

MINUTES
TENNESSEE HIGHER EDUCATION COMMISSION
January 27, 2011, 1:00 p.m. CDT

The meeting was called to order by Chairman Robert White at 1:00 p.m.
 Commission Members present:

Mr. Charles Bone	Mr. Jon Kinsey
Mr. Tre Hargett	Mr. Charlie Mann
Ms. Sharon Hayes	Mr. Zack Walden
Mr. Greg Isaacs	Mr. Robert White
Mr. Cato Johnson(via teleconference)	Mr. David Lillard (present after action items)

Adoption of Agenda

Mr. White welcomed all and thanked them for their attendance. He then called for a motion to adopt the agenda. Mr. Cato Johnson made a motion to approve the agenda. Mr. Greg Isaacs seconded the motion; the motion was duly adopted by the following roll call vote:

	Aye	No	Abstain
Mr. Charles Bone	x		
Ms. Sharon Hayes	x		
Mr. Greg Isaacs	x		
Mr. Cato Johnson(via teleconference)	x		
Mr. Jon Kinsey	x		
Mr. Charlie Mann	x		
Mr. Robert White	x		

Approval of Minutes, November 18, 2010, Meeting

Mr. White called for a motion to approve the minutes of the November 18, 2010, Commission meeting. Mr. Johnson made a motion to approve the minutes as presented. Mr. Charlie Mann seconded the motion; the motion was duly adopted by the following roll call vote:

	Aye	No	Abstain
Mr. Charles Bone	x		
Ms. Sharon Hayes	x		
Mr. Greg Isaacs	x		
Mr. Cato Johnson(via teleconference)	x		
Mr. Jon Kinsey	x		
Mr. Charlie Mann	x		
Mr. Robert White	x		

Chairman's Report

Mr. White began his report by commenting on the productive Master Plan forum held on January 26 at Vanderbilt University. He stated there was significant discussion on implementation of the Complete College Tennessee Act and noted the determination of the Commission for successful implementation. Mr. White then commented on the productive work session earlier in the day and thanked the THEC staff for their hard work.

Executive Director's Report/Tennessee Student Assistance Corporation

Dr. Rhoda began by thanking everyone for their attendance. He then introduced new Commission members: Ms. Sharon Hayes from Brownsville, succeeding Ms. Katie Winchester, and Mr. Jon Kinsey from Chattanooga, succeeding Mr. Jack Murrah. Dr. Rhoda introduced Mr. Nate Johnson, a consultant with HCM Strategies and the Lumina Foundation, and noted that Mr. Johnson facilitated the Master Plan forum at Vanderbilt.

Next, Dr. Rhoda announced changes in staff: Dr. Russ Deaton was promoted to Chief Fiscal Officer, succeeding Mr. Jim Vaden; Mr. Scott Boelscher was promoted to Director of Fiscal Policy and Facilities Analysis, and Mr. Sean Tierney, who began as a graduate assistant, was promoted to Assistant Director of Fiscal Policy and Facilities Analysis. He then recognized Trisha Jackson in the Fiscal division who is employed in a joint capacity with THEC/TSAC.

Dr. Rhoda then made a series of remarks concerning the staff activities in preparation for the beginning of the new General Assembly and state administration. With respect to the January 26 Master Plan forum, he commented on the supportive opening remarks given by Governor Haslam. Dr. Rhoda also noted the significance of three national leaders participating in the forum: Dr. Pat Callan, president of the National Center of Higher Education and Public Policy; Dr. Dave Spence, president of the Southern Regional Education Board; and Dr. Dewayne Matthews, vice president of the Lumina Foundation. He expressed appreciation for the high level of cooperation by the UT and Board of Regents systems.

In closing Dr. Rhoda welcomed Dr. Joe DiPietro to his first meeting of the Tennessee Higher Education Commission as president of the University of Tennessee System.

Systems' Reports

University of Tennessee

Dr. Joe DiPietro, President of the University of Tennessee, was recognized to present his report. Dr. DiPietro began his report by thanking Dr. Jan Simek for his leadership as interim president and assistance during the transition. He briefed the Commission on his campus visits, where he is familiarizing himself with the needs of each and gaining a better understanding of those needs. He then discussed Knoxville's top 25 initiative and the gap analysis of the Chattanooga and Martin campuses, as well as the Institute of Agriculture. He stated that the Health Science Center also has been a major focus during the transition to improve the research productivity. Dr. DiPietro then stated UT's support of the CCTA and briefed the Commission on efforts to produce more

graduates in Tennessee, increase retention by supporting the modification of the lottery scholarship program, and develop a five year plan to address faculty compensation issues.

Tennessee Board of Regents

Mr. John Morgan, Chancellor of the Tennessee Board of Regents, was recognized to present his report. Mr. Morgan began his report by introducing Dr. Portia Shields, the interim president of Tennessee State University, replacing Dr. Melvin Johnson. He stated his support for the CCTA. Mr. Morgan noted that TBR was developing a job description for the position of vice chancellor of community colleges. He then briefly discussed a market study, aimed at providing high school students an understanding of community colleges, and leading to increased retention, access, effectiveness, and quality. In closing, Mr. Morgan informed the Commission that TBR has been chosen to be the second cohort of the Education Delivery Institute, a national program to provide resources to establish accountability of delivery in higher education.

Action Items

Policy Revision: A1.0 (New Academic Programs: Approval Process) and A1.1 (New Academic Programs)

Dr. Linda Doran, Associate Executive Director of Academic Affairs was recognized. Dr. Doran briefly reviewed changes in existing THEC policies concerning program approval process and new academic programs (included as Attachment A to the official copy of the minutes). She stated the reasoning behind the policy changes was to ensure connection with the objectives and language of the Complete College Tennessee Act. The changes also require a more thorough feasibility study and financial projection to ensure programs fit within the institution’s mission, and to address supply, demand, and productivity of programs. After discussion, Mr. White called for a motion. Mr. Isaacs made a motion to approve the policy revisions as presented. Mr. Mann seconded the motion; the motion was duly adopted by the following roll call vote:

	Aye	No	Abstain
Mr. Charles Bone	x		
Ms. Sharon Hayes	x		
Mr. Greg Isaacs	x		
Mr. Cato Johnson(via teleconference)	x		
Mr. Jon Kinsey	x		
Mr. Charlie Mann	x		
Mr. Robert White	x		

Temporary Authorization of New Institutions, and Approval of New Programs Under the Postsecondary Authorization Act

Dr. Stephanie Bellard-Chase, Assistant Executive Director for Postsecondary School Authorization, presented the recommendations of staff and the Postsecondary Education Authorization Advisory Committee to grant temporary authorization to proposed new institutions and new programs. A listing of the institutions and programs (included as Attachment B to the official copy of the

minutes). A motion was made by Mr. Johnson to adopt the recommendations as presented. The motion was seconded by Mr. Charles Bone. There being no further discussion, Mr. White called for a vote on the motion that was duly adopted by the following roll call vote:

	Aye	No	Abstain
Mr. Charles Bone	x		
Ms. Sharon Hayes	x		
Mr. Greg Isaacs	x		
Mr. Cato Johnson(via teleconference)	x		
Mr. Jon Kinsey	x		
Mr. Charlie Mann	x		
Mr. Robert White	x		

University of Tennessee at Martin Master Plan Update

Dr. Russ Deaton, Associate Executive Director for Fiscal Affairs, was recognized. Dr. Deaton stated that the master plan update had been presented in depth at the work session earlier in the day, noting the improvements to the campus such as the Joseph Johnson Engineering Sciences building, changes to student housing, and land acquisition. He then stated that the UT Martin Campus Master Plan Update has been thoroughly reviewed and THEC staff recommends approval. There being no further discussion, Mr. White called for a motion. Mr. Johnson made a motion to approve staff recommendations. Ms. Sharon Hayes seconded the motion; the motion was duly adopted by the following roll call vote:

	Aye	No	Abstain
Mr. Charles Bone	x		
Ms. Sharon Hayes	x		
Mr. Cato Johnson(via teleconference)	x		
Mr. Greg Isaacs	x		
Mr. Jon Kinsey	x		
Mr. Charlie Mann	x		
Mr. Robert White	x		

October 31 Revised Budgets, 2010-11

Dr. Deaton was recognized to provide the report. He highlighted the operating reductions of twenty-one percent, fee increases, and athletics expenditures. He stated that staff recommends approval of the budgets and requests that the executive director be given authority to make technical adjustments and transmit to the department of finance and administration. Mr. White then called for a motion. Mr. Johnson made a motion to approve the revised budgets as summarized on Attachment C to the minutes. Mr. Jon Kinsey seconded the motion; the motion was duly adopted by the following roll call vote:

	Aye	No	Abstain
Mr. Charles Bone	x		

Mr. Tre Hargett	x		
Ms. Sharon Hayes	x		
Mr. Greg Isaacs	x		
Mr. Cato Johnson(via teleconference)	x		
Mr. Jon Kinsey	x		
Mr. Charlie Mann	x		
Mr. Robert White	x		

Confirmation of New Audit Committee Member

Dr. Rhoda was recognized to present the recommendation of Ms. Sharon Hayes to serve as a member of the Audit Committee. He stated that in a previous meeting the committee charter had been revised to include a total of five members. Dr. Rhoda noted that Ms. Katie Winchester was a member and had stepped down, leaving a vacancy; he recommended Ms. Sharon Hayes to fill the vacancy. Mr. White then called for a motion. Mr. Mann made a motion to approve Ms. Hayes as the fifth member of the Audit Committee. Mr. Tre Hargett seconded the motion; the motion was duly adopted by the following roll call vote:

	Aye	No	Abstain
Mr. Charles Bone	x		
Mr. Tre Hargett	x		
Ms. Sharon Hayes	x		
Mr. Greg Isaacs	x		
Mr. Cato Johnson(via teleconference)	x		
Mr. Jon Kinsey	x		
Mr. Charlie Mann	x		
Mr. Robert White	x		

Information Items

Academic Program Review

Dr. Doran was recognized to provide the academic program review report. She stated that last year the Commission endorsed the development of an annual comprehensive review of academic degree programs. Dr. Doran then noted that the academic program review addressed all aspects of programs, such as changes in inventory, deleted programs, and new programs. She also noted that the review included the monitoring of the new programs, their productivity and the role that performance funding, accreditation and program review have in program quality assurance.

Dr. Doran then introduced Mr. Mike Krause, Director of Academic Affairs, to provide a brief explanation of the data within the report. Mr. Krause discussed the new and terminated programs, monitoring cycle, low producing programs, and high performing programs at all levels.

2010 Lottery Scholarship Annual Report

Mr. David Wright, Associate Executive Director of Policy, Planning, and Research, was recognized to provide the report. Mr. Wright briefly discussed data within the report. He then introduced Mr. Takashi Yaniguira, Director of Research, to provide the 2010 Lottery Scholarship Annual Report in more detail. Mr. Yaniguira provided analyses of the impact of T.C.A. §49-4-911 (a)(2), a new lottery scholarship renewal rule adopted by the 105th General Assembly in 2008. He noted that the provision, which became effective in the Fall 2008 semester, lowered the previous scholarship renewal criteria. Mr. Yaniguira also discussed the impact of the lower GPA requirement at the 48-hour benchmark, the lottery scholarship and affordability, and the General Assembly Merit Scholarship (GAMS) and its outcomes.

Master Plan Annual Progress Report

Mr. Wright then introduced Ms. Taya Owens, Research and Planning Analyst, to provide the annual master plan progress report. Ms. Owens presented an overview of the annual master plan and stated that advancement of the Public Agenda is measured in three categories (student success, efficiency, and quality). She also stated that the report focuses on state and system performance, while institutional goal-setting will be determined by the governing boards. Ms. Owens then presented a web portal, currently under development, which contains state, system and institutional performance indicators included in the outcomes-based funding formula, the master plan progress report, and performance funding.

GEAR UP and College Access Challenge Grant Status Reports

Ms. Katie Brock, Associate Executive Director for GEAR UP, was recognized to provide an updated report on the progress of GEAR UP TN and College Access Challenge Grant (CACG). Ms. Brock gave a brief introduction of the GEAR UP programs and the CACG's State College Mentor Corp. Ms. Brock then recognized Mr. Troy Grant, Director of College Access Challenge Grant, to provide a detailed presentation of the CACG. Mr. Grant discussed the two main components of the CACG: the expansion of CollegeforTN.org and the College Mentor Corp. He noted the goals of each and the partnering institutions and agencies for the state College Mentor Corp grants.

Legislative Report

Mr. Will Burns, Associate Executive Director for Legal and Regulatory Affairs, was recognized to provide the legislative report. Mr. Burns noted that the General Assembly will convene on February 7 and that currently approximately twenty bills had been filed, mainly concerning the lottery scholarship program. In closing, Mr. Burns noted that staff had been asked to make a presentation to the Senate Education Committee on the new funding formula model.

Spring Quarterly Meeting

Dr. Rhoda advised the Commission that the next meeting will be Thursday, April 28, 2011, in the THEC board room. He reminded the Commission that the

joint meeting with the State Board of Education will follow today's meeting and encouraged Commission members to participate.

There being no further business, the meeting was adjourned at 2:50 p.m.

Approved:

Robert White
Chair