

**MINUTES**  
**TENNESSEE HIGHER EDUCATION COMMISSION**  
**July 24, 2014, 1:00 p.m. CST**

The meeting was called to order by Vice Chairman Evan Cope at 1:00 p.m.

Commission Members Present:

Mr. Randy Boyd	Treasurer David Lillard
Mr. Evan Cope	Mr. Alex Martin
Secretary Tre Hargett	Ms. Pam Martin
Ms. Sharon Hayes	Mr. Keith Wilson
Ms. Pam Koban	

Commission Members Absent:

Mr. Robert Fisher	Mayor A C Wharton
Mr. Jon Kinsey	Comptroller Justin Wilson
Dr. Gary Nixon	

**Opening Remarks**

Vice Chairman Cope welcomed all and thanked them for their attendance. He commented on the new format of the work session earlier in the day and thanked staff for the excellent presentations and open discussion.

**Adoption of Agenda**

Mr. Cope called for a motion to approve the agenda. Mr. Keith Wilson made a motion to approve the agenda as presented. Ms. Sharon Hayes seconded the motion; the motion was duly adopted.

**Election of 2014-15 Officers**

Mr. Cope noted that the Commission was currently without a chairman. Before proceeding with the meeting, Mr. Cope recognized Dr. Richard Rhoda to present the nomination recommendations for the 2014-15 officers. Mr. Keith Wilson made a motion to approve the following recommended slate of officers: Mr. Randy Boyd, Chair; Mr. Evan Cope, vice chair; Ms. Sharon Hayes, vice chair; and Mayor AC Wharton, secretary. Treasurer David Lillard seconded the motion; the motion was duly adopted.

**Approval of Minutes, April 24, 2014, Meeting**

Mr. Boyd called for a motion to approve the minutes of the April 24, 2014, Commission meeting. Secretary Tre Hargett made a motion to approve the minutes as presented. Treasurer David Lillard seconded the motion; the motion was duly adopted.

## **Chairman's Report**

Mr. Boyd discussed the “critical few,” three key items to focus on during the next three years: continue to support the Governor and the Drive to 55 Initiative, have the Commission be more strategic and engaged and invite an advisory board comprised of experts from other states to provide input, and strengthen the collaboration between the Commission, UT, TBR, and TICUA.

Mr. Boyd then recognized Mr. Mike Krause of the Governor's staff to provide an update on the Tennessee Promise program and the Drive to 55 Initiative. Mr. Krause began by commenting on the Tennessee Promise program. He stated that the challenge with the program is its size and is part of the solution, but not the solution itself to raising attainment. Mr. Krause reviewed the significant activities of the Promise program over the last sixty days which are: finalizing 95 county partnering organization plan, finalizing printed material, developing the website [tnpromise.gov](http://tnpromise.gov), developing an application portal, and a listening tour at all 13 community colleges.

Mr. Krause then discussed several components of the Drive to 55 initiative: Reconnect program for Tennessee adults, which allows for non-traditional students to return to higher education at a TCAT tuition free; the SAILS program, which addresses remedial math; the higher education scorecard, a public report of metrics over a range of quality and fiscal indicators, and the LEAP program, to create full alignment between higher education and workforce development.

## **Executive Director's Report**

Dr. Rhoda was recognized to provide his remarks. He began by welcoming guests and introducing the new Commission members: Pam Martin from Wilson County, and Alex Martin, new student member from Tennessee Technological University. Dr. Rhoda then congratulated the officers on their appointments: Evan Cope, vice chair, Sharon Hayes, vice chair, Randy Boyd, chair.

Dr. Rhoda announced changes in staff, beginning with Ms. Penny Shelton who will be leaving THEC to pursue other opportunities; Lou Hanemann with UT, currently on loan to assist Mike Krause with the Drive to 55 Initiative as well as provide input in other areas; two new graduate assistants: Mary Laphen and MaryAnn Rainey; and welcomed the new president of Austin Peay State University, Dr. Alyssa White; and recognized Dr. Kim Sokoya, 2014 Maxine Smith Fellow and Mike Krause's new position with the Governor's office.

Dr. Rhoda then spoke to the changing conversation across the state concerning the importance of increasing the educational attainment of Tennesseans. He observed that deliberations about student access and success, previously held solely on the state policy and legislative levels, are now being heard at the community level, thanks in large part to the Tennessee Promise. He concluded his remarks by pledging total support to the success of all Drive to 55 initiatives.

## **Systems' Reports**

### **Tennessee Board of Regents**

Mr. John Morgan, Chancellor, Tennessee Board of Regents was recognized. Chancellor Morgan began by congratulating Mr. Boyd on his appointment as chair. He then recognized Dr. Alyssa White, the new APSU president and welcomed her to the meeting, and noted that for the third year in a row, APSU was named as one of the best colleges to work for in the nation by the *Chronicle of Higher Education*. Chancellor Morgan commented on TSU's book bundle program, where the cost of books is included in the price of tuition for freshman and sophomore years which in turn provides students with a substantial savings on the cost of books.

Chancellor Morgan recognized Dr. David Rudd, who took office as the new president of the University of Memphis on May 16. He then thanked Dr. Brad Martin for his service as Interim President and commended him on his work during that time.

Chancellor Morgan briefed the Commission at the Williamson County groundbreaking of the center for Columbia State Community College, which will provide an opportunity for enrollment growth at CoSCC in Williamson County. He then commented on Volkswagen moving their SUV line to the Chattanooga plant and is confident that Chattanooga State and Cleveland State will be able to continue efforts to assist with the workforce development initiatives by cooperating with Volkswagen and their workforce development office.

Chancellor Morgan then briefed the Commission on the status of the UM Lambuth campus and noted the acquisition of that campus saved a valuable asset to the Jackson community. He stated the institution is exceeding expectations with enrollment at sixty percent last year, headcount being 500-600 and is expected to have a headcount up to 800 students this year. He noted that with the many renovations, the campus is now a full service institution including housing and food services and noted all academic building are being utilized. He then noted the \$1M gift from Jim and Janet Ayers that will serve as a foundational gift for the \$10,000 campaign and create the opportunity to reach out to Lambuth Alumni and acquaint them with the new campus and program. In closing, Chancellor Morgan stated finances are on track and the non-recurring dollars from the state is in year four of a five-year allocation for improvements. Dr. Claude Pressnell thanked TBR on behalf of TICUA and Alum on the transition of the institution.

### **University of Tennessee**

Dr. Joe DiPietro, President, University of Tennessee System, was recognized. Dr. DiPietro began his report by congratulating Mr. Boyd on his appointment as chair. He then noted the positive impact that Volkswagen will make on the Chattanooga community and the state as a whole. Dr. DiPietro then briefed the Commission on the experiment station meeting in Milan, TN, where ideas from the ten experiment stations and put them to real world applications for testing, noting the no-till agriculture and how top soil is saved using this application.

Dr. DiPietro discussed Joint Resolution 626, regarding student activity fees policies and recommendations have been adopted and students have the option to opt-in or out of the fees and after three years, review with a sunset audit to identify areas needing improvement.

Dr. DiPietro then reviewed the Foundation's fundraising efforts, stating this year \$179M had been raised; \$39M over last year and noted the goal is to raise \$200M by 2020.

In closing, Dr. DiPietro reviewed the past ten years of funding for higher education. He stated his concern at the level of tuition increases and feels it is prohibiting access to higher education and the level of student burden and state contribution has shifted, leaving student responsibility at 71 percent and noted that other resources need to be identified to reduce the cost shift and reduce the impact on institutions.

### **Action Items**

#### **Approval of New Academic Degree Programs**

##### **East Tennessee State University, Graphic Design, BFA**

Ms. Betty Dandridge Johnson, Associate Executive Director for Academic Affairs, presented the recommendation for the new academic program. Ms. Dandridge Johnson stated the proposed Graphic Design BFA program will emphasize visual problem solving with a variety of graphic media. She also stated students will have the opportunity to develop design portfolios to enhance their employment opportunities. Ms. Dandridge Johnson noted the program is aligned with the ETSU mission and Arts Initiative, which has been developed to expand arts programming, encourage innovative collaborations among the arts and other disciplines, and promote partnerships with other businesses and other organizations. Mr. Boyd called for a motion to approve the proposed program. Mr. Cope made a motion to approve. Mr. Wilson seconded the motion; the motion was duly adopted.

##### **Middle Tennessee State University, Theatre, BS**

Ms. Betty Dandridge Johnson presented the recommendation for the new academic program. Ms. Dandridge Johnson stated the program is in response to recommendations from the National Association of Schools of Theatre (NAST) that the established and successful Theatre concentration within the Speech and Theatre BS degree become a free-standing program to accurately reflect the degree title and content. She noted the proposed program will prepare students in the theoretical, pedagogical, and historical aspects of theatre and is designed for students interested in the pre-professional training in theatre or theatre education. Mr. Boyd called for a motion to approve the proposed program. Ms. Hayes made a motion to approve. Mr. Wilson seconded the motion; the motion was duly adopted.

##### **Tennessee State University, Computer Science, MS**

Ms. Betty Dandridge Johnson presented the recommendation for the new academic program. Ms. Dandridge Johnson stated the proposed program is designed to provide a solid foundation in Computer Science and advanced knowledge in two high-demand

areas in the industry: (1) high-performance computing and bioinformatics and (2) cyber-security and networking. She stated the proposed program supports the mission of TSU and is in alignment with the goals outlined in the THEC 2010-15 Public Agenda for Higher Education, specifically the focus on strengthening Tennessee's knowledge economy and closing the gaps in the supply of graduates in high demand fields that require post-secondary credentials. Mr. Boyd called for a motion to approve the proposed program. Mr. Cope made a motion to approve. Ms. Hayes seconded the motion; the motion was duly adopted.

### **Temporary Authorization of New Institutions and Approval of New Programs Under the Postsecondary Education Authorization Act**

Dr. Bellard Chase then presented the recommendations of staff and the Committee on Postsecondary Educational Institutions to grant temporary authorization to 4 new institutions and 155 new programs. A listing of the institutions and programs recommended for approval is included as Attachment A to the official copy of the minutes. A motion was made by Secretary Hargett to adopt the recommendations, as presented. Mr. Cope seconded the motion; the motion was duly adopted.

### **July 1 Proposed 2014-15 Operating Budgets**

Dr. Russ Deaton, Associate Executive Director for Finance & Administration, was recognized. Dr. Deaton stated the FY 2014-15 proposed operating budgets for higher education are balanced and campuses have again directed the majority of their resources to the teaching functions. He also noted that expenditures for auxiliary enterprises have not exceeded revenues plus unallocated auxiliary fund balances. Dr. Deaton also stated that all higher education budget entities have submitted the required financial data to the Commission and are in compliance with all the budget guidelines and legislative directives. Ms. Hayes made a motion to adopt the FY 2014-15 operating budget recommendations and the Commission authorizes the Executive Director to make any necessary technical corrections as necessary and transmit to the department of Finance and Administration for their approval. Ms. Pam Koban seconded the motion; the motion was duly adopted.

### **Information Items**

#### **Statewide TCAT Master Plan Presentation**

Dr. Deaton was recognized to provide background information on this item. Dr. Deaton stated this master plan was the first comprehensive plan completed for the entire TCAT system and it differs from traditional plans in both scale and scope. He stated this item is for information due in part to LEAP (labor education alignment program) legislation still being developed. Dr. Deaton stated this plan identifies immediate and near-term space and facility needs at each of the 32 TCAT owned sites as well as analyses and projections of each campus' array of programs.

Mr. Woody Giles of the TBR staff was then recognized to provide a powerpoint demonstration of the TCAT Master Plan. Mr. Giles stated the Master Plan was in alignment with the Complete College TN Act and includes goals such as: serving existing students adequately, increase enrollment and completion rates, addressing the most serious facility needs, and implementation.

### **Race to the Top Update**

Ms. Victoria Harpool, First to the Top Program Coordinator, was recognized. Ms. Harpool briefly reviewed the Race to the Top program noting in 2010, the Commission received \$20 million to assist state efforts to improve educator training programs, provide accountability in educator preparation, increase competitiveness in STEM fields, and expand the P-20 data system. She noted that although June 30, 2014, was the end of the 4-year grant, THEC received a one-year extension from the US Department of Education to continue the work.

Ms. Harpool then discussed expanded research for the teacher preparation programs using the Tennessee Value Added Assessment System (TVAAS) teacher value-added reporting. She stated the goal of these advanced analytics is to provide diagnostic information for each teacher preparation program. She also discussed the contract with the Tennessee Consortium on Research, Evaluation and Development to evaluate programs and to identify best practices to increase the quality of professional development around the state.

### **Office of P-16 Initiatives Update**

Mr. Troy Grant, Director, College Access Initiatives, was recognized to provide a status report on the GEAR UP program. Mr. Grant briefly reviewed recent projects undertaken by GEAR UP TN, such as recent market research report by Walker + Associates, the program's marketing firm, and stated the market research focused on what students and families in Tennessee see as the major barrier to college and focused on how families receive information about college. Mr. Grant also commented on the ACT Engage assessment, discussed the 2014 college summit, and presented the Commission with a viewing of the latest GEAR UP TN commercial.

### **Other Business**

Mr. Boyd discussed having outside board advisors to consult with the Commission on issues, if there are any fees involved, that they be paid by private grant money.

Mr. Boyd then discussed changing the format of Commission meetings to include the following: Commission member dinner the evening before with key staff members; begin the Commission meeting events starting with the work session at 9:30; lunch at 11:30; and the full meeting at 12:30.

### **Fall Commission Meeting**

Dr. Rhoda advised the Commission that the next scheduled meeting would be November 20, 2014, in the THEC board room.

There being no further business, the meeting was adjourned at 3:00 p.m.

Approved:

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Randy Boyd, Chair