state or of that board in good standing and becomes a full-time employee within six (6) months of the date of termination, the employee shall immediately be credited with all sick leave to which they were entitled at the time of the previous termination.
- E. TCRS member employees who terminate due to retirement shall have all unused accumulated sick leave credited toward retirement. ORP member employees who terminate due to retirement shall have all unused accumulated sick leave credited toward retirement service for insurance purposes.

VIII-IX. [Death of Employees with Accrued Sick Leave](#)

- A. The estate or designated beneficiary of any employee, upon the employee's death, shall be paid for the employee's unused and accrued sick leave in the same manner as the estates of deceased employees are paid for annual leave.

Sources

Authority

T.C.A. § 49-8-203

History

TBR Meetings, August 15, 1975; June 25, 1976; December 2, 1977; June 30, 1978; June 29, 1979; June 26, 1981; September 18, 1981; September 24, 1982; June 24, 1983; September 30, 1983; June 28, 1985; June 26, 1987; December 4, 1987; September 16, 1988; March 17, 1989; June 30, 1989; December 15, 1995; March 29, 1996 (Finance and Administration approval November 13, 1996); September 20, 1996 (Finance and Administration approval December 4, 1996), June 25, 1999 (Finance and Administration approval November 1999), October 24, 2001 (Finance and Administration approval December 18, 2001); September 25, 2009, June 28, 2012; September 26, 2014

Note: The provisions of this policy adopted at the August 15, 1975 meeting, became effective on January 1, 1976, and changes in eligibility to earn leave or in the amount of leave earned for period of service were prospective only.

Related Policies

- [Leave of Absence](#)
- [Leave Transfer Between The State University & Community College System & State Agencies](#)
- [Parental Leave](#)
- [Bereavement Leave](#)
- [Family, Medical, and Service Member Leave](#)
- [Transfer of Sick Leave Between Employees](#)

BOARD TRANSMITTAL

MEETING: Committee Chairs Meeting

SUBJECT: Competency-Based Education Update

DATE: June 1, 2022

PRESENTER: Vice Chancellor Jothany Blackwood/Assistant Vice
Chancellor Charles Lopez

PRESENTATION
REQUIREMENTS: 10-minute presentation

ACTION REQUIRED: Informational Purposes

STAFF
RECOMMENDATION: Not Applicable

The Committee Chairs will receive an update on the progress of Competency-Based Education across the system with an overview of current program and course development projects.

BOARD TRANSMITTAL

MEETING:	Committee Chairs Meeting
SUBJECT:	Jackson State and Dyersburg State Service Areas
DATE:	June 1, 2022
PRESENTER:	Executive Vice Chancellor Russ Deaton
PRESENTATION REQUIREMENTS:	5 minutes with discussion
ACTION REQUIRED:	Information Item
STAFF'S RECOMMENDATION:	Not Applicable

To streamline operations and provide clarity, each of Tennessee's 95 counties is assigned to one of TBR's 13 community colleges to serve students, communities, and business and industry needs. These groups of counties form service areas which define for each college their sphere of responsibility. Neither statute nor specific Board policy defines which counties are in whose service area, as historically TBR staff have developed these areas and, as changes have been made, brought them to the Board for review and comment.

TBR staff will briefly review the history and status of service areas, and then introduce proposed changes to the existing county service area array for DSCC and JSCC that would become effective July 1, 2023. These recommendations derive from ideas and conversations with DSCC President Scott Cook and JSCC President George Pimentel, who will both address how these recommendations came about and how they impact each college. This item is currently on the draft agenda for action at the full June Board meeting.

BOARD TRANSMITTAL

MEETING:	Committee Chairs Meeting
SUBJECT:	Project Calypso: Reimagining the Community College
DATE:	June 1, 2022
PRESENTER:	Executive Vice Chancellor Russ Deaton
PRESENTATION REQUIREMENTS:	5 minutes with discussion
ACTION REQUIRED:	Information Item
STAFF'S RECOMMENDATION:	Not Applicable

TBR has made sustained and important progress on improving student success over recent years. State level policy, combined with campus ingenuity and hard work, have put Tennessee on the path to meet its Drive to 55 educational attainment goals. Often Tennessee and TBR have led national policy innovation, and the economic, policy, and political environment in Tennessee has enabled consequential reforms to take root and flourish. There is, though, significant work to be done to improve student success, and the COVID19 pandemic has sharpened the need for higher education to find creative ways to serve its students, communities, and business and industry.

As TBR has grappled with the effects of the pandemic, longitudinal student success improvements, ongoing challenges of an open access system, and the evolving needs of the state's economy, we have begun to brainstorm and draft a vision for what a reimagined community college experience might look like for students that builds off the history of Tennessee and TBR reforms, but then rapidly accelerates them in a new direction. This vision is outlined in a concept paper for your review.

Tennessee Board of Regents

Reimagining the Community College Experience: A Concept Paper

Summary

Like open-access systems across the U.S., TBR is facing a multi-pronged challenge of the effects of the COVID-19 pandemic, subsequent enrollment loss, student retention and graduation, and alignment between academic programs and workforce needs that lead to well-paying jobs and careers. This concept paper lays out a broad framework for a reimagined community college experience for students that addresses those challenges. This framework attempts to outline a concept, an approach to thinking about these challenges and potential solutions differently. Therefore, it does not attempt to wrestle with implementation challenges or to have all the details worked out at this juncture. Instead, it seeks to prompt a conversation about contemporary challenges and contemplate a student experience that better fulfills [TBR's Strategic Plan](#).

This concept paper takes a direct and unflinching look at student outcome data and the alignment between academic programs and workforce needs. It then reimagines the community college experience around broad parameters, including extensive pre-college career advising, a first semester workforce-ready certificate, contextualized general education courses, and reengineered transfer pathways. These changes are conceived to produce dramatically higher student success rates and better program alignment that addresses workforce needs.

Background and Purpose

One of the long-standing pursuits of the TBR system, which is part of the [2015-2025 Strategic Plan](#), is a strong connection between academic programs and workforce development. Preparing students for careers and promoting their economic mobility requires constant attention to economic trends, workforce needs, and the content of academic programs. This dynamic is not limited to certificates and workforce training programs. The role of community colleges in preparing students with associate degrees designed to transfer to a university helps propel them on their journey to a bachelor's degree and beyond.

At TBR community colleges, this alignment between academic programs and workforce development is reflected in their "dual mission." Colleges both prepare students for transfer to a university through the associate degree and provide workforce training options for students through applied associate degrees, certificates, and a variety of non-credit activities. This dual mission is operationalized in various ways, most clearly in the panoply of credentials conferred across the community college sector (52 percent in general transfer associate degrees (AA or AS), 26 percent in applied associate degrees (AAS), and 22 percent in short- and long-term technical certificates). Furthermore, the workforce development mission takes form in the outcomes-based funding formula, with non-credit workforce training contact hours being one of the eleven outcomes from which state appropriations are calculated. In 2021, community colleges performed 883,000 workforce training contact hours.



Community colleges occupy a unique role in Tennessee higher education by fulfilling this dual mission in service of students and their communities. Campus ingenuity and hard work, combined with state-level policy, have put Tennessee on the path to meet its Drive to 55 educational attainment goal as community colleges have made sustained and important progress in improving student success over the past decade. Community colleges have produced a record number of credentials over the last few years while doubling graduation rates. There is, though, significant work to be done to improve student success, and the COVID-19 pandemic has sharpened the need for higher education to find creative ways to serve students, communities, and business and industry. In particular, TBR colleges have experienced sharp enrollment declines over the last two years that, as of now, show no real signs of abating. Enrollment of both adult students and recent high school graduates has declined, and Tennessee's 2021 college-going rate has fallen to pre-Tennessee Promise levels ([THEC, 2022](#)). Given broader economic trends, such as rising wages and inflation, community colleges will need a renewed focus on ensuring that programs have value and appeal to students who are seeking well-paying jobs ([CCRC, 2021](#)).

The effects of the COVID-19 pandemic, longitudinal student success improvements, ongoing challenges of TBR's work as an open-access system, and the evolving needs of the state's economy coalesce to produce an opportunity and an urgent need to reflect on the strategic direction and the future of the community college. Doing so demands a thorough understanding of present challenges and an honest reckoning with the realities of student retention, graduation, transfer, and labor market outcomes.

Taking Stock of Current Trends

To begin their college career, students at Tennessee community colleges must select a program of study. Most students select the transfer pathway and the pursuit of an Associate of Arts or Associate of Science (AA/AS) degree. Currently, 76 percent of first-time freshmen are pursuing University Parallel studies or other degrees designed to transfer to a university. However, many students select general transfer programs when they are uncertain about their preferred program of study, and University Parallel programs have emerged as the default choice.

While that path remains appropriate for many students' interests and skills, it may not be the most appropriate training for a critical mass of jobs, nor is it consonant with the current state of a large swath of the Tennessee economy ([National Skills Coalition, 2020](#); [THEC, 2021](#); [TNECD, 2021](#)). A majority of jobs in Tennessee require training that falls between a high school diploma and a four-year degree, but only 49 percent of Tennesseans have access to the skills training required to work in these fields ([National Skills Coalition, 2020](#)). In Tennessee, seven of the fifteen highest-demand occupations require an associate degree or sub-associate certificate ([Tennessee Department of Labor & Workforce Development, 2020](#)). Furthermore, as more data on education and wage outcomes becomes available, many of the best pathways to student success and in-demand jobs flow through applied fields and certificate programs. Some heretofore healthy pathways via transfer degrees are no longer as rewarded in the labor market.



Current TBR data bears this out. Given TBR's [open-access mission](#), many students are academically underprepared for college coursework ([TBR, 2021](#)). TBR colleges have creatively and valiantly done tremendous work to mitigate these challenges. However, the freshmen graduation rate for the most recent freshman cohort is 26 percent. Furthermore, of each 100 freshmen who begin at community college, 24 leave after the first semester, while another 25 students leave after the second semester. Among those who leave after their first semester, 66 percent accumulated zero credit hours. In other words, nearly half of each freshman class does not return for a second year of education. Many students leave with no progress made toward a credential. These success rates are even more troubling for low-income and Black students, with only 23 percent of low-income students and 13 percent of Black students graduating.

Extending the analysis beyond graduation and retention rates, many students find transfer to a university and a bachelor's degree to be difficult, even though the Tennessee Transfer Pathways (TTPs) provide an effective means of ensuring that community college credits earned are not lost in the process:

- Among students who enrolled as first-time freshmen at Tennessee community colleges in 2015, only 29 percent ever transferred to a four-year university (regardless of whether they completed a TBR credential).
- Only 15 percent of community college freshmen ever earn a bachelor's degree.
- Bachelor's degree attainment rates were slightly higher for community college students with ACT composite scores above 21. However, even among community college students who had ACT composite scores of 29 and above, which indicates strong academic preparation, only 34 percent attained a bachelor's degree.

TBR community colleges' annual credential production, where roughly half of the awards are earned each year are in general transfer programs and half are in workforce-ready applied associate degrees and certificates, in theory, ought to align with the broad needs of the economy as well as student interests and preparation. Consider, though, that the labor market has provided a different perspective:

- Community college graduates from AA and AS transfer programs who do not attain a bachelor's degree are less likely to be employed in Tennessee and earn lower wages than graduates of other programs (TBR, 2022). Three years after graduation, 42 percent of AA/AS graduates were observed in TN employment data compared to 58 percent of graduates from applied associate programs and 61 percent of certificate completers.
- Graduates from workforce-focused programs at community colleges earn significantly more than AA/AS graduates who do not transfer to a university or attain a bachelor's degree. In the third year after departing college, the average graduate of applied associate programs earned 48 percent more (\$13,000 per year) than the average AA/AS transfer program graduate who did not transfer to a university. Certificate completers earned 36 percent more (\$9,600 per year) than AA/AS graduates who did not transfer to a university.



- Employment outcomes are especially strong for graduates of applied associate degree programs in healthcare-related fields. Adult students who returned to college and graduated from programs in Health Professions realized a 70 percent increase in wages compared to their earnings before their return to college. Five years after re-enrolling at college, these graduates earned \$16,500 more each year than they earned before re-enrolling. However, similar students who graduated from AA/AS programs saw only a 26 percent increase in wages over the same period, which translates to an increase of \$5,600 in annual wages. In fact, wage returns for AA and AS graduates were comparable to those of students who enrolled but did not graduate ([TBR, 2022](#)).

Meanwhile, across Tennessee, the fastest-growing occupations and the most in-demand jobs are in fields such as health care (broadly defined), IT/cybersecurity/cloud computing, logistics and transportation, manufacturing, electric vehicles, and more. Various state agencies (ECD, Labor, THEC) annually produce reports that document the supply/demand dynamics across these industries, the totality of which points toward the glaring disconnect between the credentials that most students currently pursue and economic needs ([THEC, 2021](#); [TNECD, 2021](#)). TBR colleges offer programs in these fields at all 13 community colleges, though as the current degree production numbers indicate, they are the minority of credentials earned ([TBR, 2021](#)). However, research shows that short-term, stackable credentials boost students' employment and wages ([Meyer, Bird, and Castleman, 2020](#)). The misalignment between academic programs/production and economic opportunities suggests an opening (and urgent need) to reimagine the community college in ways that could dramatically affect students, families, businesses, and communities.

What a Reimagined Future (Student or Community College Experience?) Could Look Like...

TBR is committed to supporting community colleges' dual mission by ensuring all students have the opportunity to pursue whatever pathway they choose, whether that be an associate degree for transfer to a university or a workforce-ready credential. The student's experience, though, could be reconceptualized by resequencing the coursework that students encounter and introducing a workforce-ready credential as their first and foundational experience.

To begin, students would encounter in-depth support for career exploration before enrolling. This intensive career advising would be designed to assist students in selecting a broad career area and would continue throughout students' educational careers. Then, upon enrolling, students would encounter a reimagined sequence of coursework. This course sequence, which would be in various fields identified by the college (e.g., IT, health science, business/accounting, logistics, etc.) that align with local and regional workforce needs, would allow a student to earn a certificate in their first semester, thereby preparing them in some capacity to enter the workforce and start a career. This certificate would also be the foundational building block for students by articulating into an AA, AS, or AAS degree. Any student could declare and pursue an associate degree. However, the first step in that journey would be a foundational, workforce-ready credential. These certificates, which will either articulate into an AAS, AA, or AS degree or provide a stand-alone credential that allows for transition into the workforce, will form the foundation of each student's first community college semester.



The second semester would either extend the workforce-related training through stackable certificates or introduce general education courses that build toward applied associate degrees or associate degrees designed to transfer to a university. As students build off the workforce certificate from their first semester and pursue associate degrees, colleges would offer English, math, and other courses that are part of the general education curriculum whose content would be contextualized in ways that link directly to the broad field that students pursued in their first semester. For example, a college could offer general education English courses that incorporate workforce-focused soft skills and connect to field-specific topics, issues, and writings.

Therefore, in the redesigned community college experience, students would encounter:

- Extensive and personalized pre-college career exploration, followed by in-depth career advising and soft skills development throughout a student's program of study.
- A workforce-focused certificate in the first semester, drawn from programs that align with the local/regional economy, to expand and enrich entry and exit points for students as they navigate and move between higher education and the labor force.
- An articulated transition into the second semester that extends the workforce-ready skills and/or adds general education courses that have been contextualized to a student's program of study and that injects workforce skills like communication and critical thinking into the student's pathway.
- Reengineered transfer pathways that stack students' skills and courses from the first two semesters into AA/AS/AAS degrees and/or TCAT programs.

Of course, TBR and colleges will need to consider many details in order to achieve the reimagined community college experience. These details, which extend beyond the scope of this concept paper, are critical and will require design from colleges to ensure a seamless experience for students. Academic program offerings may need to be revised to create additional workforce-focused certificates or to embed these certificates into associate degree programs. Faculty members will play an essential role in the development of academic programs as well as the contextualization and sequencing of general education coursework. The capacity of student advisors and success coaches will need to extend to encompass ongoing, intensive career-focused advising. Colleges will also need to consider operational details related to student financial aid, credit articulation, and faculty course loads.

In summary, the community college experience for many students, which for most now begins with a daunting sequence of general education courses, would fundamentally change. Instead, the student's community college experience would begin with a foundational workforce certificate in a field linked to existing careers and workforce needs. These foundational credentials would provide a pathway to the workforce but would also then form the building blocks of an associate degree for those whose interests and skills lead them to continue that path. Such a reimagining of the community college experience would align TBR's education and training with the current economy and workforce needs, and it would provide a path to a credential and career.

