

# MEETING OF THE



## TENNESSEE HIGHER EDUCATION COMMISSION

Winter Quarterly Meeting  
18<sup>th</sup> Floor, Parkway Towers  
January 30, 2014

**AGENDA**  
**TENNESSEE HIGHER EDUCATION COMMISSION**  
**Winter Meeting**  
**Commission Boardroom, Parkway Towers**  
**January 30, 2014, 1:00 p.m. CST**

**Adoption of Agenda**

**Approval of Minutes: November 14, 2013 Meeting**

**Chairman's Report**

**Executive Director's Report**

**Systems' Reports**

Tennessee Board of Regents  
University of Tennessee System

**I. Action Items**

- A. Approval of New Academic Degree Program  
University of Memphis – Health Systems and Policy, PhD
- B. Postsecondary Education Authorization
  - 1. Authorization of New Institutions
  - 2. Approval of New Programs
  - 3. Proposed Rule Revisions
- C. October 31 Revised Budgets, 2013-14
- D. Tennessee Technological University Master Plan Update Refinement
- E. Reappointment of Audit Committee Member

**II. Information Items**

- A. Colleges of Memphis Approach to Drive to 55
- B. Legislative Update
- C. Academic Program Review
- D. GEAR UP TN, CACG, and Latino Student Success Grant Status Reports
- E. Audit Committee Update
- F. Spring Quarterly Meeting, April 24, 2014

**MINUTES**  
**TENNESSEE HIGHER EDUCATION COMMISSION**  
**November 14, 2013, 1:00 p.m. CST**

The meeting was called to order by Chairman Cato Johnson at 1:00 p.m.

Commission Members present:

|                   |                  |
|-------------------|------------------|
| Mr. Charles Bone  | Mr. Cato Johnson |
| Mr. Evan Cope     | Mr. Jon Kinsey   |
| Mr. Robert Fisher | Ms. Pam Koban    |
| Ms. Sharon Hayes  | Dr. Gary Nixon   |
| Mr. Adam Jarvis   | Mr. Keith Wilson |

**Adoption of Agenda**

Mr. Johnson then welcomed all and thanked them for their attendance. He called for a motion to approve the agenda. Ms. Sharon Hayes made a motion to approve the agenda as presented. Mr. Jon Kinsey seconded the motion; the motion was duly adopted.

**Approval of Minutes, July 25, 2013, Meeting**

Mr. Johnson called for a motion to approve the minutes of the July 25, 2013, Commission meeting. Mr. Evan Cope made a motion to approve the minutes as presented. Ms. Hayes seconded the motion; the motion was duly adopted.

**Action Items**

**Approval of Academic Degree Programs**

**Tennessee State University, Professional Science Masters with a concentration in Applied Geospatial Sciences**

Mr. Mike Krause, Assistant Executive Director for Academic Affairs, presented the recommendation for the new academic program. Mr. Krause stated the proposed Professional Science Masters (PSM) program with a concentration in Applied Geospatial Sciences (AGS) will combine scientific and technical knowledge in AGS with business workplace skills highly valued by employers. He also stated that the proposed program is a unique professional degree grounded in natural science, technology, engineering, mathematics and computational sciences and is designed to prepare students for direct entry into a variety of career options in industry, business or government. Mr. Krause noted the proposed program will also contribute to the University's mission by producing graduates who will have advanced training in the cutting edge interfaces of science and management. Mr. Johnson called for a motion to approve the proposed program. Mr. Charles Bone 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 Authorization Act**

Dr. Stephanie Bellard-Chase 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 is included as Attachment A to the official copy of the minutes. A motion was made by Mr. Bone to adopt the recommendations, as presented. Mr. Kinsey seconded the motion; the motion was duly adopted.

## **2014-15 State Appropriation Recommendations**

Dr. Russ Deaton, Associate Executive Director of Fiscal Policy & Administration was recognized. Dr. Deaton commented that with the full phase-out of the Hold Harmless provision in 2013-14, fiscal year 2014-15 marks the second year in which all state appropriations distributed through the outcomes-based formula are allocated based strictly on performance. He stated that funds are allocated on a pro-rata basis and all campuses are recommended to receive the same percentage of their formula calculation. Dr. Deaton also stated that the staff recommendations include other components such as an improvement in the states' need-based aid, the TSAA (Tennessee Student Assistance Award, and the Master Plan. Dr. Deaton then noted the grand total recurring and non-recurring recommendation for all higher education operating appropriations for 2014-15 is \$1.3 billion which includes \$29.6 million to fund outcome growth, \$11.6 million for other institutional operating costs across "non-formula units", \$31.7 million for TSAA funding, \$16.5 million to complete the equipment replenishment program and \$5 million for the continuation of the Online Innovation Initiative. Ms. Hayes made a motion to adopt the FY 2014-15 Appropriation 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. Mr. Keith Wilson seconded the motion; the motion was duly adopted.

## **2014-15 Student Fee Recommendations**

Dr. Deaton stated that the Complete College Tennessee Act requires THEC to make student fee and state appropriation recommendations concurrently. He noted that these recommendations are informed by an analysis of the income profile and financial aid packages of Tennessee students. Dr. Deaton then noted that THEC staff recommendations are maintenance fee increases of two to four percent at universities, community colleges and colleges of applied technology. He also noted that scenarios for tuition increases in 2014-15 of two, three or four percent at the universities, community colleges and colleges of applied technology are presented and these recommendation ranges are a companion piece to the recommended state appropriations increase of \$29.6 million. Dr. Deaton stated that it is also recommended that UT and TBR further implement differential tuition rates, which might consider program, cost, student level, institution or other factors. Mr. Bone made a motion to approve student fee recommendations as presented. Mr. Cope seconded the motion; the motion was duly adopted.

## **2014-15 Capital Projects Recommendations**

Dr. Deaton was recognized to provide the capital outlay recommendations for 2014-15. He stated that the recommendations total \$213.1 million which includes two projects for the University of Tennessee totaling \$103.5 million, and five projects for the Tennessee Board of Regents totaling \$109.6 million. Dr. Deaton also stated that all capital outlay projects include an institutional matching component applicable to the first \$75 million of a project and THEC intends that UT and TBR have flexibility to craft the specific parameters of the matching component. Dr. Deaton then reviewed the 2014-15 recommendation for capital maintenance. He stated that the recommendation for the Tennessee Board of Regents and the University of Tennessee systems totals \$114.8 million, which includes 11 projects for the University of Tennessee totaling \$45.7 million and 60 projects for the Tennessee Board of Regents totaling \$69.1 million.

Dr. Deaton also reviewed the disclosure of revenue-funded projects which are projects funded through institutional funds, Tennessee State School Bond Authority, auxiliary funds, or sources other than state appropriations. He stated that for 2014-15, 34 revenue-funded projects totaling \$264.3 million for both the Tennessee Board of Regents and the University of Tennessee systems are being disclosed which includes 17 projects totaling \$233.6 million for the University of Tennessee, and 17 projects totaling \$30.7 million for the Tennessee Board of Regents. A motion was made by Ms. Hayes to adopt the 2014-15 Capital Projects Recommendations as presented. Mr. Adam Jarvis seconded the motion; the motion was duly adopted.

## **2014 Improving Teacher Quality Grant Awards**

Mr. Herbert Brown, Academic Affairs Analyst, was recognized to present this item. Mr. Brown stated that in accordance with the state's adoption of the Common Core State Standards in Reading; THEC and the Department of Education jointly developed the Request for Proposals (RFP) which focused on providing high quality professional development in grades 6-12. Mr. Brown stated that institutions were given the opportunity through the RFP to prepare proposals demonstrating their ability to provide a summer workshop, along with sustained activities throughout the school year, to grade 6-12 teachers. Of the 17 proposals received, the advisory committee identified 12 proposals for funding with a combined total of \$824,281. A motion was made by Mr. Kinsey to adopt the recommendations, as presented. Mr. Bone seconded the motion; the motion was duly adopted.

## **Chairman's Report**

Mr. Johnson commented on the productive work session earlier in the day and noted the excellent presentations and good discussion on the items presented and complimented staff for the excellent job.

## **Executive Director's Report**

Dr. Deaton was recognized to provide the executive director's report on behalf of Dr. Rhoda. He began his report by commenting on the National Assessment of Educational Progress (NAEP) report scores for grades 4 and 8 and noted that Tennessee was the only state that had gains in math and reading for both

grades over the past two years and were the largest gains in those two areas. He then recognized new staff members: Steven Gentile, Assistant Director of Fiscal Policy Analysis, Curt Johnston, graduate assistant in the academic affairs division, and Joel Cummings, an intern in the policy, planning and research division. Dr. Deaton then recognized Ms. Katrina Miller. He stated that she had taken a position with the Council of Chief State School Officers and thanked her for the contributions she has made during her eight years on the THEC staff.

Dr. Deaton then announced the November 15 budget hearing with Governor Haslam, being held tomorrow, will be viewable by streaming video at 12:45 central time and encouraged members to watch. He then commented on the campus presidential meetings beginning next week to discuss the Drive to 55 initiative to get feedback from the presidents.

Dr. Deaton stated that UT and TBR were currently undergoing Sunset reviews for the next legislative cycle. He stated that THEC has had its exit interview and noted staff would provide the report with any findings to the Commission once it was received. Dr. Deaton then called on Mr. David Wright to introduce special guests.

Mr. Wright introduced Dr. Melanie Hwalek and Mr. John Muffo from SPEC Associates, an assessment group out of Detroit. Dr. Hwalek stated that SPEC Associates is evaluating work done through grants provided by the Lumina Foundation in Tennessee and six other states. She also stated that a report will be issued in 2014 with results for all areas evaluated by SPEC Associates, which include the funding formula, student financial aid, and adult programs.

## **Systems' Reports**

### **Tennessee Board of Regents**

Mr. John Morgan, Chancellor of the Tennessee Board of Regents, was recognized to present his report. He began his report by commenting on the appropriations recommendation for TBR institutions and the Governor's support and commented on the budget briefings being held for all campuses. Chancellor Morgan then commented on the presidential searches for the University of Memphis and Cleveland State Community College. He stated that the University of Memphis search will begin in the spring and hope to fill that position by summer 2014. Chancellor Morgan also stated there were three finalists named for Cleveland State, Dr. Niles Reddick, Dr. Gene Couch, and Dr. Bill Seymour. He noted the board should have a president named at their next board meeting in December.

### **University of Tennessee**

Dr. Joe DiPietro, President, the University of Tennessee, was recognized to present his report. Dr. DiPietro began his report by commenting on the budget recommendations for the University of Tennessee System. He commented that enrollment is at a steady increase, specifically at the graduate level. Dr. DiPietro also commented on completion rates and noted the increase of completers but also noted areas in need of improvement. He then noted the

retirement of Dr. Johnny Ray, Vice President for Development and Alumni Affairs and noted that Lofton Stewart would serve as interim vice president until the position is filled.

### **Information Items**

#### **Title VI Implementation Plan Update and Compliance Report**

Ms. Emily Petro, Associate Counsel, reviewed the Title VI Implementation Plan Update and Compliance Report. She noted that the purpose of the plan is to show how the state agency, as well as the entities to which its federal funds flow, is assuring compliance of Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of a person's race, color, or national origin. Ms. Petro also noted that the plan was filed with the Title VI Compliance office of the Tennessee Human Rights Commission on September 30, 2013.

#### **2013 Articulation and Transfer Report**

Dr. Alexander Gorbunov, Associate Director of Research, was recognized. Dr. Gorbunov briefed the Commission on the 2013 Articulation and Transfer report. He stated that the analyses conducted for the report show that student transfer activity in Tennessee is multidirectional and consistent over time. He noted that most transfers take place within Tennessee and many students who transfer from out-of-state institutions are returning Tennessee residents. Dr. Gorbunov also stated that transfer students have low degree efficiency in terms of earned credit hours and the majority of students listed as migrating from Tennessee Colleges of Applied Technology (TCATs) are returning or readmitted students.

#### **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 the current initiatives GEAR UP TN provides. He stated that with Collaboratives in 15 Tennessee counties to promote college readiness and success, GEAR UP TN serve a cohort of students starting in the seventh grade continuing through their first year of postsecondary education.

He then commented on the College Access Challenge Grant (CACG), Latino Student Success Grant aimed at increasing the number of Latinos completing higher education in Memphis, and the Tennessee College Access and Success Network that connects college access and success programs with like-minded organizations for the purpose of increasing the number of Tennesseans participating and succeeding in postsecondary opportunities.

#### **Core to College Status Report**

Ms. Melissa Stugart, Director, Core to College, was recognized. Ms. Stugart advised the Commission that core to college is a multi-state grant initiative designed to promote strong collaboration between higher education and the K-12 sectors in the implementation of the Common Core State Standards and aligned assessments. She stated that focus has been place on successful execution of two projects: General Education Redesign and P-16 Curriculum Councils, noting both were developed with specific, measurable outcomes and

timelines that allow for a clear assessment regarding program progress and delivery.

Ms. Stugart then noted that with the support of the Tennessee Board of Regents and University of Tennessee, the Core to College Director formed faculty redesign teams to assess and align the K-12 Common Core State Standards to credit bearing, entry level courses in English and Math to create a more seamless transition from high school to college for Tennessee students. She then stated that eight regional Curriculum Councils were formed in partnership with the Tennessee Department of Education Centers of Regional Excellence (CORE) Offices to promote better communication and relationships between K-12 and higher education regarding Common Core implementation.

### **First to the Top Update**

Ms. Katrina Miller, First to the Top director, was recognized to provide an update. Ms. Miller noted the 2013 *Report Card on the Effectiveness of Teacher Training Programs* was released on Friday, November 1. She noted this is the sixth year that the state has made data available to the public regarding the effectiveness of the state's teacher training program completers. Ms. Miller then reviewed placement and retention rates of teacher training program completers, Praxis II licensure exam passage rates, and the Tennessee Value-Added Assessment System (TVAAS) teacher effect data. Ms. Miller commented on the Advanced Analytics report, which will examine a variety of variables such as program of study, course sequence, and the effect of mentor teachers on a completer's future success.

Ms. Miller then reviewed the partnership with the Ayers Institute for Teacher Learning and Innovation at Lipscomb University and stated the partnership has created a multimedia, professional development program to support higher education institutions in imbedding Common Core State Standards (CCSS) into the pre-service teacher curriculum.

### **Schedule of 2014 Commission Meetings**

Dr. Deaton advised the Commission that the meetings for 2014 would be: January 30 that includes the joint meeting with the State Board of Education, April 24, July 24, and November 20, 2014, in the THEC board room. There being no further business, the meeting was adjourned at 2:30 p.m.

Approved:

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Cato Johnson  
Chair



**DATE:** January 30, 2014

**SUBJECT:** New Academic Program-University of Memphis, Health Systems and Policy, PhD

**ACTION RECOMMENDED:** Approval

**BACKGROUND INFORMATION:** The School of Public Health at the University of Memphis proposes to offer a doctoral degree in Health Systems and Policy. This program is designed for those who intend to teach and conduct research utilizing best-practices and rigorous scientific theories and methods to understand the processes, functions, and policies of health systems on local, state-specific, regional, national and international scales. Moreover, this program will emphasize attention to policy-specific opportunities within urban health systems, as well as the transformative nature of healthcare informatics within those systems, and the need to address health system issues within the context of improving population health through effective policy creation, reformation and implementation.

Graduates will be prepared to conduct innovative, interdisciplinary, and translational research in a variety of health system settings with systemic and policy-specific solutions for health systems issues in Tennessee and the Mid-South region.

**PROPOSED IMPLEMENTATION DATE:** Fall 2014

**1.1.20A MISSION:** The University of Memphis is committed to the needs of its metropolitan setting, its emphasis on high quality educational experiences, and the pursuit of new knowledge. The addition of the new doctoral program in Health Systems and Policy completes the required three majors for accreditation by the Council of Education for Public Health. With its programs accredited, the School of Public Health can professionally fulfill its missions: excellence in education, research, and outreach to improve public health and promote health equity by generating knowledge and translating research discoveries locally, statewide and nationally.

The proposed program directly complements the State Master Plan as it recognizes the capacity of the Memphis Research Consortium (MRC). The MRC combines the research resources of the University of Memphis, University of Tennessee Health Sciences Center, St. Jude Children’s Research and other leading research and business entities in Memphis for promoting research and development in health care and other disciplines. Additionally, the Health Systems and Policy PhD program 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.

**1.1.20B CURRICULUM:** The degree program will require completion of 60 semester credit hours divided into six major components: (1) Health Systems and Policy core (21 hours); (2) Doctoral Seminar Core (6 hours); (3) Research Methods Core (9 hours); (4) Biostatistics (9 hours); (5) Health Systems and Policy Electives (6 hours); and (6) Dissertation (9 hours). Students will also have to complete nine hours of prerequisite courses or document equivalent coursework. These prerequisite courses will include Biostatistics Methods, Epidemiology in Public Health, and Health Policy and will not count toward the required 60 hours of doctoral study. Courses will be delivered primarily in the traditional format with a few of the elective courses available online.

Doctoral students will be expected to work closely with one or more faculty mentors on research projects and as they work to complete their doctoral dissertations. Additionally, students will be provided opportunities to gain teaching experience throughout their program of study.

**1.1.20C ACADEMIC STANDARDS:** Program admission requires a Master’s degree; satisfactory scores on the Graduate Record Examination (GRE); three letters of recommendations; curriculum vitae, and a personal statement stating the applicant’s career goals and academic preparation.

Students must meet progression and graduation standards as published annually in the University of Memphis catalog.

**Projected Program Enrollment and Productivity**

Program enrollment and productivity projections are based on trends at three peer schools of public health (University of Alabama – Birmingham, University of Arkansas and University of North Texas). These institutions have similar characteristics as the University of Memphis and offer degree programs similar to the programs proposed for the School of Public Health. The enrollment projections are consistent with the number of faculty in the Division of Health Systems Management and Policy.

| <b>Year</b> | <b>Enrollment</b> | <b>Graduates</b> |
|-------------|-------------------|------------------|
| <b>2014</b> | 3                 | --               |
| <b>2015</b> | 6                 | --               |
| <b>2016</b> | 9                 | 1                |
| <b>2017</b> | 12                | 3                |
| <b>2018</b> | 13                | 3                |

**1.1.20D FACULTY:** The proposed PhD in Health Systems and Policy is a multidisciplinary program involving faculty holding academic degrees in several disciplines. By spring 2014, the Division of Health Systems Management and Policy will have five full-time core faculty members. The Division is currently conducting a faculty search for one of the five faculty positions. An accreditation condition from the Council on Education for Public Health requires the division to allocate five full-time faculty to the program.

Additionally, the program will be supported by a broad group of affiliated faculty from departments across the University and healthcare organizations in the Memphis and Shelby county areas. Affiliate faculty will serve important functions in the proposed program by serving on key committees such as curriculum planning and doctoral dissertation.

**1.1.20E LIBRARY RESOURCES:** The Ned R. McWherter Library supports the instructional and research programs at the University of Memphis. Students will have access to a broad array of library resources. Additionally, the library has budgeted \$15,000 to support national and international journals, books and databases focusing on public health.

**1.1.20F ADMINISTRATION/ORGANIZATION:** This program will be offered through the Division of Health Systems Management and Policy, one of three divisions in the School of Public Health. A faculty member from the Division of Health Systems Management Policy will serve as the program coordinator for the proposed PhD program. The program coordinator will work collaboratively with the dean, other academic leaders and community partners to launch and administer the program and facilitate student recruitment, matriculation, retention and degree completion.

**1.1.20G SUPPORT RESOURCES:** Students will have access to a wide range of support resources, including advising and mentoring support from faculty in the School of Public Health. All doctoral students will be assigned a faculty adviser based on their field of study prior to matriculation into the program.

Additionally, the Division of Health Systems Management and Policy will provide graduate assistantship support for two new full-time students each year for a commitment of two years.

**1.1.20H FACILITIES AND EQUIPMENT:** Facilities and instructional equipment are adequate to support the program. The School of Public Health moved into a newly renovated building (Robison Hall) in October 2011 that adequately meets all current and projected needs.

**1.1.20I NEED AND DEMAND:** Despite an increasing need for public health services and research, there is an acute shortage of public health professional nationally, in Memphis/Shelby County, and the Mid-South area. The Association of Schools of Public Health estimates that 250,000 additional public health workers will be required nationally by 2020 to replace the retiring workforce and meet the growing need. Public health scholars and educators in health systems and policy will be needed to develop and lead the public health infrastructure to assure a competent workforce and access to health care.

There is an immense need at the local and state levels for public health professionals to combat a myriad of health issues that can be positively affected by graduates with a degree in Health Systems and Policy. Doctoral level public health leaders with expertise in health systems and policy will engage the community in participatory research, address systemic determinants of healthcare and prevention, and provide

their expertise to help reduce health disparities by way of policy analysis, creation, and implementation.

**1.1.20J NO UNNECESSARY DUPLICATION:** The proposed program will be the only doctoral level program in Health Systems and Policy in Tennessee. The only other doctoral program closely related to the proposed program is the Health Outcomes and Policy Research at the University of Tennessee Health Sciences Center. This program is focused on clinical health outcomes with an emphasis on pharmaceuticals and psychopharmacological aspects of health.

**1.1.20K COOPERATING INSTITUTIONS:** N/A

**1.120L DIVERSITY AND ACCESS:** University of Memphis is committed to an inclusive and diverse campus that values the uniqueness of its student body and employees. Attracting a diverse group of students to the proposed program is a stated goal of the proposal. The School of Public Health expects that the proposed PhD program in Health Systems and Policy will mirror the excellent diversity that has been achieved in the Master's programs and the doctoral programs in Epidemiology and Social and Behavioral Sciences.

**1.1.20M ASSESSMENT/EVALUATION AND ACCREDITATION:** As a proposed program within the School of Public Health, the University of Memphis will be eligible for accreditation by the Council on Education for Public Health (CEPH). Accreditation requirements for CEPH require that institutions offer a Master of Public Health and offer at least three doctoral degrees. This proposed program along with the Epidemiology PhD and Social and Behavioral Sciences PhD programs will now position the University of Memphis to seek CEPH accreditation.

The School of Public Health filed for candidacy with CEPH in August 2012 and the Council approved candidacy in October 2012. The School has two years from candidacy approval to conduct an accreditation self-study and have a site visit by CEPH. A site visit is expected to occur during the Fall 2014 semester.

Additionally, the Health Systems and Policy PhD program will continuously monitor program and student learning outcomes using multiple evaluation tools. Program faculty and staff will review outcomes to make on-going improvements in curriculum, programs and practices to ensure compliance with accreditation standards and University of Memphis policies.

**1.1.200 EXTERNAL JUDGMENT:** External review of the proposed program was conducted during an institution site visit on July 11-12, 2013. Dr. Stephen O'Connor, Professor of Health Services Administration at University of Alabama at Birmingham and Dr. Jose Pagan, Professor and Chair of the Department of Health Management and Policy at North Texas Health Sciences Center served as external reviewers.

Dr. O'Connor and Dr. Pagan made a joint recommendation for the approval of the Health Systems and Policy, PhD program for the following three reasons: "There is a need for doctoral-level graduates in health care systems, health policy, and health services research at the local, state and national levels. The proposed program

addresses this important need. Second, the program is well designed to meet the needs of students and it has the institutional resources and commitment necessary to make the program a success. Third, the program is an institutional priority and it is strategically linked to the State Master Plan. The Health Systems and Policy PhD program will provide unique opportunities for multidisciplinary collaboration not only with the University of Memphis but also through the Memphis Research Consortium.”

**1.1.20P COST/BENEFIT:** The proposed Health Systems and Policy PhD program will be funded through campus reallocations and additional tuition revenues generated by the Master of Health Administration and Master of Public Health programs. Additional support comes from currently awarded federal and private grants. In 2011, as part of the \$20 million in funding from Governor Haslam’s office to the Memphis Research Consortium (MRC), the School of Public Health received \$1,050,000 in start-up support funds for new faculty hires in key areas of obesity prevention, health informatics, and systems science. Of this amount, \$360,000 of the MRC funding is earmarked for faculty hires in the Division of Health Systems Management and Policy.

**1.1.30 POST APPROVAL MONITORING:** An annual performance review of the proposed program will be conducted for the first five years following program approval. The review will be based on benchmarks established in the approved proposal. At the end of this period, the campus, governing board, and Commission staff will perform a summative evaluation. The benchmarks include, but are not limited to, enrollment and graduation, program cost; progress toward accreditation and other metrics set by the institution and agreed upon by governing board and Commission staff. If benchmarks are not met during the monitoring period, the Commission may recommend that the governing board terminate the program. If additional time is needed and requested by the governing board, the Commission may choose to extend the monitoring period.

**DATE:** January 30, 2014

**SUBJECT:** Temporary Authorization of New Institutions under the Postsecondary Authorization Act

**ACTION RECOMMENDED:** Temporary Authorization

**BACKGROUND INFORMATION:** The Commission, under the Postsecondary Authorization Act, has the “power and duty” to act upon applications for authorization to operate an educational institution in the state. For the institutions listed below, applications have been reviewed, site visits have been performed, and staff has determined that all necessary documentation and bonds have been secured. The Committee on Postsecondary Educational Institutions met on January 16, 2014 and endorsed staff recommendations for Temporary Authorization of these institutions.

**A. Center Centre** **Chattanooga, TN**  
811 Broad Street, Suite 400, Chattanooga,  
Tennessee 37402

**Corporate Structure:** Limited Liability Company (LLC)  
**Accreditation:** None  
**Title IV Funding:** No

Center Centre is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Chattanooga, Tennessee.

**1. Program:** **User Experience Design and Technology**  
**Credential Awarded:** **Diploma**  
**Length of Program:** **1875 Contact Hours**  
**24 Months**

**B. Concorde Career College** **Kansas City, MO**  
3239 Broadway, Kansas City, Missouri 64111

**Corporate Structure:** Limited Liability Company (LLC)  
**Accreditation:** Accrediting Commission of Career Schools and Colleges (ACCSC)  
**Title IV Funding:** Yes

Concorde Career College is seeking approval for one new program. The program will be offered in a distance learning format. This institution is recruitment only and all classes are available on-line.

1. **Program:** Health Information Management  
**Credential Awarded:** Associate of Applied Science  
**Length of Program:** 71 Semester Credit Hours  
20 Months Full-Time  
40 Months Part-Time

- C. **Dark Horse Institute** Franklin, TN  
2465 Old Charlotte Pike, Franklin, Tennessee 37064

**Corporate Structure:** Sole Proprietorship  
**Accreditation:** None  
**Title IV Funding:** No

Dark Horse Institute is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Franklin, Tennessee.

1. **Program:** Audio Engineering  
**Credential Awarded:** Certificate  
**Length of Program:** 400 Contact Hours  
14 Weeks

- D. **Professional Bartending School of Knoxville** Knoxville, TN  
8078 Kingston Pike Ste 122, Knoxville, Tennessee  
37919

**Corporate Structure:** Partnership  
**Accreditation:** None  
**Title IV Funding:** No

**Change of Ownership:**

Professional Bartending School of Knoxville was purchased by Mr. Jeramy Denton and Mr. Matthew Smith on July 8, 2013. The institution is now owned by a general partnership and has been authorized by THEC since January 29, 1998.

Professional Bartending School of Knoxville is seeking approval for two revised programs. The programs will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Knoxville, Tennessee.

1. **Program:** Bartending/Mixology (Revised)  
**Credential Awarded:** Certificate of Completion  
**Length of Program:** 40 Contact Hours  
2 Weeks

- 2. **Program:** **Basic Bartending (Revised)**  
**Credential Awarded:** **Certificate of Completion**  
**Length of Program:** **32 Contact Hours**  
**2 Weeks Full-Time**  
**2 Weeks Part-Time**

**E. Union College - St. Clair Elementary School** **Bulls Gap, TN**  
 1350 Melinda Ferry Road, Bulls Gap, Tennessee 37711

**Corporate Structure:** Not-for-Profit Corporation  
**Accreditation:** Southern Association of Colleges and Schools Commission on Colleges (SACSCOC)  
**Title IV Funding:** Yes

Union College - St. Clair Elementary School is seeking approval for two new programs. The programs will be offered in a blended format. Instruction will be provided by the faculty from their authorized site in Bulls Gap, Tennessee, as well as on-line.

- 1. **Program:** **Educational Administration (Non-Licensure)**  
**Credential Awarded:** **Master of Arts in Education**  
**Length of Program:** **31 Semester Credit Hours**  
**12 Months**
- 2. **Program:** **Educational Specialist (Non-Licensure)**  
**Credential Awarded:** **Master of Arts in Education**  
**Length of Program:** **36 Semester Credit Hours**  
**12 Months**



**Agenda Item:** I.B.2.

**DATE:** January 30, 2014

**SUBJECT:** Approval of New Programs under the Postsecondary Authorization Act

**ACTION RECOMMENDED:** Approval

**BACKGROUND INFORMATION:** The Commission, under the Postsecondary Authorization Act, has the “power and duty” to act upon applications for authorization of educational programs in the state. Applications have been reviewed and staff has determined that all necessary documentation for the institutions submitting new program applications is in accordance with the Act and postsecondary rules. The Committee on Postsecondary Educational Institutions, which is a review and advisory committee to the Commission, met on January 16, 2014 and affirmed staff recommendations for approval.

**A. Anthem Career College** **Memphis, TN**  
5865 Shelby Oaks Circle, Suite 100, Memphis,  
Tennessee 38134

|                                    |  |
|------------------------------------|--|
| <b>Corporate Structure:</b>        | C-Corporation  |
| <b>Authorization Date:</b>         | July 17, 2003  |
| <b>Accreditation:</b>              | Accrediting Council for Independent Colleges and Schools (ACICS) |
| <b>Title IV Funding:</b>           | Yes  |
| <b>Highest Credential Offered:</b> | Associate Degree   |

Anthem Career College - Memphis is seeking approval for three new programs. The diploma programs in Limited Scope X-Ray Technician and Patient Care Technician will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Memphis, Tennessee. The diploma program in Pharmacy Technician will be offered in a blended format. Instruction will be provided by the faculty from their authorized site in Memphis, Tennessee, as well as on-line.

|                            |                                       |
|----------------------------|---------------------------------------|
| <b>1. Program:</b>         | <b>Limited Scope X-Ray Technician</b> |
| <b>Credential Awarded:</b> | <b>Diploma</b>                        |
| <b>Length of Program:</b>  | <b>43 Quarter Credit Hours</b>        |
|                            | <b>11.5 Months</b>                    |

**License/Certification Required for Employment:** Limited Scope X-Ray Technician  
**Licensing Board/Agency:** Board of Medical Examiners

2. **Program:** Patient Care Technician  
**Credential Awarded:** Diploma  
**Length of Program:** 35 Quarter Credit Hours  
9 Months

3. **Program:** Pharmacy Technician  
**Credential Awarded:** Diploma  
**Length of Program:** 35 Quarter Credit Hours  
8 Months

**B. Anthem Career College** Nashville, TN  
560 Royal Pkwy, Nashville, Tennessee 37214

**Corporate Structure:** C-Corporation  
**Authorization Date:** November 20, 1998  
**Accreditation:** Accrediting Council for Independent Colleges and Schools (ACICS)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Associate Degree

Anthem Career College - Nashville is seeking approval for three new programs. The programs will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Nashville, Tennessee.

1. **Program:** Dental Assistant Technician  
**Credential Awarded:** Diploma  
**Length of Program:** 43 Quarter Credit Hours  
10.2 Months

**License/Certification Required for Employment:** Registered Dental Assistant  
**Licensing Board/Agency:** Board of Dentistry

2. **Program:** Limited Scope X-Ray Technician  
**Credential Awarded:** Diploma  
**Length of Program:** 43 Quarter Credit Hours  
11.5 Months

**License/Certification Required for Employment:** Limited Scope X-Ray Technician  
**Licensing Board/Agency:** Board of Medical Examiners

3. **Program:** Patient Care Technician  
**Credential Awarded:** Diploma  
**Length of Program:** 35 Quarter Credit Hours  
9 Months

**C. Argosy University****Phoenix, AZ**

2233 West Dunlap Ave Ste 150, Phoenix, Arizona 85021

|                                    |  |
|------------------------------------|--|
| <b>Corporate Structure:</b>        | C-Corporation                                      |
| <b>Authorization Date:</b>         | April 26, 2007                                     |
| <b>Accreditation:</b>              | Western Association of Schools and Colleges (WASC) |
| <b>Title IV Funding:</b>           | Yes  |
| <b>Highest Credential Offered:</b> | Doctorate Degree                                   |

Argosy University is seeking approval for two new programs. The programs will be offered in a distance learning format. This institution is recruitment only and all classes are available on-line.

- |                            |                                      |
|----------------------------|--------------------------------------|
| <b>Program:</b>            | <b>Pastoral Community Counseling</b> |
| <b>Credential Awarded:</b> | <b>Doctor of Education</b>           |
| <b>Length of Program:</b>  | <b>60 Semester Credit Hours</b>      |
|                            | <b>36 Months</b>                     |
- |                            |   |
|----------------------------|---|
| <b>Program:</b>            | <b>Business Administration</b>                      |
| <b>Credential Awarded:</b> | <b>Competency Master of Business Administration</b> |
| <b>Length of Program:</b>  | <b>30 Credit Hours</b>                              |
|                            | <b>24 Months</b>                                    |

**D. Belhaven University****Chattanooga, TN**535 Chestnut Street Suite 100, Chattanooga,  
Tennessee 37402

|                                    |  |
|------------------------------------|--|
| <b>Corporate Structure:</b>        | Not-for-Profit Corporation   |
| <b>Authorization Date:</b>         | April 13, 1992   |
| <b>Accreditation:</b>              | Southern Association of Colleges and Schools<br>Commission on Colleges (SACSCOC) |
| <b>Title IV Funding:</b>           | Yes  |
| <b>Highest Credential Offered:</b> | Master Degree  |

Belhaven University is seeking approval for seven new programs. The master degree programs will be offered in a blended format. Instruction will be provided by the faculty from their authorized site in Chattanooga, Tennessee, as well as on-line. The Bachelor, Associate and Certificate programs will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Chattanooga, Tennessee.

- |                            |  |
|----------------------------|--|
| <b>Program:</b>            | <b>Business Administration/Human Resources</b> |
| <b>Credential Awarded:</b> | <b>Master of Business Administration</b>       |
| <b>Length of Program:</b>  | <b>42 Semester Credit Hours</b>                |
|                            | <b>24 Months Full-Time</b>                     |
|                            | <b>48 Months Part-Time</b>                     |

- 2. **Program:** **Business Administration/Leadership**  
**Credential Awarded:** **Master of Business Administration**  
**Length of Program:** **42 Credit Hours**  
**24 Months Full-Time**  
**48 Months Part-Time**
  
- 3. **Program:** **Leadership/Human Resources**  
**Credential Awarded:** **Master of Science**  
**Length of Program:** **42 Semester Credit Hours**  
**24 Months Full-Time**  
**48 Months Part-Time**
  
- 4. **Program:** **Biblical Studies**  
**Credential Awarded:** **Bachelor of Arts**  
**Length of Program:** **124 Semester Credit Hours**  
**48 Months Full-Time**  
**96 Months Part-Time**
  
- 5. **Program:** **Social Services with Christian Ministry**  
**Credential Awarded:** **Bachelor of Arts**  
**Length of Program:** **124 Semester Credit Hours**  
**48 Months Full-Time**  
**96 Months Part-Time**
  
- 6. **Program:** **Biblical Studies**  
**Credential Awarded:** **Associate of Arts**  
**Length of Program:** **62 Semester Credit Hours**  
**24 Months Full-Time**  
**48 Months Part-Time**
  
- 7. **Program:** **Biblical Studies**  
**Credential Awarded:** **Certificate**  
**Length of Program:** **18 Semester Credit Hours**  
**6 Months Full-Time**  
**12 Months Part-Time**

**E. Belhaven University** **Jackson, MS**  
1500 Peachtree Street, Campus Box 282, Jackson,  
Mississippi 39202

**Corporate Structure:** Not-for-Profit Corporation  
**Authorization Date:** January 26, 2012  
**Accreditation:** Southern Association of Colleges and Schools  
Commission on Colleges (SACSCOC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Master Degree

Belhaven University is seeking approval for four new programs. The programs will be offered in a distance learning format. This institution is recruitment only and all classes are available on-line.

1. **Program:** **Public Administration/Human Resources**  
**Credential Awarded:** **Master of Public Administration**  
**Length of Program:** **42 Credit Hours**  
**24 Months Full-Time**  
**48 Months Part-Time**
  
2. **Program:** **Biblical Studies**  
**Credential Awarded:** **Bachelor of Arts**  
**Length of Program:** **124 Semester Credit Hours**  
**48 Months Full-Time**  
**96 Months Part-Time**
  
3. **Program:** **Biblical Studies**  
**Credential Awarded:** **Associate of Arts**  
**Length of Program:** **64 Semester Credit Hours**  
**24 Months Full-Time**  
**48 Months Part-Time**
  
4. **Program:** **Biblical Studies**  
**Credential Awarded:** **Certificate**  
**Length of Program:** **18 Semester Credit Hours**  
**6 Months Full-Time**  
**12 Months Part-Time**

**F. Belhaven University** **Memphis, TN**  
1790 Kirby Parkway, Suite 100, Memphis, Tennessee  
38138

**Corporate Structure:** Not-for-Profit Corporation  
**Authorization Date:** November 3, 1995  
**Accreditation:** Southern Association of Colleges and Schools  
Commission on Colleges (SACSCOC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Master Degree

Belhaven University is seeking approval for three new programs. The programs will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Memphis, Tennessee.

1. **Program:** **Social Services with Christian Ministry**  
**Credential Awarded:** **Bachelor of Arts**  
**Length of Program:** **124 Semester Credit Hours**  
**48 Months Full-Time**  
**96 Months Part-Time**

2. **Program:** General Studies  
**Credential Awarded:** Associate of Arts  
**Length of Program:** 62 Semester Credit Hours  
21.5 Months Full-Time  
43 Months Part-Time
3. **Program:** Biblical Studies  
**Credential Awarded:** Certificate  
**Length of Program:** 18 Semester Credit Hours  
6 Months Full-Time  
12 Months Part-Time

**G. Compassionate Care Technical Center, Inc. Knoxville, TN**  
2424 Sutherland Avenue, Knoxville, Tennessee 37919

**Corporate Structure:** S-Corporation  
**Authorization Date:** January 31, 2013  
**Accreditation:** None  
**Title IV Funding:** No  
**Highest Credential Offered:** Certificate

Compassionate Care Technical Center, Inc. is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Knoxville, Tennessee.

1. **Program:** Phlebotomy  
**Credential Awarded:** Certificate  
**Length of Program:** 50 Contact Hours  
10 Days Full-Time  
14 Days Part-Time

**H. Daymar Institute Clarksville, TN**  
2691 Trenton Road, Clarksville, Tennessee 37040

**Corporate Structure:** S-Corporation  
**Authorization Date:** January 1, 1987  
**Accreditation:** Accrediting Council for Independent Colleges and Schools (ACICS)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Bachelor Degree

Daymar Institute is seeking approval to revise eight programs. The programs will be offered in a blended format. Instruction will be provided by the faculty from their authorized site in Clarksville, Tennessee, as well as on-line.

1. **Program:** Billing and Coding Specialist (Revised)  
**Credential Awarded:** Associate of Applied Science  
**Length of Program:** 96 Quarter Credit Hours  
18 Months Full-Time  
27 Months Part-Time

2. **Program:** Business Management (Revised)  
**Credential Awarded:** Associate of Applied Science  
**Length of Program:** 96 Quarter Credit Hours  
18 Months Full-Time  
27 Months Part-Time
3. **Program:** Criminal Justice (Revised)  
**Credential Awarded:** Associate of Applied Science  
**Length of Program:** 96 Quarter Credit Hours  
18 Months Full-Time  
27 Months Part-Time
4. **Program:** Medical Assisting (Revised)  
**Credential Awarded:** Associate of Applied Science  
**Length of Program:** 96 Quarter Credit Hours  
18 Months Full-Time  
27 Months Part-Time
5. **Program:** Billing and Coding Specialist (Revised)  
**Credential Awarded:** Diploma  
**Length of Program:** 64 Quarter Credit Hours  
12 Months Full-Time  
18 Months Part-Time
6. **Program:** Business Management (Revised)  
**Credential Awarded:** Diploma  
**Length of Program:** 64 Quarter Credit Hours  
12 Months Full-Time  
18 Months Part-Time
7. **Program:** Criminal Justice (Revised)  
**Credential Awarded:** Diploma  
**Length of Program:** 64 Quarter Credit Hours  
12 Months Full-Time  
18 Months Part-Time
8. **Program:** Medical Assisting (Revised)  
**Credential Awarded:** Diploma  
**Length of Program:** 64 Quarter Credit Hours  
12 Months Full-Time  
18 Months Part-Time

**I. Daymar Institute**

**Murfreesboro, TN**

415 Golden Bear Court, Murfreesboro, Tennessee 37128

**Corporate Structure:** S-Corporation  
**Authorization Date:** July 17, 2003  
**Accreditation:** Accrediting Council for Independent Colleges and Schools (ACICS)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Bachelor Degree

Daymar Institute is seeking approval to revise eight programs. The programs will be offered in a blended format. Instruction will be provided by the faculty from their authorized site in Murfreesboro, Tennessee, as well as on-line.

- 1. Program: Billing and Coding Specialist (Revised)**  
**Credential Awarded: Associate of Applied Science**  
**Length of Program: 96 Quarter Credit Hours**  
**18 Months Full-Time**  
**27 Months Part-Time**
- 2. Program: Business Management (Revised)**  
**Credential Awarded: Associate of Applied Science**  
**Length of Program: 96 Quarter Credit Hours**  
**18 Months Full-Time**  
**27 Months Part-Time**
- 3. Program: Criminal Justice (Revised)**  
**Credential Awarded: Associate of Applied Science**  
**Length of Program: 96 Quarter Credit Hours**  
**18 Months Full-Time**  
**27 Months Part-Time**
- 4. Program: Medical Assisting (Revised)**  
**Credential Awarded: Associate of Applied Science**  
**Length of Program: 96 Quarter Credit Hours**  
**18 Months Full-Time**  
**27 Months Part-Time**
- 5. Program: Billing and Coding Specialist (Revised)**  
**Credential Awarded: Diploma**  
**Length of Program: 64 Quarter Credit Hours**  
**12 Months Full-Time**  
**18 Months Part-Time**
- 6. Program: Business Management (Revised)**  
**Credential Awarded: Diploma**  
**Length of Program: 64 Quarter Credit Hours**  
**12 Months Full-Time**  
**18 Months Part-Time**
- 7. Program: Criminal Justice (Revised)**  
**Credential Awarded: Diploma**  
**Length of Program: 64 Quarter Credit Hours**  
**12 Months Full-Time**  
**18 Months Part-Time**
- 8. Program: Medical Assisting (Revised)**  
**Credential Awarded: Diploma**  
**Length of Program: 64 Quarter Credit Hours**  
**12 Months Full-Time**  
**18 Months Part-Time**



**J. Daymar Institute**  
340 Plus Park Blvd., Nashville, Tennessee 37217

**Nashville, TN**

**Corporate Structure:** S-Corporation  
**Authorization Date:** January 1, 1974  
**Accreditation:** Accrediting Council for Independent Colleges and Schools (ACICS)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Bachelor Degree

Daymar Institute is seeking approval to revise eight programs. The programs will be offered in a blended format. Instruction will be provided by the faculty from their authorized site in Nashville, Tennessee, as well as on-line.

- 1. Program:** **Billing and Coding Specialist (Revised)**  
**Credential Awarded:** **Associate of Applied Science**  
**Length of Program:** **96 Quarter Credit Hours**  
**18 Months Full-Time**  
**27 Months Part-Time**
- 2. Program:** **Business Management (Revised)**  
**Credential Awarded:** **Associate of Applied Science**  
**Length of Program:** **96 Quarter Credit Hours**  
**18 Months Full-Time**  
**27 Months Part-Time**
- 3. Program:** **Criminal Justice (Revised)**  
**Credential Awarded:** **Associate of Applied Science**  
**Length of Program:** **96 Quarter Credit Hours**  
**18 Months Full-Time**  
**27 Months Part-Time**
- 4. Program:** **Medical Assisting (Revised)**  
**Credential Awarded:** **Associate of Applied Science**  
**Length of Program:** **96 Quarter Credit Hours**  
**18 Months Full-Time**  
**27 Months Part-Time**
- 5. Program:** **Billing and Coding Specialist (Revised)**  
**Credential Awarded:** **Diploma**  
**Length of Program:** **64 Quarter Credit Hours**  
**12 Months Full-Time**  
**18 Months Part-Time**
- 6. Program:** **Business Management (Revised)**  
**Credential Awarded:** **Diploma**  
**Length of Program:** **64 Quarter Credit Hours**  
**12 Months Full-Time**  
**18 Months Part-Time**

7. **Program:** Criminal Justice (Revised)  
**Credential Awarded:** Diploma  
**Length of Program:** 64 Quarter Credit Hours  
12 Months Full-Time  
18 Months Part-Time
8. **Program:** Medical Assisting (Revised)  
**Credential Awarded:** Diploma  
**Length of Program:** 64 Quarter Credit Hours  
12 Months Full-Time  
18 Months Part-Time

**K. DeVry University** **Alpharetta, GA**  
2555 Northwinds Parkway, Alpharetta, Georgia 30009

**Corporate Structure:** C-Corporation  
**Authorization Date:** January 28, 1994  
**Accreditation:** The Higher Learning Commission (HLC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Master Degree

DeVry University is seeking approval for two new programs. The programs will be offered in a blended format. This institution is recruitment only; instruction will be provided by the faculty from their authorized site in Alpharetta, Georgia, as well as on-line.

1. **Program:** Health Information Management  
**Credential Awarded:** Bachelor of Science  
**Length of Program:** 120 Semester Credit Hours  
15 Months Full-Time  
30 Months Part-Time
2. **Program:** Justice Administration/Homeland Security Studies  
**Credential Awarded:** Bachelor of Science  
**Length of Program:** 122 Semester Credit Hours  
30 Months Full-Time  
60 Months Part-Time

**L. DeVry University** **Decatur, GA**  
One West Court Square Ste 100, Decatur, Georgia  
30030

**Corporate Structure:** C-Corporation  
**Authorization Date:** January 28, 1994  
**Accreditation:** The Higher Learning Commission (HLC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Master Degree

DeVry University is seeking approval for two new programs. The programs will be offered in a blended format. This institution is recruitment only; instruction will be provided by the faculty from their authorized site in Decatur, Georgia, as well as on-line.

1. **Program:** Health Information Management  
**Credential Awarded:** Bachelor of Science  
**Length of Program:** 120 Semester Credit Hours  
15 Months Full-Time  
30 Months Part-Time
  
2. **Program:** Justice Administration/Homeland Security Studies  
**Credential Awarded:** Bachelor of Science  
**Length of Program:** 122 Semester Credit Hours  
30 Months Full-Time  
60 Months Part-Time

**M. DeVry University** **Memphis, TN**  
6401 Poplar Ave., Memphis, Tennessee 38119

**Corporate Structure:** C-Corporation  
**Authorization Date:** November 16, 2006  
**Accreditation:** The Higher Learning Commission (HLC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Master Degree

DeVry University is seeking approval for two new programs. The programs will be offered in a blended format. Instruction will be provided by the faculty from their authorized site in Memphis, Tennessee, as well as on-line.

1. **Program:** Health Information Management  
**Credential Awarded:** Bachelor of Science  
**Length of Program:** 120 Semester Credit Hours  
15 Months Full-Time  
30 Months Part-Time
  
2. **Program:** Justice Administration/Homeland Security Studies  
**Credential Awarded:** Bachelor of Science  
**Length of Program:** 122 Semester Credit Hours  
30 Months Full-Time  
60 Months Part-Time

**N. DeVry University****Naperville, IL**

1200 East Diehl Road, Naperville, Illinois 60563

**Corporate Structure:** C-Corporation  
**Authorization Date:** January 31, 2002  
**Accreditation:** The Higher Learning Commission (HLC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Master Degree

DeVry University – Online is seeking authorization for two new programs. The program will be offered in a distance format. The institution is recruitment only and all classes are available on-line.

1. **Program:** **Health Information Management**  
**Credential Awarded:** **Bachelor of Science**  
**Length of Program:** **120 Semester Credit Hours**  
**15 Months Full-Time**  
**30 Months Part-Time**
  
2. **Program:** **Justice Administration/Homeland Security Studies**  
**Credential Awarded:** **Bachelor of Science**  
**Length of Program:** **122 Semester Credit Hours**  
**30 Months Full-Time**  
**60 Months Part-Time**

**O. DeVry University****Nashville, TN**

3343 Perimeter Hill Drive, Suite 200, Nashville, Tennessee 37231

**Corporate Structure:** C-Corporation  
**Authorization Date:** April 26, 2007  
**Accreditation:** The Higher Learning Commission (HLC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Master Degree

DeVry University is seeking approval for two new programs. The programs will be offered in a blended format. Instruction will be provided by the faculty from their authorized site in Nashville, Tennessee, as well as on-line.

1. **Program:** **Health Information Management**  
**Credential Awarded:** **Bachelor of Science**  
**Length of Program:** **120 Semester Credit Hours**  
**15 Months Full-Time**  
**30 Months Part-Time**

**2. Program: Justice Administration/Homeland Security Studies**  
**Credential Awarded: Bachelor of Science**  
**Length of Program: 122 Semester Credit Hours**  
**30 Months Full-Time**  
**60 Months Part-Time**

**P. Embry-Riddle Aeronautical University Memphis, TN**  
3221 Players Club Parkway, Memphis, Tennessee 38125

**Corporate Structure:** Not-for-Profit Corporation  
**Authorization Date:** January 1, 1976  
**Accreditation:** Southern Association of Colleges and Schools  
Commission on Colleges (SACSCOC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Master Degree

Embry-Riddle Aeronautical University is seeking approval for twenty-one new programs. The programs will be offered in a blended format. Instruction will be provided by faculty from their authorized site in Memphis, Tennessee, as well as on-line.

- 1. Program: Unmanned Aerospace Systems**  
**Credential Awarded: Master of Aeronautical Science**  
**Length of Program: 36 Semester Credit Hours**  
**24 Months Full-Time**  
**48 Months Part-Time**
  
- 2. Program: Aviation - Finance**  
**Credential Awarded: Master of Business Administration**  
**Length of Program: 36 Semester Credit Hours**  
**24 Months Full-Time**  
**48 Months Part-Time**
  
- 3. Program: Aviation - Information Technology**  
**Credential Awarded: Master of Business Administration**  
**Length of Program: 36 Semester Credit Hours**  
**24 Months Full-Time**  
**48 Months Part-Time**
  
- 4. Program: Aviation - Marketing**  
**Credential Awarded: Master of Business Administration**  
**Length of Program: 36 Semester Credit Hours**  
**24 Months Full-Time**  
**48 Months Part-Time**



13. **Program:** Logistics and Supply Chain Management/General  
**Credential Awarded:** Master of Science  
**Length of Program:** 36 Semester Credit Hours  
30 Months Full-Time  
84 Months Part-Time
14. **Program:** Logistics and Supply Chain  
Management/Transportation and Logistics  
**Credential Awarded:** Master of Science  
**Length of Program:** 39 Semester Credit Hours  
33 Months Full-Time  
87 Months Part-Time
15. **Program:** Occupational Safety Management  
**Credential Awarded:** Master of Science  
**Length of Program:** 36 Semester Credit Hours  
30 Months Full-Time  
84 Months Part-Time
16. **Program:** Engineering Management  
**Credential Awarded:** Master of Systems Engineering  
**Length of Program:** 30 Semester Credit Hours  
24 Months Full-Time  
48 Months Part-Time
17. **Program:** Technical  
**Credential Awarded:** Master of Systems Engineering  
**Length of Program:** 30 Semester Credit Hours  
24 Months Full-Time  
48 Months Part-Time
18. **Program:** Aviation Business Administration  
**Credential Awarded:** Bachelor of Science  
**Length of Program:** 120 Semester Credit Hours  
48 Months Full-Time  
96 Months Part-Time
19. **Program:** Aviation Security  
**Credential Awarded:** Bachelor of Science  
**Length of Program:** 120 Semester Credit Hours  
48 Months Full-Time  
96 Months Part-Time
20. **Program:** Technical Management/Information Security  
**Credential Awarded:** Bachelor of Science  
**Length of Program:** 120 Semester Credit Hours  
48 Months Full-Time  
96 Months Part-Time

**21. Program: Aviation Business Administration**  
**Credential Awarded: Associate of Science**  
**Length of Program: 60 Semester Credit Hours**  
**24 Months Full-Time**  
**48 Months Part-Time**

**Q. ITT Technical Institute Indianapolis, IN**  
9511 Angola Court, Indianapolis, Indiana 46268

**Corporate Structure:** C-Corporation  
**Authorization Date:** April 18, 2002  
**Accreditation:** Accrediting Council for Independent Colleges and Schools (ACICS)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Bachelor Degree

ITT Technical Institute is seeking approval for one new program. The program will be offered in a distance learning format. This institution is recruitment only and all classes are available on-line.

**1. Program: Electrical Engineering Technology**  
**Credential Awarded: Associate of Applied Science**  
**Length of Program: 93 Quarter Credit Hours**  
**21 Months Full-Time**  
**30 Months Part-Time**

**R. ITT Technical Institute Nashville, TN**  
2845 Elm Hill Pike, Nashville, Tennessee 37214

**Corporate Structure:** C-Corporation  
**Authorization Date:** January 11, 1986  
**Accreditation:** Accrediting Council for Independent Colleges and Schools (ACICS)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Bachelor Degree

ITT Technical Institute is seeking approval for one new program. The program will be offered in a blended format. Instruction will be provided by the faculty from their authorized site in Nashville, Tennessee, as well as on-line.

**1. Program: Medical Assisting and Administration**  
**Credential Awarded: Associate of Applied Science**  
**Length of Program: 93 Quarter Credit Hours**  
**21 Months Full-Time**  
**30 Months Part-Time**



**Students in the Associate of Applied Science in Medical Assisting and Administration Program are required to complete a clinical externship during the second year of the program. Due to the length of the program and time the externship would begin, ITT Technical Institute does not have executed agreements for potential externship sites. The institution will provide the Division of Postsecondary School Authorization with copies of the executed agreements on or before March 17, 2015. If an externship site is not available to any eligible student, the student will be taught out at another institution with an Associate of Applied Science in Medical Assisting and Administration Program or ITT Technical Institute will refund any monies paid by the student.**

**S. Kaplan University Chicago, IL**  
 550 West Van Buren St 2nd Fl, Chicago, Illinois 60607

**Corporate Structure:** C-Corporation  
**Authorization Date:** November 19, 2009  
**Accreditation:** The Higher Learning Commission (HLC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Master Degree

Kaplan University is seeking approval for six new programs. The programs will be offered in a distance learning format. This institution is recruitment only and all classes are available on-line.

1. **Program:** Psychology/Industrial Organizational  
**Credential Awarded:** Master of Science  
**Length of Program:** 70 Credit Hours  
 15 Months Full-Time  
 31 Months Part-Time
  
2. **Program:** Psychology/Industrial Organizational  
**Credential Awarded:** Graduate Certificate  
**Length of Program:** 30 Quarter Credit Hours  
 6 Months Full-Time  
 12 Months Part-Time
  
3. **Program:** Autism Spectrum Disorder  
**Credential Awarded:** Post Baccalaureate Certificate  
**Length of Program:** 24 Quarter Credit Hours  
 6 Months Full-Time  
 12 Months Part-Time
  
4. **Program:** Psychology/Industrial Organizational  
**Credential Awarded:** Bachelor of Science  
**Length of Program:** 180 Quarter Credit Hours  
 43 Months Full-Time  
 86 Months Part-Time

**5. Program: Cardiac Rhythm Analysis and Telemetry**  
**Credential Awarded: Certificate**  
**Length of Program: 150 Contact Hours**  
**2.5 Months**

**6. Program: Medical Billing and Coding**  
**Credential Awarded: Certificate**  
**Length of Program: 1140 Contact Hours**  
**11 Months**

**T. Meridian Institute of Surgical Assisting, Inc. Nashville, TN**  
1507 County Hospital Road, Nashville, Tennessee 37218

**Corporate Structure:** C-Corporation  
**Authorization Date:** November 17, 2005  
**Accreditation:** Accrediting Bureau of Health Education Schools (ABHES)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Certificate

Meridian Institute of Surgical Assisting, Inc. is seeking approval for one new program. The program will be offered in a distance learning format. This institution is recruitment only and all classes are available on-line.

**1. Program: Health Science**  
**Credential Awarded: Associate of Applied Science**  
**Length of Program: 60 Semester Credit Hours**  
**18 Months Full-Time**  
**36 Months Part-Time**

**U. Miller-Motte Technical College Chattanooga, TN**  
6020 Shallowford Rd, Chattanooga, Tennessee 37421

**Corporate Structure:** C-Corporation  
**Authorization Date:** July 11, 2002  
**Accreditation:** Accrediting Council for Independent Colleges and Schools (ACICS)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Associate Degree

Miller-Motte Technical College is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Chattanooga, Tennessee.

1. **Program:** CDL Training: Class A Tractor Trailer  
**Credential Awarded:** Certificate  
**Length of Program:** 160 Contact Hours  
4 Weeks

**License/Certification Required for Employment:** CDL - A  
**Licensing Board/Agency:** Tennessee Department of Safety and Homeland Security

- V. **Nashville College of Medical Careers** **Madison, TN**  
1556 Crestview Dr., Madison, Tennessee 37115

**Corporate Structure:** C-Corporation  
**Authorization Date:** January 1, 1976  
**Accreditation:** Accrediting Commission of Career Schools and Colleges (ACCSC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Diploma

Nashville College of Medical Careers is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Madison, Tennessee.

1. **Program:** Pharmacy Technician  
**Credential Awarded:** Diploma  
**Length of Program:** 31 Quarter Credit Hours  
7 Months

- W. **National College of Business & Technology** **Bartlett, TN**  
5760 Stage Road, Bartlett, Tennessee 38134

**Corporate Structure:** S-Corporation  
**Authorization Date:** November 16, 2006  
**Accreditation:** Accrediting Council for Independent Colleges and Schools (ACICS)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Associate Degree

National College of Business & Technology is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Bartlett, Tennessee.

1. **Program:** Software Development & Engineering  
**Credential Awarded:** Associate of Applied Science  
**Length of Program:** 96 Quarter Credit Hours  
20 Months Full-Time  
44 Months Part-Time

**X. National College of Business & Technology** **Bristol, TN**  
1328 Hwy 11 W, Bristol, Tennessee 37620

**Corporate Structure:** S-Corporation  
**Authorization Date:** January 27, 2000  
**Accreditation:** Accrediting Council for Independent Colleges and Schools (ACICS)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Bachelor Degree

National College of Business & Technology is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Bristol, Tennessee.

- 1. Program:** **Software Development & Engineering**  
**Credential Awarded:** **Associate of Applied Science**  
**Length of Program:** **96 Quarter Credit Hours**  
**20 Months Full-Time**  
**44 Months Part-Time**

**Y. National College of Business & Technology** **Knoxville, TN**  
8415 Kingston Pike, Knoxville, Tennessee 37919

**Corporate Structure:** S-Corporation  
**Authorization Date:** July 11, 2002  
**Accreditation:** Accrediting Council for Independent Colleges and Schools (ACICS)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Associate Degree

National College of Business & Technology is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Knoxville, Tennessee.

- 1. Program:** **Software Development & Engineering**  
**Credential Awarded:** **Associate of Applied Science**  
**Length of Program:** **96 Quarter Credit Hours**  
**20 Months Full-Time**  
**44 Months Part-Time**

**Z. National College of Business & Technology** **Madison, TN**  
900 Madison Square, Madison, Tennessee 37115

**Corporate Structure:** S-Corporation  
**Authorization Date:** July 27, 2006  
**Accreditation:** Accrediting Council for Independent Colleges and Schools (ACICS)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Associate Degree

National College of Business & Technology is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Madison, Tennessee.

- Program:** Software Development & Engineering  
**Credential Awarded:** Associate of Applied Science  
**Length of Program:** 96 Quarter Credit Hours  
20 Months Full-Time  
44 Months Part-Time

**AA. National College of Business & Technology** **Memphis, TN**  
2576 Thousand Oaks Cove, Memphis, Tennessee 38115

**Corporate Structure:** S-Corporation  
**Authorization Date:** November 17, 2005  
**Accreditation:** Accrediting Council for Independent Colleges and Schools (ACICS)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Associate Degree

National College of Business & Technology is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Memphis, Tennessee.

- Program:** Software Development & Engineering  
**Credential Awarded:** Associate of Applied Science  
**Length of Program:** 96 Quarter Credit Hours  
20 Months Full-Time  
44 Months Part-Time

**BB. National College of Business & Technology** **Nashville, TN**  
1638 Bell Rd, Nashville, Tennessee 37211

**Corporate Structure:** S-Corporation  
**Authorization Date:** July 16, 1991  
**Accreditation:** Accrediting Council for Independent Colleges and Schools (ACICS)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Associate Degree

National College of Business & Technology is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Nashville, Tennessee.

- Program:** Software Development & Engineering  
**Credential Awarded:** Associate of Applied Science  
**Length of Program:** 96 Quarter Credit Hours  
20 Months Full-Time  
44 Months Part-Time

**CC. New Horizons Computer Learning Center**  
9115 Cross Park Drive Bldg C -100, Knoxville,  
Tennessee 37923

**Knoxville, TN**

**Corporate Structure:** S-Corporation  
**Authorization Date:** January 28, 1999  
**Accreditation:** None  
**Title IV Funding:** No  
**Highest Credential Offered:** Certificate

New Horizons Computer Learning Center is seeking approval for five new programs. The programs will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Knoxville, Tennessee.

1. **Program:** Adobe Graphic & Web Specialist Program  
**Credential Awarded:** Certificate  
**Length of Program:** 364 Contact Hours  
4 Months
2. **Program:** Cyber Security Program  
**Credential Awarded:** Certificate  
**Length of Program:** 630 Contact Hours  
8 Months
3. **Program:** Microsoft Developer Program  
**Credential Awarded:** Certificate  
**Length of Program:** 406 Contact Hours  
6 Months
4. **Program:** Microsoft IT Infrastructure Program  
**Credential Awarded:** Certificate  
**Length of Program:** 343 Contact Hours  
4 Months
5. **Program:** Microsoft Office Business Skills Program  
**Credential Awarded:** Certificate  
**Length of Program:** 322 Contact Hours  
4 Months

**DD. Remington College**  
500 International Parkway, Suite 200, Heathrow,  
Florida 32746

**Heathrow, FL**

**Corporate Structure:** Not-for-Profit Corporation  
**Authorization Date:** November 10, 2011  
**Accreditation:** Accrediting Commission of Career Schools and  
Colleges (ACCSC)  
**Title IV Funding:** No  
**Highest Credential Offered:** Bachelor Degree

Remington College is seeking approval for two new programs. The programs will be offered in a distance learning format. The institution is recruitment only and all classes are available on-line.

- 1. Program:** Health Information Management  
**Credential Awarded:** Bachelor of Applied Science  
**Length of Program:** 90 Quarter Credit Hours  
18 Months
- 2. Program:** Health Information Technology  
**Credential Awarded:** Associate of Applied Science  
**Length of Program:** 100 Quarter Credit Hours  
24 Months

**EE. Remington College** **Memphis, TN**  
2710 Nonconnah Blvd., Memphis, Tennessee 38132

**Corporate Structure:** Not-for-Profit Corporation  
**Authorization Date:** January 1, 1987  
**Accreditation:** Accrediting Commission of Career Schools and Colleges (ACCSC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Bachelor Degree

Remington College is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Memphis, Tennessee.

- 1. Program:** Business Administration  
**Credential Awarded:** Associate of Applied Science  
**Length of Program:** 96 Quarter Credit Hours  
18 Months

**FF. Remington College** **Nashville, TN**  
441 Donelson PK Ste 150, Nashville, Tennessee 37214

**Corporate Structure:** Not-for-Profit Corporation  
**Authorization Date:** July 17, 2003  
**Accreditation:** Accrediting Commission of Career Schools and Colleges (ACCSC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Associate Degree

Remington College is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Nashville, Tennessee.

1. **Program:** Pharmacy Technician  
**Credential Awarded:** Diploma  
**Length of Program:** 64.5 Quarter Credit Hours  
13 Months

**GG. South College** Knoxville, TN  
3904 Lonas Dr, Knoxville, Tennessee 37909

**Corporate Structure:** S-Corporation  
**Authorization Date:** July 27, 2006  
**Accreditation:** Southern Association of Colleges and Schools  
Commission on Colleges (SACSCOC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Master Degree

South College is seeking approval for one new program. The Program will be offered in a blended format. Instruction will be provided by the faculty from their authorized site on Lonas Drive in Knoxville, Tennessee, as well as on-line.

1. **Program:** Health Science/Diagnostic Medical Sonography  
**Credential Awarded:** Bachelor of Science  
**Length of Program:** 191 Quarter Credit Hours  
42 Months Full-Time  
63 Months Part-Time

**HH. Universal Technical Institute Motorcycle & Marine** Orlando, FL  
**Mechanics Institute & Automotive Divisions**  
9751 Delegates Dr., Orlando, Florida 32837

**Corporate Structure:** C-Corporation  
**Authorization Date:** April 17, 1998  
**Accreditation:** Accrediting Commission of Career Schools and  
Colleges (ACCSC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Diploma

Universal Technical Institute Motorcycle & Marine Mechanics Institute & Automotive Divisions is seeking approval for four new programs. The programs will be offered in a residential format. The institution is recruitment only and instruction will be provided by the faculty from their authorized site in Orlando, Florida.

1. **Program:** Automotive Technology  
**Credential Awarded:** Diploma  
**Length of Program:** 68 Semester Credit Hours  
12.75 Months



- 2. **Program:** Automotive Technology/BMW FastTrack  
**Credential Awarded:** Diploma  
**Length of Program:** 84 Semester Credit Hours  
15.75 Months
- 3. **Program:** Automotive Technology/FACT  
**Credential Awarded:** Diploma  
**Length of Program:** 88 Semester Credit Hours  
16.5 Months
- 4. **Program:** Automotive Technology/NATT  
**Credential Awarded:** Diploma  
**Length of Program:** 79.5 Semester Credit Hours  
15 Months

**II. University of Phoenix** **Chattanooga, TN**  
1208 Pointe Centre Drive, Chattanooga, Tennessee  
37421

**Corporate Structure:** C-Corporation  
**Authorization Date:** July 27, 2006  
**Accreditation:** The Higher Learning Commission (HLC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Master Degree

University of Phoenix is seeking approval for one revised programs and six new programs. The programs will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Chattanooga, Tennessee.

- 1. **Program:** Education/Adult Education and Training  
**(Revised)**  
**Credential Awarded:** Master of Arts  
**Length of Program:** 34 Semester Credit Hours  
17 Months
- 2. **Program:** Education/Curriculum and Instruction  
**Credential Awarded:** Master of Arts  
**Length of Program:** 35 Semester Credit Hours  
18 Months
- 3. **Program:** Psychology/Behavioral Health  
**Credential Awarded:** Master of Science  
**Length of Program:** 51 Semester Credit Hours  
26 Months
- 4. **Program:** Psychology/Organizational Psychology  
**Credential Awarded:** Master of Science  
**Length of Program:** 54 Semester Credit Hours  
27 Months

- 5. **Program:** Criminal Justice Administration/Human Services for Criminal Justice  
**Credential Awarded:** Bachelor of Science  
**Length of Program:** 120 Semester Credit Hours  
50 Months
- 6. **Program:** Education  
**Credential Awarded:** Associate of Arts  
**Length of Program:** 60 Semester Credit Hours  
25 Months
- 7. **Program:** Environmental Sustainability  
**Credential Awarded:** Certificate  
**Length of Program:** 18 Semester Credit Hours  
8 Months

**JJ. University of Phoenix** Cordova, TN  
65 Germantown Court, Suite 100, Cordova, Tennessee  
38018

**Corporate Structure:** C-Corporation  
**Authorization Date:** July 17, 2003  
**Accreditation:** The Higher Learning Commission (HLC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Master Degree

University of Phoenix is seeking approval for two revised programs and five new programs. The programs will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Cordova, Tennessee.

- 1. **Program:** Education/Adult Education and Training (Revised)  
**Credential Awarded:** Master of Arts  
**Length of Program:** 34 Semester Credit Hours  
17 Months
- 2. **Program:** Education/Curriculum and Instruction (Revised)  
**Credential Awarded:** Master of Arts  
**Length of Program:** 31 Semester Credit Hours  
18 Months
- 3. **Program:** Psychology/Behavioral Health  
**Credential Awarded:** Master of Science  
**Length of Program:** 51 Semester Credit Hours  
26 Months

4. **Program:** Psychology/Organizational Psychology  
**Credential Awarded:** Master of Science  
**Length of Program:** 54 Semester Credit Hours  
27 Months
5. **Program:** Criminal Justice Administration/Human Services  
for Criminal Justice  
**Credential Awarded:** Bachelor of Science  
**Length of Program:** 120 Semester Credit Hours  
50 Months
6. **Program:** Education  
**Credential Awarded:** Associate of Arts  
**Length of Program:** 60 Semester Credit Hours  
25 Months
7. **Program:** Environmental Sustainability  
**Credential Awarded:** Certificate  
**Length of Program:** 18 Semester Credit Hours  
8 Months

**KK. University of Phoenix** **Nashville, TN**  
616 Marriott Dr., Suite 150, Nashville, Tennessee 37214

**Corporate Structure:** C-Corporation  
**Authorization Date:** January 31, 2002  
**Accreditation:** The Higher Learning Commission (HLC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Doctorate Degree

University of Phoenix is seeking approval for two revised programs and five new programs. The programs will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Nashville, Tennessee.

1. **Program:** Education/Adult Education and Training  
(Revised)  
**Credential Awarded:** Master of Arts  
**Length of Program:** 35 Semester Credit Hours  
18 Months
2. **Program:** Education/Curriculum and Instruction (Revised)  
**Credential Awarded:** Master of Arts  
**Length of Program:** 31 Semester Credit Hours  
16 Months
3. **Program:** Psychology/Behavioral Health  
**Credential Awarded:** Master of Science  
**Length of Program:** 51 Semester Credit Hours  
26 Months

4. **Program:** Psychology/Organizational Psychology  
**Credential Awarded:** Master of Science  
**Length of Program:** 54 Semester Credit Hours  
27 Months
5. **Program:** Criminal Justice Administration/Human Services  
for Criminal Justice  
**Credential Awarded:** Bachelor of Science  
**Length of Program:** 120 Semester Credit Hours  
50 Months
6. **Program:** Education  
**Credential Awarded:** Associate of Arts  
**Length of Program:** 60 Semester Credit Hours  
25 Months
7. **Program:** Environmental Sustainability  
**Credential Awarded:** Certificate  
**Length of Program:** 18 Semester Credit Hours  
8 Months

**LL. University of Phoenix** **Phoenix, AZ**  
3157 East Elwood Street, Phoenix, Arizona 85072

**Corporate Structure:** C-Corporation  
**Authorization Date:** November 15, 2001  
**Accreditation:** The Higher Learning Commission (HLC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Doctorate Degree

University of Phoenix is seeking approval for two revised programs and twenty-one new programs. The programs will be offered in a distance learning format. This institution is recruitment only and all classes are available on-line.

1. **Program:** Education/Adult Education and Training  
(Revised)  
**Credential Awarded:** Master of Arts  
**Length of Program:** 35 Semester Credit Hours  
18 Months
2. **Program:** Education/Curriculum and Instruction (Revised)  
**Credential Awarded:** Master of Arts  
**Length of Program:** 31 Semester Credit Hours  
16 Months
3. **Program:** Psychology/Behavioral Health  
**Credential Awarded:** Master of Science  
**Length of Program:** 51 Semester Credit Hours  
26 Months

- 4. Program: Psychology/Industrial Organizational Psychology  
Credential Awarded: Master of Science  
Length of Program: 54 Semester Credit Hours  
27 Months**
- 5. Program: Criminal Justice Administration/Human Services  
for Criminal Justice  
Credential Awarded: Bachelor of Science  
Length of Program: 120 Semester Credit Hours  
50 Months**
- 6. Program: Accounting Fundamentals  
Credential Awarded: Associate of Arts  
Length of Program: 60 Semester Credit Hours  
26 Months**
- 7. Program: Business Fundamentals  
Credential Awarded: Associate of Arts  
Length of Program: 60 Semester Credit Hours  
26 Months**
- 8. Program: Education  
Credential Awarded: Associate of Arts  
Length of Program: 60 Semester Credit Hours  
26 Months**
- 9. Program: Retail Management  
Credential Awarded: Associate of Arts  
Length of Program: 60 Semester Credit Hours  
26 Months**
- 10. Program: Advanced Mobile Development  
Credential Awarded: Certificate  
Length of Program: 18 Semester Credit Hours  
8 Months**
- 11. Program: Bookkeeping Fundamentals  
Credential Awarded: Certificate  
Length of Program: 18 Semester Credit Hours  
8 Months**
- 12. Program: Cisco Networking  
Credential Awarded: Certificate  
Length of Program: 18 Semester Credit Hours  
8 Months**
- 13. Program: Desktop Support  
Credential Awarded: Certificate  
Length of Program: 18 Semester Credit Hours  
8 Months**

14. **Program:** Digital Marketing  
**Credential Awarded:** Certificate  
**Length of Program:** 18 Semester Credit Hours  
8 Months
15. **Program:** Environmental Sustainability  
**Credential Awarded:** Certificate  
**Length of Program:** 18 Semester Credit Hours  
8 Months
16. **Program:** Financial Planning  
**Credential Awarded:** Certificate  
**Length of Program:** 18 Semester Credit Hours  
8 Months
17. **Program:** General Management  
**Credential Awarded:** Certificate  
**Length of Program:** 18 Semester Credit Hours  
8 Months
18. **Program:** Health Care Information Technology  
**Credential Awarded:** Certificate  
**Length of Program:** 18 Semester Credit Hours  
8 Months
19. **Program:** Hospitality Management  
**Credential Awarded:** Certificate  
**Length of Program:** 18 Semester Credit Hours  
8 Months
20. **Program:** Network Support  
**Credential Awarded:** Certificate  
**Length of Program:** 18 Semester Credit Hours  
8 Months
21. **Program:** Retail Management  
**Credential Awarded:** Certificate  
**Length of Program:** 18 Semester Credit Hours  
8 Months
22. **Program:** Sales Management  
**Credential Awarded:** Certificate  
**Length of Program:** 18 Semester Credit Hours  
8 Months
23. **Program:** Web Administration  
**Credential Awarded:** Certificate  
**Length of Program:** 18 Semester Credit Hours  
8 Months

**MM. University of Saint Francis**  
500 North Wilcox Street, Joliet, Illinois 60432

**Joliet, IL**

**Corporate Structure:** Not-for-Profit Corporation  
**Authorization Date:** January 11, 1985  
**Accreditation:** The Higher Learning Commission (HLC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Master Degree

University of Saint Francis is seeking approval to revise one program. The program will be offered in a distance learning format. This institution is recruitment only and all classes are available on-line.

**1. Program:** **Business Management (Revised)**  
**Credential Awarded:** **Bachelor of Science**  
**Length of Program:** **48 Semester Credit Hours**  
**14 Months**

**NN. University of Southern California**  
3470 Trousdale Pkwy, Los Angeles, California 90084

**Los Angeles, CA**

**Corporate Structure:** Not-for-Profit Corporation  
**Authorization Date:** November 18, 2010  
**Accreditation:** Western Association of Schools and Colleges (WASC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Master Degree

University of Southern California is seeking approval for one new program. The program will be offered in a distance learning format. This institution is recruitment only and all classes are available on-line.

**1. Program:** **Business in a Global Society Concentration**  
**Credential Awarded:** **Master of Social Work**  
**Length of Program:** **60 Semester Credit Hours**  
**16 Months Full-Time**  
**24 Months Part-Time**

**OO. Vatterott Career College**  
2655 Dividend Dr. Ste 110, Memphis, Tennessee 38132

**Memphis, TN**

**Corporate Structure:** C-Corporation  
**Authorization Date:** January 28, 1999  
**Accreditation:** Accrediting Commission of Career Schools and Colleges (ACCSC)  
**Title IV Funding:** Yes  
**Highest Credential Offered:** Associate Degree

Vatterott Career College - Dividend Drive is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by the faculty from their authorized site in Memphis, Tennessee.

- |                            |   |
|----------------------------|---|
| <b>Program:</b>            | <b>Auto Body and Alternative Fuel Vehicle Repair Technician</b> |
| <b>Credential Awarded:</b> | <b>Associate of Occupational Studies</b>                        |
| <b>Length of Program:</b>  | <b>105.5 Quarter Credit Hours<br/>21 Months</b>                 |



**Agenda Item:** I.B.3.

**DATE:** January 30, 2014

**SUBJECT:** Rulemaking Proceeding Regarding Rule Chapter 1540-01-02, Authorization and Regulation of Postsecondary Education Institutions and Their Agents

**ACTION RECOMMENDED:** Recommend Filing a Notice of Rulemaking Hearing

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**Background Information:** On December 6, 2013, DPSA staff sent to all institutions proposed rule revisions. Specifically, the email attachment contained proposed revisions to Rules 1540-01-02-.03, .05, .06, .07, .08, .13, .14, and .16 and proposed a new rule to be numbered 1540-01-02-.26 concerning the return of regulatory fees.

DPSA staff requested that institutions submit comments to the proposed revisions by December 20, 2013. DPSA reviewed the comments and made some additional changes. As a result, attached are proposed revisions for your consideration. The revisions contain changes to Rules 1540-01-02-.03, .05, .07, .08, .11, .13, .14, .16 and .19 and a proposal to add Rule 1540-01-02-.26.

On January 16, 2014, the Committee on Postsecondary Educational Institutions voted unanimously to recommend the rule revisions to you for your consideration for the purpose of filing a Notice of Rulemaking Hearing with the Tennessee Secretary of State. If the Commission so votes, DPSA will prepare a Notice of Rulemaking Hearing containing the revisions included herein and to transmit the notice to the Secretary.

PROPOSED RULE REVISIONS

CHAPTER 1540-01-02 AUTHORIZATION AND REGULATION OF  
POSTSECONDARY EDUCATION INSTITUTIONS AND THEIR AGENTS

**1540-01-02-.03                      DEFINITIONS.**

- (1) The following definitions are complementary to definitions in T.C.A. § 49-7-2003 and have the following meanings, unless the context clearly indicates otherwise:

...

- (e) “Agent” means a person employed full or part time by the institution, whether the institution is located within or without the state of Tennessee, to act as representative, solicitor, broker, or independent contractor to directly procure or induce people to become students or enrollees for the institution at an off campus location any person owning any interest in, employed by or representing for remuneration a postsecondary educational institution, who, by solicitation in any form, outside of the institution, enrolls or seeks to enroll a student for education offered by an authorized institution, or offers to award educational credentials, for remuneration, on behalf of any such institution for any such purpose.

...

- (p) “Credentials” means degrees, diplomas, certificates, transcripts, reports, documents, or letters of designation, marks, appellations, series of letters, numbers or words which signify, purport, or are generally taken to signify enrollment, attendance, progress or satisfactory completion of the requirements or prerequisites for education at a postsecondary educational institution. refers to educational credentials which include but are not limited to: certificates, diplomas, letters of designation, degrees, transcripts or any other papers generally taken to signify progress or completion of education / training at a postsecondary educational institution.

...

- (ee) “Postsecondary education institution” includes, but is not limited to, an academic, vocational, technical, online/distance learning, business, professional, or other school, college, or university, or other organization or person, offering educational credentials, or offering instruction or educational services primarily to persons who have completed or terminated their secondary education or who are beyond the age of compulsory high school attendance, for attainment of educational, professional, or vocational objectives. means an entity which maintains a place of business within Tennessee, or solicits business in Tennessee, and which

~~offers or maintains a course or courses of instruction or study, or at which place of business such a course or courses of instruction or study are available through field instruction, classroom instruction or by long distance learning or both to a person or persons for the purpose of training or preparing the person for a field of endeavor in a business, trade, technical, service or industrial occupation, for a vocation, or for the award of an educational credential, except as excluded by the provisions of these rules and the Act.~~

...

**1540-01-02-.05**

**EXEMPTION.**

(1) ~~T.C.A. § 49-7-2009 includes general descriptions of institutions and programs that are exempt from the provisions of the Act and these rules. Institutions and programs meeting the specific provisions below shall be considered exempt pursuant to the general exemption descriptions of T.C.A. § 49-7-2009. In addition to institutions exempt by Tennessee Code Annotated, Chapter § 49-7-2004, the following institutions are exempt from the annual reporting and the provisions of these regulations:~~

(a) ~~any entities offering e~~Education, instruction or training that ~~are~~is:

1. maintained or given by an employer or group of employers, for employees or for persons they anticipate employing without charge, ~~which shall include taking a~~ payroll deduction or ~~requiring a~~ minimum length of employment, ~~except that the employer/institution may accept funds provided through a state or federal program that provides adequate institutional and/or programmatic review as determined by the Commission staff;~~ or
2. maintained or given by a U.-S. Department of Labor or state recognized labor organization, ~~without charge,~~ to its membership or apprentices ~~or without charge, except that the institution may accept funds provided through a state or federal program that provides adequate institutional and/or programmatic review as determined by the Commission staff;~~ or
3. financed and/or subsidized by public funds, without charge to the students, having a closed enrollment; or
4. given under a contract agreement, having a closed enrollment, at no cost to the student and does not offer ~~degrees or educational credentials such as but not limited to diplomas or special certifications~~ that in the opinion of the Commission are specifically directed toward new or additional vocational, professional or academic goals.

- (b) Programs, seminars or workshops that are recreational or avocational, including motivational or enrichment programs, as determined by the Commission staff shall be considered exempt from authorization requirements. Upon review by the Commission staff, a provider that presents the instruction in such a way as to suggest a vocational end may be required to become authorized, or clarify through public advertising that the program, seminar, or workshop is in fact recreational or avocational.
- (c) Short-term programs, seminars or workshops that are solely for professional enhancement as determined by the Commission staff shall be considered exempt from authorization requirements. Education, training or instruction resulting in specialized certifications clearly used to denote technical, professional or vocational proficiency toward an additional vocational goal or new job title must be authorized for operation.
- (d) Intensive review courses designed solely to prepare students for graduate or professional school entrance exams and professional licensure exams. The latter shall include, but not be limited to, intensive review courses for certified public accountancy tests, insurance or securities licensure/registration, the examination for professional practice in psychology, and the bar examination.
- (e) Training designed to prepare students for credit-by-examination tests may be considered exempt from authorization requirements. The exemption is contingent on the entity's agreement to indicate in all promotional materials that the training is for test preparation for credit-by-examination tests and the entity refrains from any misleading representations. Such representations include:
1. suggesting that the training results in receipt of an educational credential, such as a degree;
  2. listing anticipated salary amounts; and
  3. suggesting that the entity is accredited.
- (f) Eleemosynary institutions, including religious institutions, that:
1. offer instruction or training and do not offer degrees of any type;
  2. do not suggest that postsecondary credit may be awarded by another party or transfer in educational credentials from another source; and
  3. do not offer diplomas/certificates, including those that in the opinion of the Commission replicate letters of designation or degrees.

(g) Businesses offering limited computer training in hardware, software, delivery systems or any related technology for clients or customers directly related to a sale of equipment or services are exempt from the provisions of authorization.

(h) Businesses offering short-term computer training in common software or basic computer hardware that is intended for enrichment or professional enhancement are exempt from the provisions of authorization unless in the opinion of the Commission staff the courses using various software are offered concurrently toward a vocational goal.

(2) To operate within exemption status, the following guidelines shall be used:

(a) Institutions that clearly qualify as exemption under the Act ~~and~~ under these regulations after the Commission staff review shall be considered exempt from authorization without a vote of the Commission.

~~(b) Institutional~~ Any institution or program exemption is subject to annual Commission staff review ~~and/or revocation any time the activity deviates from the original determination factors for exemption.~~

~~(c) Exemptions secured under this section of the rules are effective for each authorization year beginning on July 1, except as individuals or groups of institutions are notified prior to June 15 preceding any authorization year by a letter from the Executive Director of the Commission which shall state the bases for removal of any exemption.~~

~~(dc) Exemptions~~ Any institution or program exemption can be revoked or amended by the Commission staff at any time that the basis for the exemption changes or no longer exists ~~as they pertain to individual institutions whenever it is determined by the Commission that an institution exempted by the Act or these regulations has not acted in accordance to the purpose of T.C.A. § 49-7-2002, 'Legislative intent'.~~

(3) To request an exemption, institutions shall submit a descriptive narrative explaining how the institution and/or program(s) qualifies for an exemption. The request shall include a citation to the exemption provision relied on in the Act and/or these rules and documentation supporting the requested exemption such as: Institutions or educational providers seeking an exemption status (or not wanting to pursue authorization) that in the opinion of Commission staff do not clearly qualify under the exemption categories given in the Act and these rules will be required to complete an Exemption Request Form. The form shall include but not be limited to: copies of all institutional materials;

brochures; advertising; state charter or business license; and organizational ties and/or contracts with other educational providers ~~and a descriptive narrative of how the organization qualifies for exemption specifically citing the Act and/or rules.~~ Upon receipt of an exemption request, the Commission staff shall make a written determination and provide a date by which an aggrieved institution may submit a request for further review by the Executive Director. Such date shall not be earlier than ten (10) business days after the date of the letter.

~~(a) Based upon the submitted material Commission staff shall make a written determination of institutional status. If the institution is aggrieved by that determination, the party may appeal in the manner provided by Rule 1540-01-02-.02(2)(b) and T.C.A. § 49-7-2010(b).~~

(4) If the institution is aggrieved by a determination concerning exemption status, the institution may seek review as provided for in Rule 1540-01-02-.02(2)(b) and T.C.A. § 49-7-2010(b). Any request for review shall be in writing, signed, list each instance where the Commission staff erred, and provide a detailed explanation of each alleged error, including references to specific statutes or rules. Requests for review shall be received through hand delivery, mail, electronic mail or facsimile. A request may be denied if it is not received in a timely manner as set forth in paragraph (3).

#### **1540-01-02-.07 INSTITUTIONAL APPLICATIONS.**

...

(6) Bond Requirements for Institutions:

(a) Institutions must, on forms provided by the Commission, secure for student indemnification purposes, from an insurance company licensed in Tennessee, a continuous surety bond in the amount of:

1. ten thousand dollars (\$10,000) for in-state institutions, out-of-state public institutions and all institutions providing primarily religious instruction, and
2. twenty thousand dollars (\$20,000) for all other institutions, including out-of-state private institutions.

(b) Out-of-state institutions must, on forms provided by the Commission, secure a surety bond for agents in the amount of five thousand dollars (\$5,000) per agent from a surety company authorized to do business in Tennessee with the institution as principal.

(c) Bonds provided by institutions must be site specific.

~~(d) An irrevocable letter of credit secured by a certificate of deposit or a cash deposit with a bank may be accepted in lieu of the bond pending approval of the Commission staff. Such deposits are subject to the same terms and conditions provided for in the surety bond requirement under this regulation.~~

~~(a) Institutions not exempted from surety bond provisions, must on forms provided by the Commission, secure for student indemnification purposes, from an insurance company licensed in Tennessee, a surety bond for the penal sum of \$10,000 for in-state institution and \$20,000 for out-of-state education institution, including branch campuses as specified in T.C.A. 49-7-2013, except as follows:~~

~~1. In-state institutions with substantially less unearned tuition or student exposure than \$10,000 may post a surety bond equal to 125% of the maximum unearned tuition or student exposure rounded upward to the nearest thousand dollars (prior written administrative agreement by the Commission staff is required).~~

~~(7) Out of state institutions must, on forms provided by the Commission, secure a surety bond for agents in the penal sum of \$5,000 per agent from a surety company authorized to do business in Tennessee with the applicant institution as principal. Such applications must be accompanied by verification by the issuing agency that the individual seeking a permit is covered by a \$5,000 surety bond.~~

~~(8) Bonds provided by institutions under Section 1540-01-02-.07(7) must be accompanied by the name, office address, and phone number of the issuing insurance company representative and the bond must be site specific.~~

~~(9) Bonds provided by institutions under Section 1540-01-02-.07(7) must be identified on the top half of the first page by the name and the address of the institution. Bonds and verification of bonds should be forwarded to the Commission by institutional directors, and not directly from issuing companies.~~

~~(10) Certificates of deposit or a cash deposit with a bank may be accepted in lieu of the bond with approval of the Commission staff. Such deposits are subject to the same terms and conditions provided for in the surety bond requirement under this regulation.~~

...

(3) Degree Granting Institutions:

~~(a) — New institutions seeking authorization to offer degrees in the state of Tennessee or new program applications for a degree program must submit the application by the deadline date established by Commission staff, which shall be 45 to 60 days prior to the quarterly meeting of the Committee on Postsecondary Educational Institutions.~~

...

~~(8) — Computer Training:~~

~~(a) — Businesses offering limited computer training in hardware, software, delivery systems or any related technology for clients or customers (closed enrollment) directly related to a sale of equipment or services are exempt from the provisions of authorization.~~

~~(b) — Businesses offering short term computer training in common software or basic computer hardware that is intended for enrichment or professional enhancement are exempt from the provisions of authorization unless in the opinion of the Commission courses using various software are offered concurrently toward a vocational goal. (e.g. word processing software offered toward secretarial goals).~~

~~(c) — Businesses offering specialized certifications clearly used to denote technical, professional or vocational proficiency toward an additional vocational goal or new job title must be authorized for operation of that training in the state.~~

...

~~(10) — Seminars / Workshops:~~

~~(a) — Seminars or workshops of short duration that are motivational, enrichment, recreational, avocational or solely for professional enhancement as determined by Commission staff shall be considered exempt from authorization requirements.~~

~~(b) — Upon review by Commission staff a seminar/workshop provider regardless of length that presented the instruction in such a way to suggest a vocational end may be required to become authorized in the state, or clarify through public advertising that the seminar/workshop is in fact enrichment or recreational.~~



**1540-01-02-.11**

**INSTITUTIONAL CATALOG.**

- (1) Each institution must publish a catalog or brochure (a draft copy may be provided for original application) which must include at least the following information;

...

(r) the cash discount policy, if offered to students.

...

**1540-01-02-.13**  
**STANDARDS.**

**ENROLLMENT AGREEMENTS AND DISCLOSURE**

...

- (2) Institutions prior to enrolling an individual shall require the prospective student to sign and date a form to be placed in the student file, which is either part of the enrollment contract or a pre-enrollment check list verifying that the student:

...

- (i) knows of their rights in a grievance situation including contacting the Tennessee Higher Education Commission by including on the form a statement in the following format:

- 1. A statement: "I realize that any grievances not resolved on the institutional level may be forwarded to the Tennessee Higher Education Commission, Nashville, TN 37243-0830, (615) 741-5293."; and

(j) has received and understands the institution's cash discount policy (applicable only to those institutions that have a cash discount policy).

- (3) Also included in the enrollment contract or pre-enrollment checklist, shall be the most recent withdrawal, completion and in-field placement data as calculated by the Commission by including:

(a) The following statement: "For the program entitled, (program name), I have been informed that, for the July (year)/June (year) period, the withdrawal rate is (percent)%, the completion rate is (percent)%, and the in-field placement rate is (percent)%. Detailed statistical data for this program may be viewed by going to [www.tn.gov/thec](http://www.tn.gov/thec) and clicking on the Authorized Institution Data button." or

(b) ~~A copy of the report created for the institution by the Commission staff and a statement that "the report can be viewed by going to [www.tn.gov/thec](http://www.tn.gov/thec) and clicking on the Authorized Institution Data button.", shall be documentation that the student received graduation placement data exactly as presented to the Commission during the last reauthorization cycle in the following format:~~

(a) ~~A statement: "For the program entitled \_\_\_\_\_, I have been informed that the current withdrawal rate is \_\_%, or in the past 12 months \_\_\_ students enrolled in this program and \_\_\_ completed this program."~~

(b) ~~A statement: "For the program entitled \_\_\_\_\_, I have been informed that for the students who graduated, the job placement rate is \_\_%, or in the past 12 months \_\_\_ were placed in their field of study out of \_\_\_ students who graduated from this program."~~

...

#### 1540-01-02-.14

#### FINANCIAL STANDARDS.

...

(6) All authorized institutions must file each year the most recent audited financial statement, certified by an independent certified public accountant for the most recent institutional fiscal year subject to the following:-

(a) ~~For multi-campus institutions, or for i~~Institutions owned by ~~one the same~~ parent company may submit, an audited consolidated corporate financial statement ~~shall be routinely required~~. The staff, Committee, or Commission, however, may request additional campus or institution specific-information where needed to protect the public interest. The audited income statement must be compiled for each institution, or group of institutions owned by the same company, authorized to operate under the Act;

(b) ~~T~~he balance sheet must reflect owner's (proprietorship, partnership, corporation, or other) assets and liabilities. ~~In the preparation of these statements, it should be noted that goodwill is not generally considered a current asset unless it is being amortized;~~

(c) ~~R~~elated parties must be disclosed~~;~~, including related party footnotes, debt agreements with owners, and supplemental footnotes on separate campuses or branches are expected.

(d) It should be noted whether or not tuition revenue is recognized up front or on a pro rata basis. ~~Current financial statements on each site separately authorized under the Act must be filed annually.~~

(e) Within ~~five~~three years from initial temporary authorization, neither the ratio of current fund revenues to current fund expenditures nor the ratio of current assets to liabilities, both site specific and corporate, where applicable, shall be less than 1:1, without convincing explanation.

(f) Institutions that have annual gross tuition revenue of one million dollars (\$1,000,000) or less may request a waiver, by the established deadline, of the audit contemplated by this section and provide the most recent financial information in a format acceptable to~~on forms provided by~~ the Commission staff.

~~(7) The institution must submit an operating statement and balance sheet to the Commission within four months of the end of the institutional fiscal year. In addition, if a regular or certified audit is available, it should be submitted within four months of the end of the institutional fiscal year as well.~~

~~(87)~~ At any time, the Commission may require a certified audit of the institution when there are questions about the institution's financial stability.

~~(8)~~ All institutions seeking authorization must maintain a business account with a financial institution that is federally insured in said institution's name.

#### 1540-01-02-.16

#### PERSONNEL AND INSTRUCTOR QUALIFICATIONS.

(1) Institutions must provide and maintain qualified faculty and staff in order to fulfill the mission of the institution and all obligations to the students. As further described below, personnel qualifications must be submitted to the Commission staff on a School Personnel Application no later than ten (10) days after the hire date.

(a) Unaccredited institutions must submit to the Commission staff School Personnel Applications for all instructors and administrative personnel as that term is defined in this rule.

(b) Institutions accredited by an accrediting body recognized by the U.S. Department of Education must submit to the Commission staff School Personnel Applications for all administrative personnel as that term is defined in this rule. For each instructor, an accredited institution shall maintain on-site documentation supporting instructors meeting the minimum qualifications and shall complete a School Personnel Application at any time upon request from the Commission staff.

(2) Administrative personnel and instructors shall meet all qualifications listed in this rule. Evidence of education, experience, or training (including official transcripts) for each personnel must be maintained on-

site at the location. Institutions must submit a copy of this evidence at any time upon request from the Commission staff.

...

(~~11~~12) Instructors:

- (a) Instructional staff for all institutions must be selected at a minimum on the basis of ~~credentials demonstrably higher, on the basis of experience and training, than the level to be taught~~these rules.

...

- (d) An instructor must be qualified by education and experience/background ~~demonstrably higher than the level to be taught~~ and must meet the following qualifications as minimum requirements:

...

4. Minimum for an associate level:

(i) Meet the minimum requirements for doctorate, masters or baccalaureate level; or

(ii) Hold an associate degree from a postsecondary institution judged to be appropriate by the Commission and either:

(I) an associate degree with a concentration in the subject to be taught and (1) one year of practical experience; or

(II) an associate degree not in the subject area but with a minimum of two (2) years of practical experience within the last five (5) years in the subject area to be taught and satisfactory completion in a postsecondary educational institution of nine (9) semester hours or twelve (12) quarter credit hours in the subject area to be taught. Additional years of documented experience in the subject area may be substituted for semester / quarter hour requirements.

5. Minimum for diploma and certificate level:

(i) Meet the minimum requirements for doctorate, masters or baccalaureate or associate level; or

(ii) Hold a high school diploma or GED and a certificate

of completion from a postsecondary institution judged to be appropriate by the Commission in a relevant subject area and a minimum of three (3) years of practical experience within the last seven (7) years in the subject area to be taught. Additional years of documented experience in the subject area may be substituted for the postsecondary educational requirements.

~~(12) Evidence of qualifiable education, experience, or training (including official transcripts) for each instructor must be maintained on site at the location.~~

(13) The Executive Director may approve a variance from ~~these~~ specific qualifications in paragraph (12) with sufficient justification and an assurance that the program quality will not be lessened. In such a situation the institutional director must submit written justification and documentation with the ~~personnel form~~ School Personnel Application submission. In addition the instructor must be institutionally evaluated at the close of the first instructional period for effectiveness and quality. This evaluation shall be made available to the Commission staff upon request.

...

(15) ~~Agents and Recruiters:~~

(a) ~~Institutional a~~Agents as defined by the Act and ~~these regulations~~ Rule 1540-01-02-.03 must submit an Agent Permit Application, on forms as provided by the Commission staff and must receive approval have authorization and an agent permit from the Commission staff and secure the appropriate bond prior to any solicitation. The applicant application must be accompanied by the following:

1. ~~new applicants must forward~~ recommendations by two (2) reputable persons certifying that the applicant is of good character and reputation;
2. a check payable to the State Treasurer of Tennessee as required under these regulations;
3. a surety bond of \$5,000 per agent of an out of state institution or as specified in Rule 1540-01-02-.07 of these rules; and
4. certification by the institutional director that the applicant will be directed to act in accordance with these regulations.

(b) Agent permits must be renewed every year. The expiration date of a permit is one (1) year from the date of issue or termination of employment whichever occurs first.

- (c) Agents must have separate permits to represent separate institutions unless the institutions have common ownership such that the institutions present a common name to the public and have the same mission. Mutual agreement by institutions is required.~~Agents must have separate permits to represent separate institutions unless they are commonly held. Mutual agreement by institutions is required.~~

...

- (g) Any student solicited or enrolled by a non-licensed agent is entitled to a refund of all moneys paid and a release of all obligations by the institution. Any contract signed by a prospective student as a result of solicitation or enrollment by a non-licensed agent ~~shall be~~ may be null and void and unenforceable at the option of the student. In cases where the institution is willing to honor the contract and the student wishes the contract enforced, it can be. However, in cases where the contract has been fully executed between the institution and the student, the student would not be entitled to a refund solely because he or she was solicited by a non-licensed agent.

...

**1540-01-02-.19  
COMPLAINTS.**

**FAIR CONSUMER PRACTICES AND STUDENT**

- (5) Institutions may provide a discount for cash payments provided:
  - (a) the institution has a written policy in the catalog that includes the definition of cash and details the qualifications for receiving and the amount of a cash discount and
  - (b) the student verifies receipt and understanding of the policy in the pre-enrollment checklist.
- (6) An institution may award a scholarship, tuition waiver or other award provided:
  - (a) the criteria for receiving the award are clearly defined in writing;
  - (b) the institution has a form and procedure to verify eligibility; and
  - (c) the amount of the award is a flat dollar amount or subject to calculation using a defined formula or scale.

- (1) Following the year-end closing, the Commission shall return to authorized institutions as described herein any reserve balance as of the end of the fiscal year that is greater than two million dollars (\$2,000,000).
  - (a) No moneys shall be returned if the amount due an institution is less than twenty-five dollars (\$25.00).
  - (b) The percentage of the excess due an institution is calculated by determining the percentage of the total of all reauthorization fees paid by the institution during the fiscal year.
  - (c) Institutions that did not pay a reauthorization fee during the fiscal year shall not receive any share of the excess.
  - (d) Institutions that close or that have had their authorization to operate revoked prior to the end of the fiscal year shall forfeit any share of the excess.
  
- (2) At the request of an institution a refund will be made as follows:
  - (a) If an institution withdraws a pending application within three (3) working days from receipt or prior to the start of Commission staff's review, then all fees assessed shall be refunded.
  - (b) If an institution withdraws a pending application more than three (3) working days from receipt and once Commission staff review begins, the Commission may retain fifty percent (50%) of the assessed fees.
  - (c) Once Commission staff's review of a pending application is complete or a site visit has been conducted, the Commission may retain one hundred percent (100%) of the assessed fees.
  - (d) Institutions that fail to complete the application process described in Rule 1540-01-02-.07(1)(b) shall forfeit all fees paid.
  - (e) Any other fee collected is nonrefundable once the Commission staff has performed the associated review or work related to that fee.

**DATE:** January 30, 2014

**SUBJECT:** October 31 Revised Budgets, 2013-14

**ACTION RECOMMENDED:** Approval

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**BACKGROUND INFORMATION:** The General Appropriations Act requires that the operating budgets of all higher education units be submitted by the respective governing boards to the Higher Education Commission. Each higher education system submits operating budget estimates two times each year. The proposed and revised estimates are referred to as the July 1 and October 31 operating budgets, respectively. These two operating budget estimates are compared throughout the enclosed materials.

The budgets are to be submitted, with the Commission's action and comments, to the Department of Finance and Administration for review and approval.

**SUMMARY OF COMMENTS:** The 2013-14 revised operating budgets for higher education are balanced. Campuses have again directed the majority of their resources to the teaching functions. Expenditures for auxiliary enterprises have not exceeded revenues plus unallocated auxiliary fund balances. 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.

Overall, 53.3 percent of all revenue was generated from tuition and fees compared to 37.6 percent ten years prior in 2003-04. State appropriations accounted for 36.5 percent of revenue, compared to 50.6 percent in 2003-04. Teaching functions — instruction, research, public service, and academic support — comprised 63.2 percent of all expenditures.

**RECOMMENDATION:** It is recommended that the Commission approve the revised 2013-14 October 31 budgets, authorize the Executive Director to make technical adjustments to the budgets if necessary and transmit the approval of the referenced budgets, along with the appropriate commentary, to the Commissioner of Finance and Administration.



**Table 1**  
**Tennessee Higher Education Commission**

| Academic Formula Units                   | Total FY 2009-10<br>Appropriation* | Total FY 2010-11<br>Appropriation* | Total FY 2011-12<br>Appropriation* | Total FY 2012-13<br>Appropriation* | Total FY 2013-14<br>Appropriation* | FY 2013-14<br>1 YR Change |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|---------------------------|
| <b>TBR Universities</b>                  |                                    |                                    |                                    |                                    |                                    |                           |
| Austin Peay                              | \$27,228,700                       | \$25,191,800                       | \$26,107,600                       | \$28,537,600                       | \$32,995,000                       | \$4,457,400               |
| East Tennessee                           | 48,353,800                         | 44,870,000                         | 44,000,700                         | 45,772,200                         | 48,685,000                         | 2,912,800                 |
| Middle Tennessee                         | 76,102,500                         | 70,600,000                         | 73,423,800                         | 77,193,600                         | 81,024,600                         | 3,831,000                 |
| Tennessee State                          | 30,371,100                         | 28,281,900                         | 29,335,100                         | 30,810,900                         | 32,610,800                         | 1,799,900                 |
| Tennessee Tech                           | 38,341,600                         | 35,635,400                         | 35,086,300                         | 37,288,600                         | 39,559,500                         | 2,270,900                 |
| University of Memphis                    | 97,397,500                         | 91,348,000                         | 85,464,300                         | 87,346,700                         | 89,106,400                         | 1,759,700                 |
| <b>Subtotal</b>                          | <b>\$317,795,200</b>               | <b>\$295,927,100</b>               | <b>\$293,417,800</b>               | <b>\$306,949,600</b>               | <b>\$323,981,300</b>               | <b>\$17,031,700</b>       |
| <b>Two-Year Colleges</b>                 |                                    |                                    |                                    |                                    |                                    |                           |
| Chattanooga                              | \$21,297,300                       | \$20,166,700                       | \$19,970,200                       | \$21,987,700                       | \$26,624,800                       | \$4,637,100               |
| Cleveland                                | 9,408,300                          | 8,911,100                          | 8,421,200                          | 8,796,200                          | 8,997,100                          | 200,900                   |
| Columbia                                 | 12,025,200                         | 11,392,300                         | 11,121,800                         | 11,502,000                         | 12,339,500                         | 837,500                   |
| Dyersburg                                | 6,506,300                          | 6,131,100                          | 6,484,500                          | 6,933,700                          | 7,238,900                          | 305,200                   |
| Jackson                                  | 11,104,800                         | 10,423,300                         | 10,518,500                         | 11,070,900                         | 11,510,200                         | 439,300                   |
| Motlow                                   | 9,159,600                          | 8,625,000                          | 9,662,900                          | 10,277,000                         | 11,017,200                         | 740,200                   |
| Nashville                                | 13,429,500                         | 12,554,500                         | 13,794,900                         | 14,465,300                         | 15,983,500                         | 1,518,200                 |
| Northeast                                | 11,051,400                         | 10,383,600                         | 11,924,900                         | 12,796,300                         | 13,648,200                         | 851,900                   |
| Pellissippi                              | 18,242,100                         | 17,062,500                         | 18,692,600                         | 20,609,200                         | 22,913,400                         | 2,304,200                 |
| Roane                                    | 16,437,400                         | 15,620,800                         | 14,750,900                         | 15,148,700                         | 16,619,800                         | 1,471,100                 |
| Southwest                                | 34,396,200                         | 32,426,900                         | 28,648,100                         | 27,734,500                         | 25,739,300                         | (1,995,200)               |
| Volunteer                                | 16,269,400                         | 15,345,700                         | 15,281,400                         | 15,610,600                         | 16,075,400                         | 464,800                   |
| Walters                                  | 16,578,900                         | 15,740,800                         | 15,745,100                         | 17,048,300                         | 19,866,900                         | 2,818,600                 |
| <b>Subtotal</b>                          | <b>\$195,906,400</b>               | <b>\$184,784,300</b>               | <b>\$185,017,000</b>               | <b>\$193,980,400</b>               | <b>\$208,574,200</b>               | <b>\$14,593,800</b>       |
| <b>UT Universities</b>                   |                                    |                                    |                                    |                                    |                                    |                           |
| UT Chattanooga                           | \$35,886,300                       | \$33,162,700                       | \$33,294,400                       | \$34,601,800                       | \$36,128,500                       | \$1,526,700               |
| UT Knoxville**                           | 152,036,100                        | 142,165,100                        | 144,150,000                        | 153,343,900                        | 171,335,300                        | 17,991,400                |
| UT Martin**                              | 25,683,900                         | 23,680,900                         | 23,636,300                         | 24,609,100                         | 25,043,000                         | 433,900                   |
| <b>Subtotal</b>                          | <b>\$213,606,300</b>               | <b>\$199,008,700</b>               | <b>\$201,080,700</b>               | <b>\$212,554,800</b>               | <b>\$232,506,800</b>               | <b>\$19,952,000</b>       |
| <b>Total Colleges and Universities</b>   | <b>\$727,307,900</b>               | <b>\$679,720,100</b>               | <b>\$679,515,500</b>               | <b>\$713,484,800</b>               | <b>\$765,062,300</b>               | <b>\$51,577,500</b>       |
| <b>TN Colleges of Applied Technology</b> | <b>\$47,842,700</b>                | <b>\$46,263,500</b>                | <b>\$52,260,300</b>                | <b>\$53,848,800</b>                | <b>\$57,400,500</b>                | <b>\$3,551,700</b>        |
| <b>Total Academic Formula Units</b>      | <b>\$775,150,600</b>               | <b>\$725,983,600</b>               | <b>\$731,775,800</b>               | <b>\$767,333,600</b>               | <b>\$822,462,800</b>               | <b>\$55,129,200</b>       |

\*Recurring; Excludes funding associated with the American Recovery and Reinvestment Act (ARRA) that were appropriated from 2009 to 2011.

\*\*Does not include recurring funds appropriated to UT Martin for the Parsons Center (\$200K) or to UT Knoxville for the engineering college (\$3M).

**Table 1 (cont'd)**  
**Tennessee Higher Education Commission**

| Specialized Units   | Total FY 2009-10<br>Appropriation* | Total FY 2010-11<br>Appropriation* | Total FY 2011-12<br>Appropriation* | Total FY 2012-13<br>Appropriation* | Total FY 2013-14<br>Appropriation* | FY 2013-14<br>1 YR Change |
|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|---------------------------|
| <b>Medical Education</b>  |                                    |                                    |                                    |                                    |                                    |                           |
| ETSU College of Medicine  | \$26,297,600                       | \$25,377,900                       | \$25,859,200                       | \$27,321,000                       | \$28,893,900                       | \$1,572,900               |
| ETSU Family Practice  | 5,333,500                          | 5,150,800                          | 5,322,000                          | 5,731,700                          | 6,117,800                          | 386,100                   |
| UT College of Medicine  | 44,057,000                         | 42,524,700                         | 42,820,200                         | 44,883,300                         | 47,065,400                         | 2,182,100                 |
| UT Family Practice  | 9,487,500                          | 9,169,900                          | 9,313,200                          | 9,870,100                          | 10,458,800                         | 588,700                   |
| UT Memphis  | 64,637,400                         | 61,842,100                         | 63,089,600                         | 66,869,800                         | 71,363,200                         | 4,493,400                 |
| UT College of Veterinary Medicine                                     | 14,718,500                         | 14,037,400                         | 14,416,600                         | 15,385,200                         | 16,453,000                         | 1,067,800                 |
| <b>Subtotal</b>   | <b>\$164,531,500</b>               | <b>\$158,102,800</b>               | <b>\$160,820,800</b>               | <b>\$170,061,100</b>               | <b>\$180,352,100</b>               | <b>\$10,291,000</b>       |
| <b>Research and Public Service</b>                                    |                                    |                                    |                                    |                                    |                                    |                           |
| UT Agricultural Experiment Station                                    | \$23,377,800                       | \$22,674,300                       | \$23,111,900                       | \$24,342,600                       | \$25,438,800                       | \$1,096,200               |
| UT Agricultural Extension Service                                     | 28,143,100                         | 27,180,600                         | 27,825,100                         | 29,431,800                         | 30,836,900                         | 1,405,100                 |
| TSU McMinnville Center  | 521,500                            | 527,900                            | 527,300                            | 543,300                            | 560,400                            | 17,100                    |
| TSU Institute of Agr and Environmental Research                       | 2,109,800                          | 2,156,200                          | 2,145,000                          | 2,208,900                          | 2,280,500                          | 71,600                    |
| TSU Cooperative Education   | 2,371,700                          | 2,918,300                          | 2,918,200                          | 3,010,500                          | 3,110,400                          | 99,900                    |
| TSU McIntire-Stennis Forestry Research                                | 185,400                            | 171,900                            | 170,600                            | 174,100                            | 179,400                            | 5,300                     |
| UT Space Institute  | 7,465,900                          | 7,191,600                          | 7,276,600                          | 7,603,400                          | 7,896,700                          | 293,300                   |
| UT Institute for Public Service                                       | 4,705,100                          | 4,296,800                          | 4,341,200                          | 4,541,300                          | 5,232,400                          | 691,100                   |
| UT County Tech Assistance Service                                     | 1,491,700                          | 1,477,400                          | 1,521,800                          | 1,646,200                          | 1,753,200                          | 107,000                   |
| UT Municipal Tech Advisory Service                                    | 2,556,500                          | 2,496,200                          | 2,554,300                          | 2,732,200                          | 2,886,200                          | 154,000                   |
| <b>Subtotal</b>   | <b>\$72,928,500</b>                | <b>\$71,091,200</b>                | <b>\$72,392,000</b>                | <b>\$76,234,300</b>                | <b>\$80,174,900</b>                | <b>\$3,940,600</b>        |
| <b>Other Specialized Units</b>  |                                    |                                    |                                    |                                    |                                    |                           |
| UT University-Wide Administration                                     | \$4,353,700                        | \$4,113,800                        | \$4,209,000                        | \$4,440,900                        | \$4,589,300                        | \$148,400                 |
| TN Board of Regents Administration                                    | 4,429,300                          | 4,392,800                          | 4,563,400                          | 4,881,800                          | 5,104,200                          | 222,400                   |
| TN Student Assistance Corporation                                     | 48,589,500                         | 48,567,100                         | 48,579,200                         | 55,205,400                         | 61,586,800                         | 6,381,400                 |
| Tennessee Student Assistance Awards                                   | 46,162,500                         | 46,162,500                         | 46,162,500                         | 52,762,500                         | 57,762,500                         | 5,000,000                 |
| Tennessee Student Assistance Corporation<br>Loan/Scholarships Program | 1,236,000                          | 1,213,600                          | 1,225,700                          | 1,251,900                          | 1,353,500                          | 101,600                   |
| Endowment Scholarships  | 1,191,000                          | 1,191,000                          | 1,191,000                          | 1,191,000                          | 1,220,800                          | 29,800                    |
|   | -                                  | -                                  | -                                  | -                                  | 1,250,000                          | 1,250,000                 |
| TN Higher Education Commission  | 2,186,500                          | 2,160,300                          | 2,224,500                          | 2,292,100                          | 2,479,200                          | 187,100                   |
| TN Foreign Language Institute   | 349,100                            | 338,100                            | 352,800                            | 378,600                            | 410,300                            | 31,700                    |
| Contract Education  | 2,289,700                          | 2,217,000                          | 2,198,200                          | 2,178,400                          | 2,232,900                          | 54,500                    |
| <b>Subtotal</b>   | <b>\$62,197,800</b>                | <b>\$61,789,100</b>                | <b>62,127,100</b>                  | <b>69,377,200</b>                  | <b>76,402,700</b>                  | <b>\$7,025,500</b>        |
| <b>Total Specialized Units</b>  | <b>\$299,657,800</b>               | <b>\$290,983,100</b>               | <b>\$295,339,900</b>               | <b>\$315,672,600</b>               | <b>336,929,700</b>                 | <b>\$21,257,100</b>       |
| <b>Total Formula and Specialized Units</b>                            | <b>\$1,074,808,400</b>             | <b>\$1,016,966,700</b>             | <b>\$1,027,115,700</b>             | <b>\$1,083,006,200</b>             | <b>1,159,392,500</b>               | <b>\$76,386,300</b>       |
| <b>Program Initiatives</b>  |                                    |                                    |                                    |                                    |                                    |                           |
| Campus Centers of Excellence  | \$17,717,700                       | \$17,238,700                       | \$17,328,000                       | \$17,538,300                       | \$18,193,700                       | \$655,400                 |
| Campus Centers of Emphasis  | 1,269,200                          | 1,240,700                          | 1,247,600                          | 1,265,900                          | 1,313,300                          | 47,400                    |
| Ned McWherter Scholars Program  | 401,800                            | 401,800                            | 401,800                            | 401,800                            | 411,800                            | 10,000                    |
| UT Access and Diversity Initiative                                    | 5,833,900                          | 5,648,700                          | 5,600,600                          | 5,550,100                          | 5,688,900                          | 138,800                   |
| TBR Access and Diversity Initiative                                   | 10,313,200                         | 9,977,400                          | 9,892,900                          | 9,803,700                          | 10,048,800                         | 245,100                   |
| THEC Grants   | 2,436,500                          | 2,359,200                          | 2,339,200                          | 2,318,100                          | 2,403,300                          | 85,200                    |
| Research Initiatives - UT   | 5,880,300                          | 5,693,700                          | 5,645,200                          | 5,594,300                          | 5,734,200                          | 139,900                   |
| UT Martin Parsons Center**  | -                                  | -                                  | -                                  | -                                  | 200,000                            | 200,000                   |
| UT Knoxville College of Engineering**                                 | -                                  | -                                  | -                                  | -                                  | 3,000,000                          | 3,000,000                 |
| <b>Subtotal</b>   | <b>\$43,852,600</b>                | <b>\$42,560,200</b>                | <b>\$42,455,300</b>                | <b>\$42,472,200</b>                | <b>\$46,994,000</b>                | <b>\$4,521,800</b>        |
| <b>Total Operating</b>  | <b>\$1,118,661,000</b>             | <b>\$1,059,526,900</b>             | <b>\$1,069,571,000</b>             | <b>\$1,125,478,400</b>             | <b>\$1,206,386,500</b>             | <b>\$80,908,100</b>       |

\*Recurring; Excludes funding associated with the American Recovery and Reinvestment Act (ARRA) that were appropriated from 2009 to 2011.

\*\*Recurring funds appropriated to UT Martin (\$200K) and UT Knoxville (\$3M).

|                                      |                        |                        |                        |                        |                        |
|--------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Total Operating</b>               | <b>\$1,118,661,000</b> | <b>\$1,059,526,900</b> | <b>\$1,069,571,000</b> | <b>\$1,125,478,400</b> | <b>\$1,206,386,500</b> |
| <b>Lottery for Education Account</b> | <b>\$289,100,000</b>   | <b>\$295,700,000</b>   | <b>\$301,000,000</b>   | <b>\$305,200,000</b>   | <b>\$329,700,000</b>   |
| <b>GRAND TOTAL</b>                   | <b>\$1,407,761,000</b> | <b>\$1,355,226,900</b> | <b>\$1,370,571,000</b> | <b>\$1,430,678,400</b> | <b>\$1,536,086,500</b> |

**Table 1 (cont'd)**  
**Total Formula Need Funding**

| Institution/Unit                      | 2013-14  |                  |                       |                      |                  | Total Formula Revenue Need | Difference       | Percent Funded |
|---------------------------------------|--|------------------|-----------------------|----------------------|------------------|----------------------------|------------------|----------------|
|                                       | Recurring Legislative Appropriation <sup>1</sup> | Maintenance Fees | Technology Access Fee | Out-of-State Tuition | Total Revenue    |                            |                  |                |
| <b>TBR Universities</b>               |  |                  |                       |                      |                  |                            |                  |                |
| Austin Peay                           | \$ 32,995,000                                    | \$ 57,255,200    | \$ 2,330,000          | \$ 4,141,400         | \$ 96,721,600    | \$ 98,163,000              | \$ (1,441,400)   | 98.5%          |
| East Tennessee                        | 48,685,000                                       | 84,527,400       | 3,160,000             | 13,258,000           | 149,630,400      | 150,979,000                | (1,348,600)      | 99.1%          |
| Middle Tennessee                      | 81,024,600                                       | 140,698,400      | 4,784,000             | 15,155,000           | 241,662,000      | 241,246,500                | 415,500          | 100.2%         |
| Tennessee State                       | 32,610,800                                       | 49,058,800       | 1,750,000             | 18,597,900           | 102,017,500      | 103,510,300                | (1,492,800)      | 98.6%          |
| Tennessee Tech                        | 39,559,500                                       | 64,721,600       | 2,366,800             | 13,582,200           | 120,230,100      | 118,493,900                | 1,736,200        | 101.5%         |
| University of Memphis                 | 89,106,400                                       | 147,366,200      | 3,864,000             | 10,145,700           | 250,482,300      | 272,766,000                | (22,283,700)     | 91.8%          |
| Subtotal                              | \$ 323,981,300                                   | \$ 543,627,600   | \$ 18,254,800         | \$ 74,880,200        | \$ 960,743,900   | \$ 985,158,700             | \$ (24,414,800)  | 97.5%          |
| <b>Community Colleges<sup>2</sup></b> |  |                  |                       |                      |                  |                            |                  |                |
| Chattanooga                           | \$ 26,624,800                                    | \$ 28,000,000    | \$ 1,760,000          | \$ 715,000           | \$ 57,099,800    | \$ 65,075,000              | (7,975,200)      | 87.7%          |
| Cleveland                             | 8,997,100  | 10,242,400       | 722,000               | 288,600              | 20,250,100       | 22,179,000                 | (1,928,900)      | 91.3%          |
| Columbia                              | 12,339,500                                       | 12,735,000       | 847,000               | 415,000              | 26,336,500       | 30,589,700                 | (4,253,200)      | 86.1%          |
| Dyersburg                             | 7,238,900  | 7,408,000        | 648,300               | 57,000               | 15,352,200       | 17,741,000                 | (2,388,800)      | 86.5%          |
| Jackson                               | 11,510,200                                       | 12,725,800       | 795,100               | 99,700               | 25,130,800       | 28,533,000                 | (3,402,200)      | 88.1%          |
| Motlow                                | 11,017,200                                       | 12,261,500       | 753,000               | 222,200              | 24,253,900       | 26,795,000                 | (2,541,100)      | 90.5%          |
| Nashville                             | 15,983,500                                       | 25,173,000       | 1,600,000             | 833,600              | 43,590,100       | 38,706,000                 | 4,884,100        | 112.6%         |
| Northeast                             | 13,648,200                                       | 16,699,800       | 1,184,000             | 57,800               | 31,589,800       | 32,703,000                 | (1,113,200)      | 96.6%          |
| Pellissippi                           | 22,913,400                                       | 29,740,000       | 2,250,000             | 1,260,000            | 56,163,400       | 55,234,000                 | 929,400          | 101.7%         |
| Roane                                 | 16,619,800                                       | 16,522,800       | 1,246,900             | 395,400              | 34,784,900       | 40,211,000                 | (5,426,100)      | 86.5%          |
| Southwest                             | 25,739,300                                       | 30,711,300       | 2,698,300             | 1,621,800            | 60,770,700       | 61,983,000                 | (1,212,300)      | 98.0%          |
| Volunteer                             | 16,075,400                                       | 21,625,000       | 1,312,800             | 925,000              | 39,938,200       | 38,987,000                 | 951,200          | 102.4%         |
| Walters                               | 19,866,900                                       | 17,944,000       | 1,201,900             | 398,500              | 39,411,300       | 48,444,000                 | (9,032,700)      | 81.4%          |
| Subtotal                              | \$ 208,574,200                                   | \$ 241,788,600   | \$ 17,019,300         | \$ 7,289,600         | \$ 474,671,700   | \$ 507,180,700             | \$ (32,509,000)  | 93.6%          |
| <b>UT Universities</b>                |  |                  |                       |                      |                  |                            |                  |                |
| UT Chattanooga                        | \$ 36,128,500                                    | \$ 66,521,200    | \$ 1,530,200          | \$ 6,383,000         | \$ 110,562,900   | \$ 108,767,000             | 1,795,900        | 101.7%         |
| UT Knoxville <sup>3</sup>             | 171,335,300                                      | 231,284,800      | 5,200,000             | 35,078,500           | 442,898,600      | 523,647,000                | (80,748,400)     | 84.6%          |
| UT Martin <sup>3</sup>                | 25,043,000                                       | 46,937,200       | 1,392,000             | 4,537,300            | 77,909,500       | 75,064,000                 | 2,845,500        | 103.8%         |
| Subtotal                              | \$ 232,506,800                                   | \$ 344,743,200   | \$ 8,122,200          | \$ 45,998,800        | \$ 631,371,000   | \$ 707,478,000             | \$ (76,107,000)  | 89.2%          |
| <b>TN Colleges of Applied Tech</b>    | \$ 57,400,500                                    | \$ 25,686,100    | \$ 1,863,500          | \$ -                 | \$ 84,950,100    | \$116,923,000              | \$ (31,972,900)  | 72.7%          |
| <b>Total Formula Units</b>            | \$ 822,462,800                                   | \$ 1,155,845,500 | \$ 45,259,800         | \$ 128,168,600       | \$ 2,151,736,700 | \$ 2,316,740,400           | \$ (165,003,700) | 92.9%          |

1 - Recurring

2 - THEC's Community College recommendation is only for the sector as a whole. Institutional detail displayed here is for informational purposes only.

3 - Does not include recurring funds appropriated to UT Martin for the Parsons Center (\$200K) or to UT Knoxville for the engineering college (\$3M).

**Table 2**

**SUMMARY OF UNRESTRICTED EDUCATIONAL AND GENERAL REVENUE DOLLARS AND PERCENT BY SOURCE  
FOR THE TBR AND UT SYSTEMS, JULY 1 & OCTOBER 31 BUDGETS 2013-14**

|                               | APSU          | ETSU          | MTSU          | TSU           | TTU           | UM            | Total<br>TBR<br>Universities | Chattanooga  |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|------------------------------|--------------|
| <b>Tuition &amp; Fees</b>     |               |               |               |               |               |               |                              |              |
| Jul 1 - Dollar                | \$72,608,200  | \$115,204,000 | \$183,782,600 | \$74,154,100  | \$84,182,100  | \$184,535,200 | \$714,466,200                | \$36,203,500 |
| Jul 1 - Percent               | 66.00%        | 63.67%        | 65.39%        | 65.31%        | 63.25%        | 55.74%        | 62.14%                       | 56.90%       |
| Oct 31 - Dollar               | \$74,023,500  | \$115,571,300 | \$180,577,300 | \$75,315,300  | \$89,501,400  | \$184,374,300 | \$719,363,100                | \$33,597,000 |
| Oct 31 - Percent              | 66.16%        | 63.84%        | 64.95%        | 65.60%        | 64.64%        | 55.83%        | 62.31%                       | 55.05%       |
| <b>State Appropriation</b>    |               |               |               |               |               |               |                              |              |
| Jul 1 - Dollar                | \$33,041,000  | \$48,767,600  | \$80,668,600  | \$31,633,000  | \$38,931,200  | \$94,055,800  | \$327,097,200                | \$26,654,300 |
| Jul 1 - Percent               | 30.03%        | 26.95%        | 28.70%        | 27.86%        | 29.25%        | 28.41%        | 28.45%                       | 41.89%       |
| Oct 31 - Dollar               | \$33,037,000  | \$48,776,400  | \$80,660,700  | \$31,629,900  | \$38,928,900  | \$94,101,200  | \$327,134,100                | \$26,664,500 |
| Oct 31 - Percent              | 29.53%        | 26.94%        | 29.01%        | 27.55%        | 28.11%        | 28.50%        | 28.34%                       | 43.69%       |
| <b>Sales &amp; Service</b>    |               |               |               |               |               |               |                              |              |
| Jul 1 - Dollar                | \$0           | \$1,515,800   | \$528,500     | \$197,100     | \$1,161,100   | \$2,781,100   | \$6,183,600                  | \$307,500    |
| Jul 1 - Percent               | 0.00%         | 0.84%         | 0.19%         | 0.17%         | 0.87%         | 0.84%         | 0.54%                        | 0.48%        |
| Oct 31 - Dollar               | \$0           | \$1,589,000   | \$528,500     | \$197,100     | \$1,468,400   | \$4,046,300   | \$7,829,300                  | \$308,000    |
| Oct 31 - Percent              | 0.00%         | 0.88%         | 0.19%         | 0.17%         | 1.06%         | 1.23%         | 0.68%                        | 0.50%        |
| <b>Other Sources</b>          |               |               |               |               |               |               |                              |              |
| Jul 1 - Dollar                | \$4,369,300   | \$15,466,000  | \$16,070,200  | \$7,552,800   | \$8,820,100   | \$49,697,100  | \$101,975,500                | \$461,000    |
| Jul 1 - Percent               | 3.97%         | 8.55%         | 5.72%         | 6.65%         | 6.63%         | 15.01%        | 8.87%                        | 0.72%        |
| Oct 31 - Dollar               | \$4,826,600   | \$15,085,700  | \$16,248,600  | \$7,672,800   | \$8,570,000   | \$47,710,400  | \$100,114,100                | \$464,800    |
| Oct 31 - Percent              | 4.31%         | 8.33%         | 5.84%         | 6.68%         | 6.19%         | 14.45%        | 8.67%                        | 0.76%        |
| <b>Total Educ. &amp; Gen.</b> |               |               |               |               |               |               |                              |              |
| Jul 1 - Dollar                | \$110,018,500 | \$180,953,400 | \$281,049,900 | \$113,537,000 | \$133,094,500 | \$331,069,200 | \$1,149,722,500              | \$63,626,300 |
| Jul 1 - Percent               | 100.00%       | 100.00%       | 100.00%       | 100.00%       | 100.00%       | 100.00%       | 100.00%                      | 100.00%      |
| Oct 31 - Dollar               | \$111,887,100 | \$181,022,400 | \$278,015,100 | \$114,815,100 | \$138,468,700 | \$330,232,200 | \$1,154,440,600              | \$61,034,300 |
| Oct 31 - Percent              | 100.00%       | 100.00%       | 100.00%       | 100.00%       | 100.00%       | 100.00%       | 100.00%                      | 100.00%      |

**Table 2 (cont'd)**

**SUMMARY OF UNRESTRICTED EDUCATIONAL AND GENERAL REVENUE DOLLARS AND PERCENT BY SOURCE  
FOR THE TBR AND UT SYSTEMS, JULY 1 & OCTOBER 31 BUDGETS 2013-14**

|                               | <b>Cleveland</b> | <b>Columbia</b> | <b>Dyersburg</b> | <b>Jackson</b> | <b>Motlow</b> | <b>Nashville</b> | <b>Northeast</b> | <b>Pellissippi</b> |
|-------------------------------|------------------|-----------------|------------------|----------------|---------------|------------------|------------------|--------------------|
| <b>Tuition &amp; Fees</b>     |                  |                 |                  |                |               |                  |                  |                    |
| <b>Jul 1 - Dollar</b>         | \$12,019,700     | \$15,371,000    | \$10,387,100     | \$14,217,900   | \$13,271,400  | \$26,953,600     | \$19,332,900     | \$35,438,000       |
| <b>Jul 1 - Percent</b>        | 56.56%           | 55.08%          | 58.15%           | 54.18%         | 54.05%        | 61.26%           | 57.41%           | 59.39%             |
| <b>Oct 31 - Dollar</b>        | \$11,998,600     | \$15,234,100    | \$9,045,100      | \$14,228,000   | \$13,826,500  | \$28,340,800     | \$18,706,500     | \$35,898,000       |
| <b>Oct 31 - Percent</b>       | 56.25%           | 54.82%          | 54.78%           | 54.12%         | 54.91%        | 62.50%           | 56.58%           | 59.11%             |
| <b>State Appropriation</b>    |                  |                 |                  |                |               |                  |                  |                    |
| <b>Jul 1 - Dollar</b>         | \$9,043,000      | \$12,280,000    | \$7,260,200      | \$11,516,200   | \$11,030,500  | \$15,992,900     | \$13,668,400     | \$22,932,100       |
| <b>Jul 1 - Percent</b>        | 42.55%           | 44.01%          | 40.64%           | 43.88%         | 44.92%        | 36.35%           | 40.59%           | 38.43%             |
| <b>Oct 31 - Dollar</b>        | \$9,047,600      | \$12,282,000    | \$7,251,400      | \$11,527,800   | \$11,031,300  | \$16,005,200     | \$13,672,300     | \$22,946,100       |
| <b>Oct 31 - Percent</b>       | 42.42%           | 44.19%          | 43.91%           | 43.85%         | 43.81%        | 35.30%           | 41.35%           | 37.79%             |
| <b>Sales &amp; Service</b>    |                  |                 |                  |                |               |                  |                  |                    |
| <b>Jul 1 - Dollar</b>         | \$10,100         | \$33,500        | \$10,300         | \$152,300      | \$66,100      | \$2,500          | \$37,200         | \$40,000           |
| <b>Jul 1 - Percent</b>        | 0.05%            | 0.12%           | 0.06%            | 0.58%          | 0.27%         | 0.01%            | 0.11%            | 0.07%              |
| <b>Oct 31 - Dollar</b>        | \$10,100         | \$33,500        | \$10,300         | \$152,300      | \$65,300      | \$2,500          | \$42,200         | \$40,000           |
| <b>Oct 31 - Percent</b>       | 0.05%            | 0.12%           | 0.06%            | 0.58%          | 0.26%         | 0.01%            | 0.13%            | 0.07%              |
| <b>Other Sources</b>          |                  |                 |                  |                |               |                  |                  |                    |
| <b>Jul 1 - Dollar</b>         | \$178,300        | \$220,600       | \$205,900        | \$357,700      | \$187,500     | \$1,051,600      | \$638,700        | \$1,256,900        |
| <b>Jul 1 - Percent</b>        | 0.84%            | 0.79%           | 1.15%            | 1.36%          | 0.76%         | 2.39%            | 1.90%            | 2.11%              |
| <b>Oct 31 - Dollar</b>        | \$273,000        | \$241,600       | \$205,900        | \$380,000      | \$257,900     | \$993,700        | \$642,700        | \$1,841,900        |
| <b>Oct 31 - Percent</b>       | 1.28%            | 0.87%           | 1.25%            | 1.45%          | 1.02%         | 2.19%            | 1.94%            | 3.03%              |
| <b>Total Educ. &amp; Gen.</b> |                  |                 |                  |                |               |                  |                  |                    |
| <b>Jul 1 - Dollar</b>         | \$21,251,100     | \$27,905,100    | \$17,863,500     | \$26,244,100   | \$24,555,500  | \$44,000,600     | \$33,677,200     | \$59,667,000       |
| <b>Jul 1 - Percent</b>        | 100.00%          | 100.00%         | 100.00%          | 100.00%        | 100.00%       | 100.00%          | 100.00%          | 100.00%            |
| <b>Oct 31 - Dollar</b>        | \$21,329,300     | \$27,791,200    | \$16,512,700     | \$26,288,100   | \$25,181,000  | \$45,342,200     | \$33,063,700     | \$60,726,000       |
| <b>Oct 31 - Percent</b>       | 100.00%          | 100.00%         | 100.00%          | 100.00%        | 100.00%       | 100.00%          | 100.00%          | 100.00%            |

Table 2 (cont'd)

**SUMMARY OF UNRESTRICTED EDUCATIONAL AND GENERAL REVENUE DOLLARS AND PERCENT BY SOURCE  
FOR THE TBR AND UT SYSTEMS, JULY 1 & OCTOBER 31 BUDGETS 2013-14**

|                               | Roane        | Southwest    | Volunteer    | Walters      | Total<br>Two-Year<br>Institutions | TN Colleges<br>of Applied<br>Technology | ETSU<br>Medical<br>School | ETSU<br>Family<br>Practice |
|-------------------------------|--------------|--------------|--------------|--------------|-----------------------------------|---|---------------------------|----------------------------|
| <b>Tuition &amp; Fees</b>     |              |              |              |              |                                   |   |                           |                            |
| Jul 1 - Dollar                | \$20,616,400 | \$40,658,200 | \$25,388,400 | \$22,786,600 | \$292,644,700                     | \$28,704,000                            | \$9,463,600               | \$0                        |
| Jul 1 - Percent               | 54.20%       | 58.90%       | 60.47%       | 52.16%       | 57.21%                            | 34.00%                                  | 17.62%                    | 0.00%                      |
| Oct 31 - Dollar               | \$20,277,300 | \$37,869,100 | \$25,497,900 | \$21,895,500 | \$286,414,400                     | \$28,950,800                            | \$9,288,600               | \$0                        |
| Oct 31 - Percent              | 53.66%       | 57.18%       | 60.45%       | 51.14%       | 56.57%                            | 34.04%                                  | 17.37%                    | 0.00%                      |
| <b>State Appropriation</b>    |              |              |              |              |                                   |   |                           |                            |
| Jul 1 - Dollar                | \$16,496,900 | \$27,557,400 | \$16,140,600 | \$19,892,200 | \$210,464,700                     | \$53,008,700                            | \$28,987,400              | \$6,124,900                |
| Jul 1 - Percent               | 43.37%       | 39.92%       | 38.45%       | 45.53%       | 41.14%                            | 62.79%                                  | 53.97%                    | 40.38%                     |
| Oct 31 - Dollar               | \$16,492,100 | \$27,557,400 | \$16,138,200 | \$19,895,900 | \$210,511,800                     | \$53,024,500                            | \$28,916,500              | \$6,123,700                |
| Oct 31 - Percent              | 43.64%       | 41.61%       | 38.26%       | 46.47%       | 41.58%                            | 62.34%                                  | 54.08%                    | 38.43%                     |
| <b>Sales &amp; Service</b>    |              |              |              |              |                                   |   |                           |                            |
| Jul 1 - Dollar                | \$38,400     | \$170,600    | \$89,400     | \$194,100    | \$1,152,000                       | \$739,000                               | \$13,809,900              | \$8,840,000                |
| Jul 1 - Percent               | 0.10%        | 0.25%        | 0.21%        | 0.44%        | 0.23%                             | 0.88%                                   | 25.71%                    | 58.28%                     |
| Oct 31 - Dollar               | \$40,100     | \$170,600    | \$110,500    | \$182,700    | \$1,168,100                       | \$738,400                               | \$13,809,900              | \$9,100,000                |
| Oct 31 - Percent              | 0.11%        | 0.26%        | 0.26%        | 0.43%        | 0.23%                             | 0.87%                                   | 25.83%                    | 57.10%                     |
| <b>Other Sources</b>          |              |              |              |              |                                   |   |                           |                            |
| Jul 1 - Dollar                | \$888,600    | \$646,300    | \$363,700    | \$815,900    | \$7,272,700                       | \$1,967,900                             | \$1,454,000               | \$202,000                  |
| Jul 1 - Percent               | 2.34%        | 0.94%        | 0.87%        | 1.87%        | 1.42%                             | 2.33%                                   | 2.71%                     | 1.33%                      |
| Oct 31 - Dollar               | \$979,400    | \$625,900    | \$435,700    | \$843,200    | \$8,185,700                       | \$2,339,400                             | \$1,454,000               | \$712,000                  |
| Oct 31 - Percent              | 2.59%        | 0.95%        | 1.03%        | 1.97%        | 1.62%                             | 2.75%                                   | 2.72%                     | 4.47%                      |
| <b>Total Educ. &amp; Gen.</b> |              |              |              |              |                                   |   |                           |                            |
| Jul 1 - Dollar                | \$38,040,300 | \$69,032,500 | \$41,982,100 | \$43,688,800 | \$511,534,100                     | \$84,419,600                            | \$53,714,900              | \$15,166,900               |
| Jul 1 - Percent               | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%                           | 100.00%                                 | 100.00%                   | 100.00%                    |
| Oct 31 - Dollar               | \$37,788,900 | \$66,223,000 | \$42,182,300 | \$42,817,300 | \$506,280,000                     | \$85,053,100                            | \$53,469,000              | \$15,935,700               |
| Oct 31 - Percent              | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%                           | 100.00%                                 | 100.00%                   | 100.00%                    |

**Table 2 (cont'd)**

**SUMMARY OF UNRESTRICTED EDUCATIONAL AND GENERAL REVENUE DOLLARS AND PERCENT BY SOURCE  
FOR THE TBR AND UT SYSTEMS, JULY 1 & OCTOBER 31 BUDGETS 2013-14**

|                               | <b>ETSU<br/>Pharmacy<br/>School</b> | <b>Tennessee<br/>Board of<br/>Regents Admin</b> | <b>TSU<br/>McMinnville<br/>Center</b> | <b>TSU<br/>McIntire-Stennis</b> | <b>TSU<br/>Inst of Ag</b> | <b>TSU<br/>Cooperative<br/>Education</b> | <b>Sub-Total<br/>TBR<br/>System</b> | <b>UTC</b>    |
|-------------------------------|-------------------------------------|---|---------------------------------------|---------------------------------|---------------------------|--|-------------------------------------|---------------|
| <b>Tuition &amp; Fees</b>     |                                     |   |                                       |                                 |                           |  |                                     |               |
| <b>Jul 1 - Dollar</b>         | \$10,433,600                        | \$0   | \$0                                   | \$0                             | \$0                       | \$0                                      | \$1,055,712,100                     | \$90,358,600  |
| <b>Jul 1 - Percent</b>        | 99.67%                              | 0.00%   | 0.00%                                 | 0.00%                           | 0.00%                     | 0.00%                                    | 56.77%                              | 67.36%        |
| <b>Oct 31 - Dollar</b>        | \$10,656,000                        | \$0   | \$0                                   | \$0                             | \$0                       | \$0                                      | \$1,054,672,900                     | \$90,632,100  |
| <b>Oct 31 - Percent</b>       | 99.61%                              | 0.00%   | 0.00%                                 | 0.00%                           | 0.00%                     | 0.00%                                    | 56.65%                              | 67.41%        |
| <b>State Appropriation</b>    |                                     |   |                                       |                                 |                           |  |                                     |               |
| <b>Jul 1 - Dollar</b>         | \$0                                 | \$10,023,500                                    | \$560,700                             | \$179,400                       | \$2,278,700               | \$3,107,000                              | \$641,832,200                       | \$37,427,700  |
| <b>Jul 1 - Percent</b>        | 0.00%                               | 35.24%  | 100.00%                               | 100.00%                         | 100.00%                   | 100.00%                                  | 34.51%                              | 27.90%        |
| <b>Oct 31 - Dollar</b>        | \$0                                 | \$10,011,300                                    | \$560,700                             | \$179,400                       | \$2,280,500               | \$3,110,400                              | \$641,852,900                       | \$37,449,700  |
| <b>Oct 31 - Percent</b>       | 0.00%                               | 33.53%  | 100.00%                               | 100.00%                         | 100.00%                   | 100.00%                                  | 34.47%                              | 27.86%        |
| <b>Sales &amp; Service</b>    |                                     |   |                                       |                                 |                           |  |                                     |               |
| <b>Jul 1 - Dollar</b>         | \$0                                 | \$0   | \$0                                   | \$0                             | \$0                       | \$0                                      | \$30,724,500                        | \$4,248,500   |
| <b>Jul 1 - Percent</b>        | 0.00%                               | 0.00%   | 0.00%                                 | 0.00%                           | 0.00%                     | 0.00%                                    | 1.65%                               | 3.17%         |
| <b>Oct 31 - Dollar</b>        | \$0                                 | \$0   | \$0                                   | \$0                             | \$0                       | \$0                                      | \$32,645,700                        | \$4,340,200   |
| <b>Oct 31 - Percent</b>       | 0.00%                               | 0.00%   | 0.00%                                 | 0.00%                           | 0.00%                     | 0.00%                                    | 1.75%                               | 3.23%         |
| <b>Other Sources</b>          |                                     |   |                                       |                                 |                           |  |                                     |               |
| <b>Jul 1 - Dollar</b>         | \$35,000                            | \$18,416,800                                    | \$0                                   | \$0                             | \$0                       | \$0                                      | \$131,323,900                       | \$2,100,500   |
| <b>Jul 1 - Percent</b>        | 0.33%                               | 64.76%  | 0.00%                                 | 0.00%                           | 0.00%                     | 0.00%                                    | 7.06%                               | 1.57%         |
| <b>Oct 31 - Dollar</b>        | \$41,400                            | \$19,843,300                                    | \$0                                   | \$0                             | \$0                       | \$0                                      | \$132,689,900                       | \$2,018,800   |
| <b>Oct 31 - Percent</b>       | 0.39%                               | 66.47%  | 0.00%                                 | 0.00%                           | 0.00%                     | 0.00%                                    | 7.13%                               | 1.50%         |
| <b>Total Educ. &amp; Gen.</b> |                                     |   |                                       |                                 |                           |  |                                     |               |
| <b>Jul 1 - Dollar</b>         | \$10,468,600                        | \$28,440,300                                    | \$560,700                             | \$179,400                       | \$2,278,700               | \$3,107,000                              | \$1,859,592,700                     | \$134,135,300 |
| <b>Jul 1 - Percent</b>        | 100.00%                             | 100.00%   | 100.00%                               | 100.00%                         | 100.00%                   | 100.00%                                  | 100.00%                             | 100.00%       |
| <b>Oct 31 - Dollar</b>        | \$10,697,400                        | \$29,854,600                                    | \$560,700                             | \$179,400                       | \$2,280,500               | \$3,110,400                              | \$1,861,861,400                     | \$134,440,800 |
| <b>Oct 31 - Percent</b>       | 100.00%                             | 100.00%   | 100.00%                               | 100.00%                         | 100.00%                   | 100.00%                                  | 100.00%                             | 100.00%       |

Table 2 (cont'd)

**SUMMARY OF UNRESTRICTED EDUCATIONAL AND GENERAL REVENUE DOLLARS AND PERCENT BY SOURCE  
FOR THE TBR AND UT SYSTEMS, JULY 1 & OCTOBER 31 BUDGETS 2013-14**

|                               | UTK           | UTM          | Total UT<br>Formula<br>Universities | UT Space<br>Institute | UT<br>Memphis | UT<br>College of<br>Medicine | UT Family<br>Medicine | Agricultural<br>Experiment<br>Station |
|-------------------------------|---------------|--------------|-------------------------------------|-----------------------|---------------|------------------------------|-----------------------|---------------------------------------|
| <b>Tuition &amp; Fees</b>     |               |              |                                     |                       |               |                              |                       |                                       |
| Jul 1 - Dollar                | \$330,546,600 | \$58,468,100 | \$479,373,300                       | \$1,653,900           | \$47,919,200  | \$25,243,300                 | \$0                   | \$0                                   |
| Jul 1 - Percent               | 60.08%        | 65.29%       | 61.95%                              | 15.85%                | 32.78%        | 32.45%                       | 0.00%                 | 0.00%                                 |
| Oct 31 - Dollar               | \$330,656,400 | \$58,535,000 | \$479,823,500                       | \$1,653,900           | \$47,927,400  | \$25,243,300                 | \$0                   | \$0                                   |
| Oct 31 - Percent              | 60.08%        | 64.98%       | 61.92%                              | 15.87%                | 32.53%        | 32.95%                       | 0.00%                 | 0.00%                                 |
| <b>State Appropriation</b>    |               |              |                                     |                       |               |                              |                       |                                       |
| Jul 1 - Dollar                | \$177,446,500 | \$26,374,200 | \$241,248,400                       | \$8,012,800           | \$74,840,100  | \$47,273,300                 | \$10,470,400          | \$25,612,400                          |
| Jul 1 - Percent               | 32.25%        | 29.45%       | 31.17%                              | 76.78%                | 51.20%        | 60.76%                       | 50.04%                | 67.22%                                |
| Oct 31 - Dollar               | \$177,486,300 | \$26,337,800 | \$241,273,800                       | \$7,995,500           | \$74,840,800  | \$47,116,500                 | \$10,470,800          | \$25,579,500                          |
| Oct 31 - Percent              | 32.25%        | 29.24%       | 31.14%                              | 76.74%                | 50.79%        | 61.50%                       | 50.20%                | 67.14%                                |
| <b>Sales &amp; Service</b>    |               |              |                                     |                       |               |                              |                       |                                       |
| Jul 1 - Dollar                | \$4,324,500   | \$2,826,500  | \$11,399,500                        | \$100,000             | \$6,813,600   | \$2,040,000                  | \$9,739,800           | \$3,227,400                           |
| Jul 1 - Percent               | 0.79%         | 3.16%        | 1.47%                               | 0.96%                 | 4.66%         | 2.62%                        | 46.55%                | 8.47%                                 |
| Oct 31 - Dollar               | \$4,332,600   | \$3,321,100  | \$11,993,900                        | \$100,000             | \$6,945,900   | \$2,042,300                  | \$9,673,100           | \$3,257,700                           |
| Oct 31 - Percent              | 0.79%         | 3.69%        | 1.55%                               | 0.96%                 | 4.71%         | 2.67%                        | 46.38%                | 8.55%                                 |
| <b>Other Sources</b>          |               |              |                                     |                       |               |                              |                       |                                       |
| Jul 1 - Dollar                | \$37,863,200  | \$1,882,600  | \$41,846,300                        | \$670,000             | \$16,594,600  | \$3,241,500                  | \$712,900             | \$9,262,000                           |
| Jul 1 - Percent               | 6.88%         | 2.10%        | 5.41%                               | 6.42%                 | 11.35%        | 4.17%                        | 3.41%                 | 24.31%                                |
| Oct 31 - Dollar               | \$37,883,200  | \$1,882,600  | \$41,784,600                        | \$670,000             | \$17,631,400  | \$2,211,900                  | \$712,900             | \$9,262,000                           |
| Oct 31 - Percent              | 6.88%         | 2.09%        | 5.39%                               | 6.43%                 | 11.97%        | 2.89%                        | 3.42%                 | 24.31%                                |
| <b>Total Educ. &amp; Gen.</b> |               |              |                                     |                       |               |                              |                       |                                       |
| Jul 1 - Dollar                | \$550,180,800 | \$89,551,400 | \$773,867,500                       | \$10,436,700          | \$146,167,500 | \$77,798,100                 | \$20,923,100          | \$38,101,800                          |
| Jul 1 - Percent               | 100.00%       | 100.00%      | 100.00%                             | 100.00%               | 100.00%       | 100.00%                      | 100.00%               | 100.00%                               |
| Oct 31 - Dollar               | \$550,358,500 | \$90,076,500 | \$774,875,800                       | \$10,419,400          | \$147,345,500 | \$76,614,000                 | \$20,856,800          | \$38,099,200                          |
| Oct 31 - Percent              | 100.00%       | 100.00%      | 100.00%                             | 100.00%               | 100.00%       | 100.00%                      | 100.00%               | 100.00%                               |



Table 2 (cont'd)

**SUMMARY OF UNRESTRICTED EDUCATIONAL AND GENERAL REVENUE DOLLARS AND PERCENT BY SOURCE  
FOR THE TBR AND UT SYSTEMS, JULY 1 & OCTOBER 31 BUDGETS 2013-14**

|                               | Agricultural<br>Extension<br>Service | College of<br>Veterinary<br>Medicine | Institute<br>for Public<br>Service | MTAS        | CTAS        | University-<br>Wide<br>Admin. | Sub-Total<br>UT<br>System | Grand<br>Total  |
|-------------------------------|--------------------------------------|--------------------------------------|------------------------------------|-------------|-------------|-------------------------------|---------------------------|-----------------|
| <b>Tuition &amp; Fees</b>     |                                      |                                      |                                    |             |             |                               |                           |                 |
| Jul 1 - Dollar                | \$0                                  | \$11,088,200                         | \$0                                | \$0         | \$0         | \$0                           | \$565,277,900             | \$1,620,990,000 |
| Jul 1 - Percent               | 0.00%                                | 26.91%                               | 0.00%                              | 0.00%       | 0.00%       | 0.00%                         | 47.97%                    | 53.36%          |
| Oct 31 - Dollar               | \$0                                  | \$11,260,700                         | \$0                                | \$0         | \$0         | \$0                           | \$565,908,800             | \$1,620,581,700 |
| Oct 31 - Percent              | 0.00%                                | 27.09%                               | 0.00%                              | 0.00%       | 0.00%       | 0.00%                         | 47.97%                    | 53.28%          |
| <b>State Appropriation</b>    |                                      |                                      |                                    |             |             |                               |                           |                 |
| Jul 1 - Dollar                | \$31,014,000                         | \$16,795,900                         | \$5,250,300                        | \$2,892,000 | \$1,757,900 | \$4,724,200                   | \$469,891,700             | \$1,111,723,900 |
| Jul 1 - Percent               | 69.30%                               | 40.76%                               | 84.90%                             | 48.55%      | 36.12%      | 58.42%                        | 39.88%                    | 36.59%          |
| Oct 31 - Dollar               | \$30,987,800                         | \$16,795,900                         | \$5,249,900                        | \$2,892,000 | \$1,758,000 | \$4,724,200                   | \$469,684,700             | \$1,111,537,600 |
| Oct 31 - Percent              | 69.19%                               | 40.41%                               | 83.99%                             | 48.55%      | 36.12%      | 58.42%                        | 39.81%                    | 36.54%          |
| <b>Sales &amp; Service</b>    |                                      |                                      |                                    |             |             |                               |                           |                 |
| Jul 1 - Dollar                | \$4,509,000                          | \$11,705,100                         | \$0                                | \$0         | \$0         | \$0                           | \$49,534,400              | \$80,258,900    |
| Jul 1 - Percent               | 10.07%                               | 28.40%                               | 0.00%                              | 0.00%       | 0.00%       | 0.00%                         | 4.20%                     | 2.64%           |
| Oct 31 - Dollar               | \$4,509,000                          | \$11,989,700                         | \$0                                | \$0         | \$0         | \$0                           | \$50,511,600              | \$83,157,300    |
| Oct 31 - Percent              | 10.07%                               | 28.84%                               | 0.00%                              | 0.00%       | 0.00%       | 0.00%                         | 4.28%                     | 2.73%           |
| <b>Other Sources</b>          |                                      |                                      |                                    |             |             |                               |                           |                 |
| Jul 1 - Dollar                | \$9,232,700                          | \$1,621,100                          | \$933,600                          | \$3,064,900 | \$3,109,400 | \$3,362,500                   | \$93,651,500              | \$224,975,400   |
| Jul 1 - Percent               | 20.63%                               | 3.93%                                | 15.10%                             | 51.45%      | 63.88%      | 41.58%                        | 7.95%                     | 7.41%           |
| Oct 31 - Dollar               | \$9,289,800                          | \$1,521,100                          | \$1,000,800                        | \$3,064,900 | \$3,109,400 | \$3,362,500                   | \$93,621,300              | \$226,311,200   |
| Oct 31 - Percent              | 20.74%                               | 3.66%                                | 16.01%                             | 51.45%      | 63.88%      | 41.58%                        | 7.94%                     | 7.44%           |
| <b>Total Educ. &amp; Gen.</b> |                                      |                                      |                                    |             |             |                               |                           |                 |
| Jul 1 - Dollar                | \$44,755,700                         | \$41,210,300                         | \$6,183,900                        | \$5,956,900 | \$4,867,300 | \$8,086,700                   | \$1,178,355,500           | \$3,037,948,200 |
| Jul 1 - Percent               | 100.00%                              | 100.00%                              | 100.00%                            | 100.00%     | 100.00%     | 100.00%                       | 100.00%                   | 100.00%         |
| Oct 31 - Dollar               | \$44,786,600                         | \$41,567,400                         | \$6,250,700                        | \$5,956,900 | \$4,867,400 | \$8,086,700                   | \$1,179,726,400           | \$3,041,587,800 |
| Oct 31 - Percent              | 100.00%                              | 100.00%                              | 100.00%                            | 100.00%     | 100.00%     | 100.00%                       | 100.00%                   | 100.00%         |

**Table 3**

**SUMMARY OF PERCENT UNRESTRICTED EDUCATIONAL AND GENERAL EXPENDITURES  
BY FUNCTIONAL AREA BY INSTITUTION FOR THE TBR AND UT SYSTEMS  
JULY 1 & OCTOBER 31 BUDGETS 2013-14**

|   | APSU          | ETSU          | MTSU          | TSU           | TTU           | UM            | Total<br>TBR<br>Universities |
|---|---------------|---------------|---------------|---------------|---------------|---------------|------------------------------|
| <b>Instruction</b>                                  |               |               |               |               |               |               |                              |
| Jul 1 - Dollar                                      | \$52,029,900  | \$87,353,600  | \$138,553,200 | \$52,255,700  | \$58,501,600  | \$140,575,600 | \$529,269,600                |
| Jul 1 - Percent                                     | 48.09%        | 49.97%        | 51.57%        | 46.63%        | 46.81%        | 43.08%        | 47.47%                       |
| Oct 31 - Dollar                                     | \$52,524,800  | \$87,975,600  | \$143,671,700 | \$54,826,500  | \$65,984,700  | \$158,793,600 | \$563,776,900                |
| Oct 31 - Percent                                    | 47.85%        | 49.68%        | 50.54%        | 46.85%        | 46.77%        | 42.96%        | 47.03%                       |
| <b>Research</b>                                     |               |               |               |               |               |               |                              |
| Jul 1 - Dollar                                      | \$585,300     | \$2,762,400   | \$4,316,600   | \$1,579,500   | \$1,594,500   | \$13,551,200  | \$24,389,500                 |
| Jul 1 - Percent                                     | 0.54%         | 1.58%         | 1.61%         | 1.41%         | 1.28%         | 4.15%         | 2.19%                        |
| Oct 31 - Dollar                                     | \$717,100     | \$3,254,900   | \$7,948,100   | \$1,892,100   | \$2,774,200   | \$22,185,900  | \$38,772,300                 |
| Oct 31 - Percent                                    | 0.65%         | 1.84%         | 2.80%         | 1.62%         | 1.97%         | 6.00%         | 3.23%                        |
| <b>Public Service</b>                               |               |               |               |               |               |               |                              |
| Jul 1 - Dollar                                      | \$353,300     | \$2,026,300   | \$3,335,300   | \$847,200     | \$2,382,300   | \$5,898,300   | \$14,842,700                 |
| Jul 1 - Percent                                     | 0.33%         | 1.16%         | 1.24%         | 0.76%         | 1.91%         | 1.81%         | 1.33%                        |
| Oct 31 - Dollar                                     | \$376,000     | \$2,105,100   | \$4,167,900   | \$1,097,900   | \$2,929,300   | \$8,086,200   | \$18,762,400                 |
| Oct 31 - Percent                                    | 0.34%         | 1.19%         | 1.47%         | 0.94%         | 2.08%         | 2.19%         | 1.57%                        |
| <b>Academic Support</b>                             |               |               |               |               |               |               |                              |
| Jul 1 - Dollar                                      | \$8,662,200   | \$18,184,900  | \$24,239,600  | \$9,932,700   | \$10,286,600  | \$30,460,800  | \$101,766,800                |
| Jul 1 - Percent                                     | 8.01%         | 10.40%        | 9.02%         | 8.86%         | 8.23%         | 9.33%         | 9.13%                        |
| Oct 31 - Dollar                                     | \$8,561,000   | \$18,272,000  | \$24,816,700  | \$10,580,100  | \$11,440,900  | \$32,777,600  | \$106,448,300                |
| Oct 31 - Percent                                    | 7.80%         | 10.32%        | 8.73%         | 9.04%         | 8.11%         | 8.87%         | 8.88%                        |
| <b>SubTotal</b>                                     |               |               |               |               |               |               |                              |
| Jul 1 - Dollar                                      | \$61,630,700  | \$110,327,200 | \$170,444,700 | \$64,615,100  | \$72,765,000  | \$190,485,900 | \$670,268,600                |
| Jul 1 - Percent                                     | 56.96%        | 63.12%        | 63.44%        | 57.65%        | 58.22%        | 58.37%        | 60.11%                       |
| Oct 31 - Dollar                                     | \$62,178,900  | \$111,607,600 | \$180,604,400 | \$68,396,600  | \$83,129,100  | \$221,843,300 | \$727,759,900                |
| Oct 31 - Percent                                    | 56.64%        | 63.02%        | 63.54%        | 58.44%        | 58.93%        | 60.02%        | 60.71%                       |
| <b>Student Services</b>                             |               |               |               |               |               |               |                              |
| Jul 1 - Dollar                                      | \$19,931,700  | \$22,001,800  | \$39,662,300  | \$17,968,000  | \$19,995,200  | \$57,613,000  | \$177,172,000                |
| Jul 1 - Percent                                     | 18.42%        | 12.59%        | 14.76%        | 16.03%        | 16.00%        | 17.65%        | 15.89%                       |
| Oct 31 - Dollar                                     | \$20,177,100  | \$21,519,000  | \$40,899,600  | \$17,895,000  | \$22,482,400  | \$63,420,400  | \$186,393,500                |
| Oct 31 - Percent                                    | 18.38%        | 12.15%        | 14.39%        | 15.29%        | 15.94%        | 17.16%        | 15.55%                       |
| <b>Institutional Support</b>                        |               |               |               |               |               |               |                              |
| Jul 1 - Dollar                                      | \$11,384,600  | \$15,530,400  | \$24,520,200  | \$13,825,900  | \$12,570,200  | \$32,250,000  | \$110,081,300                |
| Jul 1 - Percent                                     | 10.52%        | 8.88%         | 9.13%         | 12.34%        | 10.06%        | 9.88%         | 9.87%                        |
| Oct 31 - Dollar                                     | \$11,590,600  | \$15,775,400  | \$27,156,600  | \$14,910,200  | \$14,586,200  | \$34,572,200  | \$118,591,200                |
| Oct 31 - Percent                                    | 10.56%        | 8.91%         | 9.55%         | 12.74%        | 10.34%        | 9.35%         | 9.89%                        |
| <b>Operation &amp; Maintenance</b>                  |               |               |               |               |               |               |                              |
| Jul 1 - Dollar                                      | \$9,637,900   | \$13,587,400  | \$21,437,200  | \$10,614,600  | \$11,653,300  | \$30,806,500  | \$97,736,900                 |
| Jul 1 - Percent                                     | 8.91%         | 7.77%         | 7.98%         | 9.47%         | 9.32%         | 9.44%         | 8.77%                        |
| Oct 31 - Dollar                                     | \$9,638,600   | \$13,774,500  | \$21,607,000  | \$10,783,500  | \$13,005,900  | \$31,553,500  | \$100,363,000                |
| Oct 31 - Percent                                    | 8.78%         | 7.78%         | 7.60%         | 9.21%         | 9.22%         | 8.54%         | 8.37%                        |
| <b>Scholarships &amp; Fellowships</b>               |               |               |               |               |               |               |                              |
| Jul 1 - Dollar                                      | \$5,610,500   | \$13,350,500  | \$12,623,700  | \$5,050,200   | \$7,995,400   | \$15,183,500  | \$59,813,800                 |
| Jul 1 - Percent                                     | 5.19%         | 7.64%         | 4.70%         | 4.51%         | 6.40%         | 4.65%         | 5.36%                        |
| Oct 31 - Dollar                                     | \$6,190,500   | \$14,412,100  | \$13,981,700  | \$5,050,200   | \$7,865,900   | \$18,232,200  | \$65,732,600                 |
| Oct 31 - Percent                                    | 5.64%         | 8.14%         | 4.92%         | 4.32%         | 5.58%         | 4.93%         | 5.48%                        |
| <b>Total Educational &amp; General Expenditures</b> |               |               |               |               |               |               |                              |
| Jul 1 - Dollar                                      | \$108,195,400 | \$174,797,300 | \$268,688,100 | \$112,073,800 | \$124,979,100 | \$326,338,900 | \$1,115,072,600              |
| Jul 1 - Percent                                     | 100.00%       | 100.00%       | 100.00%       | 100.00%       | 100.00%       | 100.00%       | 100.00%                      |
| Oct 31 - Dollar                                     | \$109,775,700 | \$177,088,600 | \$284,249,300 | \$117,035,500 | \$141,069,500 | \$369,621,600 | \$1,198,840,200              |
| Oct 31 - Percent                                    | 100.00%       | 100.00%       | 100.00%       | 100.00%       | 100.00%       | 100.00%       | 100.00%                      |

Table 3 (cont'd)

**SUMMARY OF PERCENT UNRESTRICTED EDUCATIONAL AND GENERAL EXPENDITURES  
BY FUNCTIONAL AREA BY INSTITUTION FOR THE TBR AND UT SYSTEMS  
JULY 1 & OCTOBER 31 BUDGETS 2013-14**

|   | <b>Chattanooga</b>  | <b>Cleveland</b>    | <b>Columbia</b>     | <b>Dyersburg</b>    | <b>Jackson</b>      | <b>Motlow</b>       | <b>Nashville</b>    |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Instruction</b>                                  |                     |                     |                     |                     |                     |                     |                     |
| Jul 1 - Dollar                                      | \$32,294,900        | \$9,998,600         | \$15,226,400        | \$9,904,800         | \$12,592,500        | \$12,379,100        | \$25,252,400        |
| Jul 1 - Percent                                     | 53.94%              | 46.24%              | 53.78%              | 54.09%              | 47.50%              | 48.67%              | 56.78%              |
| Oct 31 - Dollar                                     | \$31,407,600        | \$10,301,200        | \$14,920,600        | \$9,096,100         | \$12,685,900        | \$12,476,000        | \$25,281,300        |
| Oct 31 - Percent                                    | 53.36%              | 46.30%              | 53.39%              | 52.22%              | 46.87%              | 47.22%              | 55.37%              |
| <b>Research</b>                                     |                     |                     |                     |                     |                     |                     |                     |
| Jul 1 - Dollar                                      | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 |
| Jul 1 - Percent                                     | 0.00%               | 0.00%               | 0.00%               | 0.00%               | 0.00%               | 0.00%               | 0.00%               |
| Oct 31 - Dollar                                     | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 |
| Oct 31 - Percent                                    | 0.00%               | 0.00%               | 0.00%               | 0.00%               | 0.00%               | 0.00%               | 0.00%               |
| <b>Public Service</b>                               |                     |                     |                     |                     |                     |                     |                     |
| Jul 1 - Dollar                                      | \$100,000           | \$238,200           | \$113,400           | \$47,200            | \$63,200            | \$107,000           | \$497,000           |
| Jul 1 - Percent                                     | 0.17%               | 1.10%               | 0.40%               | 0.26%               | 0.24%               | 0.42%               | 1.12%               |
| Oct 31 - Dollar                                     | \$100,000           | \$324,200           | \$104,600           | \$11,500            | \$64,100            | \$108,000           | \$483,100           |
| Oct 31 - Percent                                    | 0.17%               | 1.46%               | 0.37%               | 0.07%               | 0.24%               | 0.41%               | 1.06%               |
| <b>Academic Support</b>                             |                     |                     |                     |                     |                     |                     |                     |
| Jul 1 - Dollar                                      | \$4,769,400         | \$1,399,400         | \$1,554,500         | \$821,700           | \$2,738,200         | \$2,407,700         | \$4,994,200         |
| Jul 1 - Percent                                     | 7.97%               | 6.47%               | 5.49%               | 4.49%               | 10.33%              | 9.47%               | 11.23%              |
| Oct 31 - Dollar                                     | \$4,728,200         | \$1,407,700         | \$1,354,500         | \$715,500           | \$2,809,400         | \$2,657,100         | \$5,637,700         |
| Oct 31 - Percent                                    | 8.03%               | 6.33%               | 4.85%               | 4.11%               | 10.38%              | 10.06%              | 12.35%              |
| <b>SubTotal</b>                                     |                     |                     |                     |                     |                     |                     |                     |
| Jul 1 - Dollar                                      | <b>\$37,164,300</b> | <b>\$11,636,200</b> | <b>\$16,894,300</b> | <b>\$10,773,700</b> | <b>\$15,393,900</b> | <b>\$14,893,800</b> | <b>\$30,743,600</b> |
| Jul 1 - Percent                                     | <b>62.07%</b>       | <b>53.82%</b>       | <b>59.67%</b>       | <b>58.84%</b>       | <b>58.06%</b>       | <b>58.55%</b>       | <b>69.13%</b>       |
| Oct 31 - Dollar                                     | <b>\$36,235,800</b> | <b>\$12,033,100</b> | <b>\$16,379,700</b> | <b>\$9,823,100</b>  | <b>\$15,559,400</b> | <b>\$15,241,100</b> | <b>\$31,402,100</b> |
| Oct 31 - Percent                                    | <b>61.57%</b>       | <b>54.09%</b>       | <b>58.61%</b>       | <b>56.39%</b>       | <b>57.49%</b>       | <b>57.68%</b>       | <b>68.78%</b>       |
| <b>Student Services</b>                             |                     |                     |                     |                     |                     |                     |                     |
| Jul 1 - Dollar                                      | \$6,854,200         | \$3,073,200         | \$3,843,900         | \$2,168,700         | \$2,837,100         | \$3,528,400         | \$3,336,400         |
| Jul 1 - Percent                                     | 11.45%              | 14.21%              | 13.58%              | 11.84%              | 10.70%              | 13.87%              | 7.50%               |
| Oct 31 - Dollar                                     | \$6,700,800         | \$3,163,000         | \$3,950,000         | \$2,062,900         | \$2,968,900         | \$3,635,600         | \$3,529,700         |
| Oct 31 - Percent                                    | 11.38%              | 14.22%              | 14.14%              | 11.84%              | 10.97%              | 13.76%              | 7.73%               |
| <b>Institutional Support</b>                        |                     |                     |                     |                     |                     |                     |                     |
| Jul 1 - Dollar                                      | \$9,534,200         | \$3,954,500         | \$4,576,700         | \$3,179,500         | \$5,101,600         | \$4,062,000         | \$5,778,600         |
| Jul 1 - Percent                                     | 15.92%              | 18.29%              | 16.16%              | 17.36%              | 19.24%              | 15.97%              | 12.99%              |
| Oct 31 - Dollar                                     | \$9,833,700         | \$4,123,100         | \$4,673,900         | \$3,068,200         | \$5,248,100         | \$4,447,600         | \$6,042,700         |
| Oct 31 - Percent                                    | 16.71%              | 18.53%              | 16.73%              | 17.61%              | 19.39%              | 16.83%              | 13.23%              |
| <b>Operation &amp; Maintenance</b>                  |                     |                     |                     |                     |                     |                     |                     |
| Jul 1 - Dollar                                      | \$5,364,600         | \$2,320,700         | \$2,627,700         | \$1,839,600         | \$2,249,000         | \$2,424,600         | \$3,943,700         |
| Jul 1 - Percent                                     | 8.96%               | 10.73%              | 9.28%               | 10.05%              | 8.48%               | 9.53%               | 8.87%               |
| Oct 31 - Dollar                                     | \$5,123,800         | \$2,232,600         | \$2,569,800         | \$1,756,400         | \$2,289,100         | \$2,566,800         | \$3,996,300         |
| Oct 31 - Percent                                    | 8.71%               | 10.04%              | 9.20%               | 10.08%              | 8.46%               | 9.71%               | 8.75%               |
| <b>Scholarships &amp; Fellowships</b>               |                     |                     |                     |                     |                     |                     |                     |
| Jul 1 - Dollar                                      | \$955,000           | \$637,200           | \$370,000           | \$348,900           | \$929,900           | \$526,900           | \$669,600           |
| Jul 1 - Percent                                     | 1.60%               | 2.95%               | 1.31%               | 1.91%               | 3.51%               | 2.07%               | 1.51%               |
| Oct 31 - Dollar                                     | \$963,000           | \$696,300           | \$371,200           | \$709,500           | \$1,000,000         | \$531,800           | \$687,200           |
| Oct 31 - Percent                                    | 1.64%               | 3.13%               | 1.33%               | 4.07%               | 3.69%               | 2.01%               | 1.51%               |
| <b>Total Educational &amp; General Expenditures</b> |                     |                     |                     |                     |                     |                     |                     |
| Jul 1 - Dollar                                      | \$59,872,300        | \$21,621,800        | \$28,312,600        | \$18,310,400        | \$26,511,500        | \$25,435,700        | \$44,471,900        |
| Jul 1 - Percent                                     | 100.00%             | 100.00%             | 100.00%             | 100.00%             | 100.00%             | 100.00%             | 100.00%             |
| Oct 31 - Dollar                                     | \$58,857,100        | \$22,248,100        | \$27,944,600        | \$17,420,100        | \$27,065,500        | \$26,422,900        | \$45,658,000        |
| Oct 31 - Percent                                    | 100.00%             | 100.00%             | 100.00%             | 100.00%             | 100.00%             | 100.00%             | 100.00%             |

Table 3 (cont'd)

**SUMMARY OF PERCENT UNRESTRICTED EDUCATIONAL AND GENERAL EXPENDITURES  
BY FUNCTIONAL AREA BY INSTITUTION FOR THE TBR AND UT SYSTEMS  
JULY 1 & OCTOBER 31 BUDGETS 2013-14**

|   | Northeast    | Pellissippi  | Roane        | Southwest    | Volunteer    | Walters      | Total<br>Two-Year<br>Institutions |
|---|--------------|--------------|--------------|--------------|--------------|--------------|-----------------------------------|
| <b>Instruction</b>                                  |              |              |              |              |              |              |                                   |
| Jul 1 - Dollar                                      | \$16,606,500 | \$32,642,700 | \$20,235,600 | \$31,820,200 | \$22,900,900 | \$24,012,100 | \$265,866,700                     |
| Jul 1 - Percent                                     | 47.67%       | 54.07%       | 52.80%       | 45.19%       | 54.61%       | 54.78%       | 51.70%                            |
| Oct 31 - Dollar                                     | \$16,727,700 | \$33,656,600 | \$20,293,200 | \$28,421,200 | \$22,985,300 | \$25,034,600 | \$263,287,300                     |
| Oct 31 - Percent                                    | 47.48%       | 52.76%       | 52.20%       | 42.30%       | 54.40%       | 55.44%       | 50.82%                            |
| <b>Research</b>                                     |              |              |              |              |              |              |                                   |
| Jul 1 - Dollar                                      | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0                               |
| Jul 1 - Percent                                     | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%                             |
| Oct 31 - Dollar                                     | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          | \$0                               |
| Oct 31 - Percent                                    | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%                             |
| <b>Public Service</b>                               |              |              |              |              |              |              |                                   |
| Jul 1 - Dollar                                      | \$184,500    | \$413,300    | \$464,600    | \$82,600     | \$352,100    | \$530,100    | \$3,193,200                       |
| Jul 1 - Percent                                     | 0.53%        | 0.68%        | 1.21%        | 0.12%        | 0.84%        | 1.21%        | 0.62%                             |
| Oct 31 - Dollar                                     | \$231,600    | \$414,000    | \$482,100    | \$189,400    | \$356,300    | \$518,400    | \$3,387,300                       |
| Oct 31 - Percent                                    | 0.66%        | 0.65%        | 1.24%        | 0.28%        | 0.84%        | 1.15%        | 0.65%                             |
| <b>Academic Support</b>                             |              |              |              |              |              |              |                                   |
| Jul 1 - Dollar                                      | \$3,810,100  | \$6,637,800  | \$2,040,200  | \$9,604,600  | \$2,533,000  | \$2,418,900  | \$45,729,700                      |
| Jul 1 - Percent                                     | 10.94%       | 11.00%       | 5.32%        | 13.64%       | 6.04%        | 5.52%        | 8.89%                             |
| Oct 31 - Dollar                                     | \$3,851,900  | \$7,601,000  | \$2,144,500  | \$9,439,600  | \$2,524,200  | \$2,133,100  | \$47,004,400                      |
| Oct 31 - Percent                                    | 10.93%       | 11.92%       | 5.52%        | 14.05%       | 5.97%        | 4.72%        | 9.07%                             |
| <b>SubTotal</b>                                     |              |              |              |              |              |              |                                   |
| Jul 1 - Dollar                                      | \$20,601,100 | \$39,693,800 | \$22,740,400 | \$41,507,400 | \$25,786,000 | \$26,961,100 | \$314,789,600                     |
| Jul 1 - Percent                                     | 59.14%       | 65.75%       | 59.34%       | 58.94%       | 61.49%       | 61.51%       | 61.21%                            |
| Oct 31 - Dollar                                     | \$20,811,200 | \$41,671,600 | \$22,919,800 | \$38,050,200 | \$25,865,800 | \$27,686,100 | \$313,679,000                     |
| Oct 31 - Percent                                    | 59.07%       | 65.33%       | 58.95%       | 56.63%       | 61.22%       | 61.31%       | 60.54%                            |
| <b>Student Services</b>                             |              |              |              |              |              |              |                                   |
| Jul 1 - Dollar                                      | \$4,438,400  | \$6,283,800  | \$4,848,400  | \$8,528,000  | \$5,134,800  | \$5,247,300  | \$60,122,600                      |
| Jul 1 - Percent                                     | 12.74%       | 10.41%       | 12.65%       | 12.11%       | 12.25%       | 11.97%       | 11.69%                            |
| Oct 31 - Dollar                                     | \$4,559,600  | \$6,372,300  | \$4,880,400  | \$8,449,300  | \$5,087,300  | \$6,107,200  | \$61,467,000                      |
| Oct 31 - Percent                                    | 12.94%       | 9.99%        | 12.55%       | 12.57%       | 12.04%       | 13.52%       | 11.86%                            |
| <b>Institutional Support</b>                        |              |              |              |              |              |              |                                   |
| Jul 1 - Dollar                                      | \$5,226,200  | \$8,079,600  | \$5,969,800  | \$12,795,200 | \$6,458,600  | \$5,251,200  | \$79,967,700                      |
| Jul 1 - Percent                                     | 15.00%       | 13.38%       | 15.58%       | 18.17%       | 15.40%       | 11.98%       | 15.55%                            |
| Oct 31 - Dollar                                     | \$5,291,200  | \$8,775,400  | \$6,131,900  | \$12,953,100 | \$6,778,900  | \$5,492,300  | \$82,860,100                      |
| Oct 31 - Percent                                    | 15.02%       | 13.76%       | 15.77%       | 19.28%       | 16.05%       | 12.16%       | 15.99%                            |
| <b>Operation &amp; Maintenance</b>                  |              |              |              |              |              |              |                                   |
| Jul 1 - Dollar                                      | \$4,328,600  | \$4,813,700  | \$4,061,400  | \$5,773,100  | \$3,793,800  | \$5,344,200  | \$48,884,700                      |
| Jul 1 - Percent                                     | 12.43%       | 7.97%        | 10.60%       | 8.20%        | 9.05%        | 12.19%       | 9.51%                             |
| Oct 31 - Dollar                                     | \$4,325,400  | \$5,346,700  | \$4,225,400  | \$5,924,500  | \$3,757,300  | \$5,405,100  | \$49,519,200                      |
| Oct 31 - Percent                                    | 12.28%       | 8.38%        | 10.87%       | 8.82%        | 8.89%        | 11.97%       | 9.56%                             |
| <b>Scholarships &amp; Fellowships</b>               |              |              |              |              |              |              |                                   |
| Jul 1 - Dollar                                      | \$242,900    | \$1,496,500  | \$705,400    | \$1,817,000  | \$759,900    | \$1,026,400  | \$10,485,600                      |
| Jul 1 - Percent                                     | 0.70%        | 2.48%        | 1.84%        | 2.58%        | 1.81%        | 2.34%        | 2.04%                             |
| Oct 31 - Dollar                                     | \$242,900    | \$1,621,500  | \$720,400    | \$1,817,000  | \$759,900    | \$468,400    | \$10,589,100                      |
| Oct 31 - Percent                                    | 0.69%        | 2.54%        | 1.85%        | 2.70%        | 1.80%        | 1.04%        | 2.04%                             |
| <b>Total Educational &amp; General Expenditures</b> |              |              |              |              |              |              |                                   |
| Jul 1 - Dollar                                      | \$34,837,200 | \$60,367,400 | \$38,325,400 | \$70,420,700 | \$41,933,100 | \$43,830,200 | \$514,250,200                     |
| Jul 1 - Percent                                     | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%                           |
| Oct 31 - Dollar                                     | \$35,230,300 | \$63,787,500 | \$38,877,900 | \$67,194,100 | \$42,249,200 | \$45,159,100 | \$518,114,400                     |
| Oct 31 - Percent                                    | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%      | 100.00%                           |

Table 3 (cont'd)

**SUMMARY OF PERCENT UNRESTRICTED EDUCATIONAL AND GENERAL EXPENDITURES  
BY FUNCTIONAL AREA BY INSTITUTION FOR THE TBR AND UT SYSTEMS  
JULY 1 & OCTOBER 31 BUDGETS 2013-14**

|   | TN Colleges<br>of Applied<br>Technology | ETSU<br>Medical<br>School | ETSU<br>Family<br>Practice | ETSU<br>Pharmacy<br>School | Tennessee<br>Board of<br>Regents Admin | TSU<br>McMinnville<br>Center | TSU<br>McIntire-Stennis |
|---|---|---------------------------|----------------------------|----------------------------|--|------------------------------|-------------------------|
| <b>Instruction</b>                                  |   |                           |                            |                            |  |                              |                         |
| Jul 1 - Dollar                                      | \$51,509,600                            | \$37,378,500              | \$10,427,900               | \$6,469,000                | \$0                                    | \$0                          | \$0                     |
| Jul 1 - Percent                                     | 59.64%                                  | 66.12%                    | 68.62%                     | 65.95%                     | 0.00%                                  | 0.00%                        | 0.00%                   |
| Oct 31 - Dollar                                     | \$54,102,000                            | \$38,699,800              | \$10,988,000               | \$6,526,800                | \$0                                    | \$0                          | \$0                     |
| Oct 31 - Percent                                    | 59.58%                                  | 66.09%                    | 68.09%                     | 64.54%                     | 0.00%                                  | 0.00%                        | 0.00%                   |
| <b>Research</b>                                     |   |                           |                            |                            |  |                              |                         |
| Jul 1 - Dollar                                      | \$0                                     | \$3,048,300               | \$401,800                  | \$315,000                  | \$0                                    | \$560,500                    | \$179,400               |
| Jul 1 - Percent                                     | 0.00%                                   | 5.39%                     | 2.64%                      | 3.21%                      | 0.00%                                  | 100.00%                      | 100.00%                 |
| Oct 31 - Dollar                                     | \$0                                     | \$3,694,800               | \$438,500                  | \$315,000                  | \$0                                    | \$1,184,800                  | \$540,000               |
| Oct 31 - Percent                                    | 0.00%                                   | 6.31%                     | 2.72%                      | 3.11%                      | 0.00%                                  | 100.00%                      | 100.00%                 |
| <b>Public Service</b>                               |   |                           |                            |                            |  |                              |                         |
| Jul 1 - Dollar                                      | \$0                                     | \$0                       | \$0                        | \$0                        | \$0                                    | \$0                          | \$0                     |
| Jul 1 - Percent                                     | 0.00%                                   | 0.00%                     | 0.00%                      | 0.00%                      | 0.00%                                  | 0.00%                        | 0.00%                   |
| Oct 31 - Dollar                                     | \$0                                     | \$0                       | \$0                        | \$0                        | \$0                                    | \$0                          | \$0                     |
| Oct 31 - Percent                                    | 0.00%                                   | 0.00%                     | 0.00%                      | 0.00%                      | 0.00%                                  | 0.00%                        | 0.00%                   |
| <b>Academic Support</b>                             |   |                           |                            |                            |  |                              |                         |
| Jul 1 - Dollar                                      | \$99,500                                | \$5,522,900               | \$2,652,200                | \$1,416,400                | \$0                                    | \$0                          | \$0                     |
| Jul 1 - Percent                                     | 0.12%                                   | 9.77%                     | 17.45%                     | 14.44%                     | 0.00%                                  | 0.00%                        | 0.00%                   |
| Oct 31 - Dollar                                     | \$4,700                                 | \$5,461,100               | \$2,650,600                | \$1,342,600                | \$0                                    | \$0                          | \$0                     |
| Oct 31 - Percent                                    | 0.01%                                   | 9.33%                     | 16.43%                     | 13.28%                     | 0.00%                                  | 0.00%                        | 0.00%                   |
| <b>SubTotal</b>                                     |   |                           |                            |                            |  |                              |                         |
| Jul 1 - Dollar                                      | \$51,609,100                            | \$45,949,700              | \$13,481,900               | \$8,200,400                | \$0                                    | \$560,500                    | \$179,400               |
| Jul 1 - Percent                                     | 59.76%                                  | 81.28%                    | 88.72%                     | 83.60%                     | 0.00%                                  | 100.00%                      | 100.00%                 |
| Oct 31 - Dollar                                     | \$54,106,700                            | \$47,855,700              | \$14,077,100               | \$8,184,400                | \$0                                    | \$1,184,800                  | \$540,000               |
| Oct 31 - Percent                                    | 59.58%                                  | 81.73%                    | 87.23%                     | 80.93%                     | 0.00%                                  | 100.00%                      | 100.00%                 |
| <b>Student Services</b>                             |   |                           |                            |                            |  |                              |                         |
| Jul 1 - Dollar                                      | \$10,494,200                            | \$1,459,200               | \$0                        | \$592,300                  | \$0                                    | \$0                          | \$0                     |
| Jul 1 - Percent                                     | 12.15%                                  | 2.58%                     | 0.00%                      | 6.04%                      | 0.00%                                  | 0.00%                        | 0.00%                   |
| Oct 31 - Dollar                                     | \$10,954,300                            | \$1,436,200               | \$0                        | \$680,800                  | \$0                                    | \$0                          | \$0                     |
| Oct 31 - Percent                                    | 12.06%                                  | 2.45%                     | 0.00%                      | 6.73%                      | 0.00%                                  | 0.00%                        | 0.00%                   |
| <b>Institutional Support</b>                        |   |                           |                            |                            |  |                              |                         |
| Jul 1 - Dollar                                      | \$14,105,900                            | \$2,548,600               | \$1,314,400                | \$517,900                  | \$23,570,400                           | \$0                          | \$0                     |
| Jul 1 - Percent                                     | 16.33%                                  | 4.51%                     | 8.65%                      | 5.28%                      | 98.11%                                 | 0.00%                        | 0.00%                   |
| Oct 31 - Dollar                                     | \$14,679,000                            | \$2,618,500               | \$1,760,600                | \$526,900                  | \$25,778,600                           | \$0                          | \$0                     |
| Oct 31 - Percent                                    | 16.16%                                  | 4.47%                     | 10.91%                     | 5.21%                      | 98.27%                                 | 0.00%                        | 0.00%                   |
| <b>Operation &amp; Maintenance</b>                  |   |                           |                            |                            |  |                              |                         |
| Jul 1 - Dollar                                      | \$9,508,800                             | \$6,317,900               | \$400,100                  | \$498,900                  | \$444,600                              | \$0                          | \$0                     |
| Jul 1 - Percent                                     | 11.01%                                  | 11.18%                    | 2.63%                      | 5.09%                      | 1.85%                                  | 0.00%                        | 0.00%                   |
| Oct 31 - Dollar                                     | \$10,316,200                            | \$6,383,600               | \$299,400                  | \$720,700                  | \$444,600                              | \$0                          | \$0                     |
| Oct 31 - Percent                                    | 11.36%                                  | 10.90%                    | 1.86%                      | 7.13%                      | 1.69%                                  | 0.00%                        | 0.00%                   |
| <b>Scholarships &amp; Fellowships</b>               |   |                           |                            |                            |  |                              |                         |
| Jul 1 - Dollar                                      | \$648,200                               | \$260,000                 | \$0                        | \$0                        | \$10,000                               | \$0                          | \$0                     |
| Jul 1 - Percent                                     | 0.75%                                   | 0.46%                     | 0.00%                      | 0.00%                      | 0.04%                                  | 0.00%                        | 0.00%                   |
| Oct 31 - Dollar                                     | \$752,500                               | \$260,000                 | \$0                        | \$0                        | \$10,000                               | \$0                          | \$0                     |
| Oct 31 - Percent                                    | 0.83%                                   | 0.44%                     | 0.00%                      | 0.00%                      | 0.04%                                  | 0.00%                        | 0.00%                   |
| <b>Total Educational &amp; General Expenditures</b> |   |                           |                            |                            |  |                              |                         |
| Jul 1 - Dollar                                      | \$86,366,200                            | \$56,535,400              | \$15,196,400               | \$9,809,500                | \$24,025,000                           | \$560,500                    | \$179,400               |
| Jul 1 - Percent                                     | 100.00%                                 | 100.00%                   | 100.00%                    | 100.00%                    | 100.00%                                | 100.00%                      | 100.00%                 |
| Oct 31 - Dollar                                     | \$90,808,700                            | \$58,554,000              | \$16,137,100               | \$10,112,800               | \$26,233,200                           | \$1,184,800                  | \$540,000               |
| Oct 31 - Percent                                    | 100.00%                                 | 100.00%                   | 100.00%                    | 100.00%                    | 100.00%                                | 100.00%                      | 100.00%                 |

Table 3 (cont'd)

**SUMMARY OF PERCENT UNRESTRICTED EDUCATIONAL AND GENERAL EXPENDITURES  
BY FUNCTIONAL AREA BY INSTITUTION FOR THE TBR AND UT SYSTEMS  
JULY 1 & OCTOBER 31 BUDGETS 2013-14**

|   | TSU<br>Inst of Ag | TSU<br>Cooperative<br>Education | Sub-Total<br>TBR<br>System | UTC           | UTK           | UTM          | Total UT<br>Formula<br>Universities |
|---|-------------------|---------------------------------|----------------------------|---------------|---------------|--------------|-------------------------------------|
| <b>Instruction</b>                                  |                   |                                 |                            |               |               |              |                                     |
| Jul 1 - Dollar                                      | \$0               | \$0                             | \$900,921,300              | \$59,922,800  | \$238,932,200 | \$41,315,900 | \$340,170,900                       |
| Jul 1 - Percent                                     | 0.00%             | 0.00%                           | 49.30%                     | 44.92%        | 43.52%        | 46.34%       | 44.09%                              |
| Oct 31 - Dollar                                     | \$0               | \$0                             | \$937,380,800              | \$60,690,200  | \$245,416,000 | \$42,203,800 | \$348,310,000                       |
| Oct 31 - Percent                                    | 0.00%             | 0.00%                           | 48.34%                     | 44.11%        | 42.81%        | 45.84%       | 43.38%                              |
| <b>Research</b>                                     |                   |                                 |                            |               |               |              |                                     |
| Jul 1 - Dollar                                      | \$2,277,900       | \$0                             | \$31,172,400               | \$1,902,900   | \$20,687,800  | \$295,500    | \$22,886,200                        |
| Jul 1 - Percent                                     | 100.00%           | 0.00%                           | 1.71%                      | 1.43%         | 3.77%         | 0.33%        | 2.97%                               |
| Oct 31 - Dollar                                     | \$6,951,000       | \$0                             | \$51,896,400               | \$2,020,400   | \$35,186,900  | \$396,800    | \$37,604,100                        |
| Oct 31 - Percent                                    | 100.00%           | 0.00%                           | 2.68%                      | 1.47%         | 6.14%         | 0.43%        | 4.68%                               |
| <b>Public Service</b>                               |                   |                                 |                            |               |               |              |                                     |
| Jul 1 - Dollar                                      | \$0               | \$3,108,600                     | \$21,144,500               | \$2,257,000   | \$10,055,000  | \$550,100    | \$12,862,100                        |
| Jul 1 - Percent                                     | 0.00%             | 100.00%                         | 1.16%                      | 1.69%         | 1.83%         | 0.62%        | 1.67%                               |
| Oct 31 - Dollar                                     | \$0               | \$11,802,200                    | \$33,951,900               | \$2,424,000   | \$10,960,500  | \$609,300    | \$13,993,800                        |
| Oct 31 - Percent                                    | 0.00%             | 100.00%                         | 1.75%                      | 1.76%         | 1.91%         | 0.66%        | 1.74%                               |
| <b>Academic Support</b>                             |                   |                                 |                            |               |               |              |                                     |
| Jul 1 - Dollar                                      | \$0               | \$0                             | \$157,187,500              | \$8,624,900   | \$70,419,000  | \$10,824,300 | \$89,868,200                        |
| Jul 1 - Percent                                     | 0.00%             | 0.00%                           | 8.60%                      | 6.47%         | 12.83%        | 12.14%       | 11.65%                              |
| Oct 31 - Dollar                                     | \$0               | \$0                             | \$162,911,700              | \$10,180,300  | \$68,666,700  | \$10,762,500 | \$89,609,500                        |
| Oct 31 - Percent                                    | 0.00%             | 0.00%                           | 8.40%                      | 7.40%         | 11.98%        | 11.69%       | 11.16%                              |
| <b>SubTotal</b>                                     |                   |                                 |                            |               |               |              |                                     |
| Jul 1 - Dollar                                      | \$2,277,900       | \$3,108,600                     | \$1,110,425,700            | \$72,707,600  | \$340,094,000 | \$52,985,800 | \$465,787,400                       |
| Jul 1 - Percent                                     | 100.00%           | 100.00%                         | 60.77%                     | 54.51%        | 61.95%        | 59.43%       | 60.37%                              |
| Oct 31 - Dollar                                     | \$6,951,000       | \$11,802,200                    | \$1,186,140,800            | \$75,314,900  | \$360,230,100 | \$53,972,400 | \$489,517,400                       |
| Oct 31 - Percent                                    | 100.00%           | 100.00%                         | 61.16%                     | 54.74%        | 62.84%        | 58.62%       | 60.97%                              |
| <b>Student Services</b>                             |                   |                                 |                            |               |               |              |                                     |
| Jul 1 - Dollar                                      | \$0               | \$0                             | \$249,840,300              | \$20,053,000  | \$37,698,600  | \$9,570,300  | \$67,321,900                        |
| Jul 1 - Percent                                     | 0.00%             | 0.00%                           | 13.67%                     | 15.03%        | 6.87%         | 10.74%       | 8.73%                               |
| Oct 31 - Dollar                                     | \$0               | \$0                             | \$260,931,800              | \$20,826,100  | \$39,199,800  | \$10,761,300 | \$70,787,200                        |
| Oct 31 - Percent                                    | 0.00%             | 0.00%                           | 13.46%                     | 15.14%        | 6.84%         | 11.69%       | 8.82%                               |
| <b>Institutional Support</b>                        |                   |                                 |                            |               |               |              |                                     |
| Jul 1 - Dollar                                      | \$0               | \$0                             | \$232,106,200              | \$12,631,400  | \$54,064,700  | \$7,462,500  | \$74,158,600                        |
| Jul 1 - Percent                                     | 0.00%             | 0.00%                           | 12.70%                     | 9.47%         | 9.85%         | 8.37%        | 9.61%                               |
| Oct 31 - Dollar                                     | \$0               | \$0                             | \$246,814,900              | \$13,072,600  | \$55,702,400  | \$7,752,300  | \$76,527,300                        |
| Oct 31 - Percent                                    | 0.00%             | 0.00%                           | 12.73%                     | 9.50%         | 9.72%         | 8.42%        | 9.53%                               |
| <b>Operation &amp; Maintenance</b>                  |                   |                                 |                            |               |               |              |                                     |
| Jul 1 - Dollar                                      | \$0               | \$0                             | \$163,791,900              | \$17,248,600  | \$68,268,000  | \$11,063,200 | \$96,579,800                        |
| Jul 1 - Percent                                     | 0.00%             | 0.00%                           | 8.96%                      | 12.93%        | 12.44%        | 12.41%       | 12.52%                              |
| Oct 31 - Dollar                                     | \$0               | \$0                             | \$168,046,700              | \$17,601,100  | \$68,337,400  | \$11,528,800 | \$97,467,300                        |
| Oct 31 - Percent                                    | 0.00%             | 0.00%                           | 8.67%                      | 12.79%        | 11.92%        | 12.52%       | 12.14%                              |
| <b>Scholarships &amp; Fellowships</b>               |                   |                                 |                            |               |               |              |                                     |
| Jul 1 - Dollar                                      | \$0               | \$0                             | \$71,217,600               | \$10,744,600  | \$48,838,400  | \$8,068,300  | \$67,651,300                        |
| Jul 1 - Percent                                     | 0.00%             | 0.00%                           | 3.90%                      | 8.06%         | 8.90%         | 9.05%        | 8.77%                               |
| Oct 31 - Dollar                                     | \$0               | \$0                             | \$77,344,200               | \$10,773,400  | \$49,742,400  | \$8,055,600  | \$68,571,400                        |
| Oct 31 - Percent                                    | 0.00%             | 0.00%                           | 3.99%                      | 7.83%         | 8.68%         | 8.75%        | 8.54%                               |
| <b>Total Educational &amp; General Expenditures</b> |                   |                                 |                            |               |               |              |                                     |
| Jul 1 - Dollar                                      | \$2,277,900       | \$3,108,600                     | \$1,827,381,700            | \$133,385,200 | \$548,963,700 | \$89,150,100 | \$771,499,000                       |
| Jul 1 - Percent                                     | 100.00%           | 100.00%                         | 100.00%                    | 100.00%       | 100.00%       | 100.00%      | 100.00%                             |
| Oct 31 - Dollar                                     | \$6,951,000       | \$11,802,200                    | \$1,939,278,400            | \$137,588,100 | \$573,212,100 | \$92,070,400 | \$802,870,600                       |
| Oct 31 - Percent                                    | 100.00%           | 100.00%                         | 100.00%                    | 100.00%       | 100.00%       | 100.00%      | 100.00%                             |

Table 3 (cont'd)

**SUMMARY OF PERCENT UNRESTRICTED EDUCATIONAL AND GENERAL EXPENDITURES  
BY FUNCTIONAL AREA BY INSTITUTION FOR THE TBR AND UT SYSTEMS  
JULY 1 & OCTOBER 31 BUDGETS 2013-14**

|   | UT Space<br>Institute | UT<br>Memphis | UT<br>College of<br>Medicine | UT Family<br>Medicine | Agricultural<br>Experiment<br>Station | Agricultural<br>Extension<br>Service | College of<br>Veterinary<br>Medicine |
|---|-----------------------|---------------|------------------------------|-----------------------|---------------------------------------|--------------------------------------|--------------------------------------|
| <b>Instruction</b>                                  |                       |               |                              |                       |                                       |                                      |                                      |
| Jul 1 - Dollar                                      | \$4,505,000           | \$50,387,500  | \$59,660,300                 | \$20,056,500          | \$0                                   | \$0                                  | \$30,940,300                         |
| Jul 1 - Percent                                     | 43.33%                | 33.65%        | 85.51%                       | 96.32%                | 0.00%                                 | 0.00%                                | 69.37%                               |
| Oct 31 - Dollar                                     | \$3,778,300           | \$52,341,400  | \$63,771,300                 | \$20,150,700          | \$0                                   | \$0                                  | \$33,805,500                         |
| Oct 31 - Percent                                    | 36.60%                | 29.23%        | 81.08%                       | 93.43%                | 0.00%                                 | 0.00%                                | 69.35%                               |
| <b>Research</b>                                     |                       |               |                              |                       |                                       |                                      |                                      |
| Jul 1 - Dollar                                      | \$1,319,500           | \$5,569,200   | \$690,400                    | \$0                   | \$34,265,400                          | \$0                                  | \$4,398,900                          |
| Jul 1 - Percent                                     | 12.69%                | 3.72%         | 0.99%                        | 0.00%                 | 90.12%                                | 0.00%                                | 9.86%                                |
| Oct 31 - Dollar                                     | \$2,050,300           | \$9,094,500   | \$1,792,200                  | \$0                   | \$40,975,800                          | \$0                                  | \$4,960,600                          |
| Oct 31 - Percent                                    | 19.86%                | 5.08%         | 2.28%                        | 0.00%                 | 91.59%                                | 0.00%                                | 10.18%                               |
| <b>Public Service</b>                               |                       |               |                              |                       |                                       |                                      |                                      |
| Jul 1 - Dollar                                      | \$0                   | \$25,000      | \$10,000                     | \$0                   | \$0                                   | \$42,747,100                         | \$78,500                             |
| Jul 1 - Percent                                     | 0.00%                 | 0.02%         | 0.01%                        | 0.00%                 | 0.00%                                 | 95.78%                               | 0.18%                                |
| Oct 31 - Dollar                                     | \$0                   | \$25,000      | \$15,300                     | \$0                   | \$0                                   | \$48,333,300                         | \$80,900                             |
| Oct 31 - Percent                                    | 0.00%                 | 0.01%         | 0.02%                        | 0.00%                 | 0.00%                                 | 96.22%                               | 0.17%                                |
| <b>Academic Support</b>                             |                       |               |                              |                       |                                       |                                      |                                      |
| Jul 1 - Dollar                                      | \$338,200             | \$32,110,000  | \$4,478,200                  | \$0                   | \$1,446,000                           | \$771,500                            | \$4,992,500                          |
| Jul 1 - Percent                                     | 3.25%                 | 21.45%        | 6.42%                        | 0.00%                 | 3.80%                                 | 1.73%                                | 11.19%                               |
| Oct 31 - Dollar                                     | \$319,300             | \$38,753,500  | \$9,919,100                  | \$0                   | \$1,473,300                           | \$776,600                            | \$5,557,600                          |
| Oct 31 - Percent                                    | 3.09%                 | 21.64%        | 12.61%                       | 0.00%                 | 3.29%                                 | 1.55%                                | 11.40%                               |
| <b>SubTotal</b>                                     |                       |               |                              |                       |                                       |                                      |                                      |
| Jul 1 - Dollar                                      | \$6,162,700           | \$88,091,700  | \$64,838,900                 | \$20,056,500          | \$35,711,400                          | \$43,518,600                         | \$40,410,200                         |
| Jul 1 - Percent                                     | 59.27%                | 58.84%        | 92.94%                       | 96.32%                | 93.93%                                | 97.50%                               | 90.60%                               |
| Oct 31 - Dollar                                     | \$6,147,900           | \$100,214,400 | \$75,497,900                 | \$20,150,700          | \$42,449,100                          | \$49,109,900                         | \$44,404,600                         |
| Oct 31 - Percent                                    | 59.55%                | 55.97%        | 95.99%                       | 93.43%                | 94.88%                                | 97.77%                               | 91.10%                               |
| <b>Student Services</b>                             |                       |               |                              |                       |                                       |                                      |                                      |
| Jul 1 - Dollar                                      | \$73,800              | \$4,672,600   | \$754,800                    | \$0                   | \$0                                   | \$0                                  | \$0                                  |
| Jul 1 - Percent                                     | 0.71%                 | 3.12%         | 1.08%                        | 0.00%                 | 0.00%                                 | 0.00%                                | 0.00%                                |
| Oct 31 - Dollar                                     | \$48,400              | \$5,202,000   | \$764,800                    | \$0                   | \$0                                   | \$0                                  | \$0                                  |
| Oct 31 - Percent                                    | 0.47%                 | 2.91%         | 0.97%                        | 0.00%                 | 0.00%                                 | 0.00%                                | 0.00%                                |
| <b>Institutional Support</b>                        |                       |               |                              |                       |                                       |                                      |                                      |
| Jul 1 - Dollar                                      | \$1,885,400           | \$24,198,600  | \$2,181,300                  | \$564,400             | \$1,866,300                           | \$1,113,800                          | \$1,259,600                          |
| Jul 1 - Percent                                     | 18.13%                | 16.16%        | 3.13%                        | 2.71%                 | 4.91%                                 | 2.50%                                | 2.82%                                |
| Oct 31 - Dollar                                     | \$1,839,300           | \$40,263,500  | \$326,300                    | \$1,211,000           | \$1,841,200                           | \$1,119,800                          | \$1,244,000                          |
| Oct 31 - Percent                                    | 17.82%                | 22.49%        | 0.41%                        | 5.62%                 | 4.12%                                 | 2.23%                                | 2.55%                                |
| <b>Operation &amp; Maintenance</b>                  |                       |               |                              |                       |                                       |                                      |                                      |
| Jul 1 - Dollar                                      | \$2,002,600           | \$25,896,200  | \$0                          | \$202,700             | \$442,500                             | \$0                                  | \$2,895,700                          |
| Jul 1 - Percent                                     | 19.26%                | 17.30%        | 0.00%                        | 0.97%                 | 1.16%                                 | 0.00%                                | 6.49%                                |
| Oct 31 - Dollar                                     | \$2,007,700           | \$26,525,600  | \$70,200                     | \$205,000             | \$447,500                             | \$0                                  | \$3,056,500                          |
| Oct 31 - Percent                                    | 19.45%                | 14.81%        | 0.09%                        | 0.95%                 | 1.00%                                 | 0.00%                                | 6.27%                                |
| <b>Scholarships &amp; Fellowships</b>               |                       |               |                              |                       |                                       |                                      |                                      |
| Jul 1 - Dollar                                      | \$272,700             | \$6,858,900   | \$1,991,000                  | \$0                   | \$0                                   | \$0                                  | \$39,100                             |
| Jul 1 - Percent                                     | 2.62%                 | 4.58%         | 2.85%                        | 0.00%                 | 0.00%                                 | 0.00%                                | 0.09%                                |
| Oct 31 - Dollar                                     | \$280,900             | \$6,858,900   | \$1,991,000                  | \$0                   | \$0                                   | \$0                                  | \$39,100                             |
| Oct 31 - Percent                                    | 2.72%                 | 3.83%         | 2.53%                        | 0.00%                 | 0.00%                                 | 0.00%                                | 0.08%                                |
| <b>Total Educational &amp; General Expenditures</b> |                       |               |                              |                       |                                       |                                      |                                      |
| Jul 1 - Dollar                                      | \$10,397,200          | \$149,718,000 | \$69,766,000                 | \$20,823,600          | \$38,020,200                          | \$44,632,400                         | \$44,604,600                         |
| Jul 1 - Percent                                     | 100.00%               | 100.00%       | 100.00%                      | 100.00%               | 100.00%                               | 100.00%                              | 100.00%                              |
| Oct 31 - Dollar                                     | \$10,324,200          | \$179,064,400 | \$78,650,200                 | \$21,566,700          | \$44,737,800                          | \$50,229,700                         | \$48,744,200                         |
| Oct 31 - Percent                                    | 100.00%               | 100.00%       | 100.00%                      | 100.00%               | 100.00%                               | 100.00%                              | 100.00%                              |

Table 3 (cont'd)

**SUMMARY OF PERCENT UNRESTRICTED EDUCATIONAL AND GENERAL EXPENDITURES  
BY FUNCTIONAL AREA BY INSTITUTION FOR THE TBR AND UT SYSTEMS  
JULY 1 & OCTOBER 31 BUDGETS 2013-14**

|   | Institute<br>for Public<br>Service | MTAS        | CTAS        | University-<br>Wide<br>Admin. | Sub-Total<br>UT<br>System | Grand<br>Total  |
|---|------------------------------------|-------------|-------------|-------------------------------|---------------------------|-----------------|
| <b>Instruction</b>                                  |                                    |             |             |                               |                           |                 |
| Jul 1 - Dollar                                      | \$0                                | \$0         | \$0         | \$0                           | \$505,720,500             | \$1,406,641,800 |
| Jul 1 - Percent                                     | 0.00%                              | 0.00%       | 0.00%       | 0.00%                         | 42.66%                    | 46.69%          |
| Oct 31 - Dollar                                     | \$0                                | \$0         | \$0         | \$0                           | \$522,157,200             | \$1,459,538,000 |
| Oct 31 - Percent                                    | 0.00%                              | 0.00%       | 0.00%       | 0.00%                         | 41.01%                    | 45.43%          |
| <b>Research</b>                                     |                                    |             |             |                               |                           |                 |
| Jul 1 - Dollar                                      | \$0                                | \$0         | \$0         | \$0                           | \$69,129,600              | \$100,302,000   |
| Jul 1 - Percent                                     | 0.00%                              | 0.00%       | 0.00%       | 0.00%                         | 5.83%                     | 3.33%           |
| Oct 31 - Dollar                                     | \$0                                | \$0         | \$0         | \$0                           | \$96,477,500              | \$148,373,900   |
| Oct 31 - Percent                                    | 0.00%                              | 0.00%       | 0.00%       | 0.00%                         | 7.58%                     | 4.62%           |
| <b>Public Service</b>                               |                                    |             |             |                               |                           |                 |
| Jul 1 - Dollar                                      | \$4,394,400                        | \$5,949,900 | \$4,906,100 | \$0                           | \$70,973,100              | \$92,117,600    |
| Jul 1 - Percent                                     | 75.58%                             | 94.24%      | 99.02%      | 0.00%                         | 5.99%                     | 3.06%           |
| Oct 31 - Dollar                                     | \$4,450,300                        | \$5,878,300 | \$4,906,100 | \$0                           | \$77,683,000              | \$111,634,900   |
| Oct 31 - Percent                                    | 75.66%                             | 94.08%      | 99.02%      | 0.00%                         | 6.10%                     | 3.48%           |
| <b>Academic Support</b>                             |                                    |             |             |                               |                           |                 |
| Jul 1 - Dollar                                      | \$0                                | \$307,300   | \$0         | \$0                           | \$134,311,900             | \$291,499,400   |
| Jul 1 - Percent                                     | 0.00%                              | 4.87%       | 0.00%       | 0.00%                         | 11.33%                    | 9.68%           |
| Oct 31 - Dollar                                     | \$0                                | \$313,600   | \$0         | \$0                           | \$146,722,500             | \$309,634,200   |
| Oct 31 - Percent                                    | 0.00%                              | 5.02%       | 0.00%       | 0.00%                         | 11.52%                    | 9.64%           |
| <b>SubTotal</b>                                     |                                    |             |             |                               |                           |                 |
| Jul 1 - Dollar                                      | \$4,394,400                        | \$6,257,200 | \$4,906,100 | \$0                           | \$780,135,100             | \$1,890,560,800 |
| Jul 1 - Percent                                     | 75.58%                             | 99.11%      | 99.02%      | 0.00%                         | 65.81%                    | 62.75%          |
| Oct 31 - Dollar                                     | \$4,450,300                        | \$6,191,900 | \$4,906,100 | \$0                           | \$843,040,200             | \$2,029,181,000 |
| Oct 31 - Percent                                    | 75.66%                             | 99.10%      | 99.02%      | 0.00%                         | 66.22%                    | 63.17%          |
| <b>Student Services</b>                             |                                    |             |             |                               |                           |                 |
| Jul 1 - Dollar                                      | \$0                                | \$0         | \$0         | \$0                           | \$72,823,100              | \$322,663,400   |
| Jul 1 - Percent                                     | 0.00%                              | 0.00%       | 0.00%       | 0.00%                         | 6.14%                     | 10.71%          |
| Oct 31 - Dollar                                     | \$0                                | \$0         | \$0         | \$0                           | \$76,802,400              | \$337,734,200   |
| Oct 31 - Percent                                    | 0.00%                              | 0.00%       | 0.00%       | 0.00%                         | 6.03%                     | 10.51%          |
| <b>Institutional Support</b>                        |                                    |             |             |                               |                           |                 |
| Jul 1 - Dollar                                      | \$1,420,000                        | \$56,200    | \$48,800    | \$18,970,700                  | \$127,723,700             | \$359,829,900   |
| Jul 1 - Percent                                     | 24.42%                             | 0.89%       | 0.98%       | 100.00%                       | 10.77%                    | 11.94%          |
| Oct 31 - Dollar                                     | \$1,431,300                        | \$56,200    | \$48,800    | \$19,868,500                  | \$145,777,200             | \$392,592,100   |
| Oct 31 - Percent                                    | 24.34%                             | 0.90%       | 0.98%       | 100.00%                       | 11.45%                    | 12.22%          |
| <b>Operation &amp; Maintenance</b>                  |                                    |             |             |                               |                           |                 |
| Jul 1 - Dollar                                      | \$0                                | \$0         | \$0         | \$0                           | \$128,019,500             | \$291,811,400   |
| Jul 1 - Percent                                     | 0.00%                              | 0.00%       | 0.00%       | 0.00%                         | 10.80%                    | 9.69%           |
| Oct 31 - Dollar                                     | \$0                                | \$0         | \$0         | \$0                           | \$129,779,800             | \$297,826,500   |
| Oct 31 - Percent                                    | 0.00%                              | 0.00%       | 0.00%       | 0.00%                         | 10.19%                    | 9.27%           |
| <b>Scholarships &amp; Fellowships</b>               |                                    |             |             |                               |                           |                 |
| Jul 1 - Dollar                                      | \$0                                | \$0         | \$0         | \$0                           | \$76,813,000              | \$148,030,600   |
| Jul 1 - Percent                                     | 0.00%                              | 0.00%       | 0.00%       | 0.00%                         | 6.48%                     | 4.91%           |
| Oct 31 - Dollar                                     | \$0                                | \$0         | \$0         | \$0                           | \$77,741,300              | \$155,085,500   |
| Oct 31 - Percent                                    | 0.00%                              | 0.00%       | 0.00%       | 0.00%                         | 6.11%                     | 4.83%           |
| <b>Total Educational &amp; General Expenditures</b> |                                    |             |             |                               |                           |                 |
| Jul 1 - Dollar                                      | \$5,814,400                        | \$6,313,400 | \$4,954,900 | \$18,970,700                  | \$1,185,514,400           | \$3,012,896,100 |
| Jul 1 - Percent                                     | 100.00%                            | 100.00%     | 100.00%     | 100.00%                       | 100.00%                   | 100.00%         |
| Oct 31 - Dollar                                     | \$5,881,600                        | \$6,248,100 | \$4,954,900 | \$19,868,500                  | \$1,273,140,900           | \$3,212,419,300 |
| Oct 31 - Percent                                    | 100.00%                            | 100.00%     | 100.00%     | 100.00%                       | 100.00%                   | 100.00%         |



**Table 4**

**MANDATORY UNDERGRADUATE STUDENT FEE CHARGES  
2012-13 & 2013-14**

|                                   | <b>2012-13</b> |                  |                | <b>2013-14</b> |                  |                | <b>Percent Increase</b> |                  |                |
|-----------------------------------|----------------|------------------|----------------|----------------|------------------|----------------|-------------------------|------------------|----------------|
|                                   | Mandatory Fees | Maintenance Fees | Total Resident | Mandatory Fees | Maintenance Fees | Total Resident | Mandatory Fees          | Maintenance Fees | Total Resident |
| Austin Peay                       | \$1,224        | \$5,694          | \$6,918        | \$1,284        | \$5,874          | \$7,158        | 4.9%                    | 3.2%             | 3.5%           |
| East Tennessee                    | \$1,075        | \$5,922          | \$6,997        | \$1,345        | \$6,198          | \$7,543        | 25.1%                   | 4.7%             | 7.8%           |
| Middle Tennessee                  | \$1,594        | \$5,898          | \$7,492        | \$1,618        | \$6,222          | \$7,840        | 1.5%                    | 5.5%             | 4.6%           |
| Tennessee State                   | \$930          | \$5,772          | \$6,702        | \$930          | \$5,844          | \$6,774        | 0.0%                    | 1.2%             | 1.1%           |
| Tennessee Tech                    | \$1,200        | \$5,748          | \$6,948        | \$1,287        | \$6,096          | \$7,383        | 7.3%                    | 6.1%             | 6.3%           |
| University of Memphis             | \$1,256        | \$6,978          | \$8,234        | \$1,256        | \$7,410          | \$8,666        | 0.0%                    | 6.2%             | 5.2%           |
| UT Chattanooga                    | \$1,490        | \$5,722          | \$7,212        | \$1,490        | \$6,065          | \$7,555        | 0.0%                    | 6.0%             | 4.8%           |
| UT Knoxville (SO, JR and SR)      | \$1,290        | \$7,802          | \$9,092        | \$1,414        | \$8,270          | \$9,684        | 9.6%                    | 6.0%             | 6.5%           |
| UT Knoxville (FR & Transfers) *   | \$1,290        | \$7,802          | \$9,092        | \$1,414        | \$9,780          | \$11,194       | 9.6%                    | 25.4%            | 23.1%          |
| UT Martin                         | \$1,078        | \$5,978          | \$7,056        | \$1,178        | \$6,336          | \$7,514        | 9.3%                    | 6.0%             | 6.5%           |
| Chattanooga                       | \$315          | \$3,402          | \$3,717        | \$315          | \$3,504          | \$3,819        | 0.0%                    | 3.0%             | 2.7%           |
| Cleveland                         | \$269          | \$3,402          | \$3,671        | \$269          | \$3,504          | \$3,773        | 0.0%                    | 3.0%             | 2.8%           |
| Columbia                          | \$271          | \$3,402          | \$3,673        | \$271          | \$3,504          | \$3,775        | 0.0%                    | 3.0%             | 2.8%           |
| Dyersburg                         | \$291          | \$3,402          | \$3,693        | \$291          | \$3,504          | \$3,795        | 0.0%                    | 3.0%             | 2.8%           |
| Jackson                           | \$277          | \$3,402          | \$3,679        | \$277          | \$3,504          | \$3,781        | 0.0%                    | 3.0%             | 2.8%           |
| Motlow                            | \$276          | \$3,402          | \$3,678        | \$276          | \$3,504          | \$3,780        | 0.0%                    | 3.0%             | 2.8%           |
| Nashville                         | \$225          | \$3,402          | \$3,627        | \$225          | \$3,504          | \$3,729        | 0.0%                    | 3.0%             | 2.8%           |
| Northeast                         | \$281          | \$3,402          | \$3,683        | \$281          | \$3,504          | \$3,785        | 0.0%                    | 3.0%             | 2.8%           |
| Pellissippi                       | \$317          | \$3,402          | \$3,719        | \$323          | \$3,504          | \$3,827        | 1.9%                    | 3.0%             | 2.9%           |
| Roane                             | \$285          | \$3,402          | \$3,687        | \$285          | \$3,504          | \$3,789        | 0.0%                    | 3.0%             | 2.8%           |
| Southwest                         | \$315          | \$3,402          | \$3,717        | \$315          | \$3,504          | \$3,819        | 0.0%                    | 3.0%             | 2.7%           |
| Volunteer                         | \$267          | \$3,402          | \$3,669        | \$271          | \$3,504          | \$3,775        | 1.5%                    | 3.0%             | 2.9%           |
| Walters                           | \$279          | \$3,402          | \$3,681        | \$279          | \$3,504          | \$3,783        | 0.0%                    | 3.0%             | 2.8%           |
| TN Colleges of Applied Technology | \$200          | \$2,946          | \$3,146        | \$230          | \$2,946          | \$3,176        | 15.0%                   | 0.0%             | 1.0%           |

\* The 2013-14 tuition rate for new students at UT Knoxville (Freshmen and entering transfer students) is a flat rate for 15 semester credit hours, regardless of the number of credit hours taken by the student. This policy was approved in 2012 by the UT Board for introduction in Fall 2013.

Table 5

COMPARISON OF MAJOR AUXILIARY ENTERPRISE REVENUES, EXPENDITURES AND TRANSFERS  
FOR THE TBR AND UT SYSTEMS

|                                    | Actual 2012-13       |                            |                    | Revised 2013-14      |                            |                    |
|------------------------------------|----------------------|----------------------------|--------------------|----------------------|----------------------------|--------------------|
|                                    | Revenue              | Expenditures/<br>Transfers | Difference         | Revenue              | Expenditures/<br>Transfers | Difference         |
| <b>Austin Peay</b>                 | \$9,637,300          | \$9,637,300                | \$0                | \$12,491,100         | \$12,491,100               | \$0                |
| <b>East Tennessee</b>              | 19,287,950           | 19,262,420                 | 25,530             | \$18,560,570         | 18,558,220                 | 2,350              |
| <b>Middle Tennessee</b>            | 31,913,331 *         | 31,913,331                 | -                  | 30,839,235           | 30,839,235                 | -                  |
| <b>Tennessee State</b>             | 16,353,900 *         | 16,353,900                 | -                  | 16,897,300           | 16,897,300                 | -                  |
| <b>Tennessee Tech</b>              | 15,346,514           | 15,346,514                 | -                  | 15,708,360           | 15,708,360                 | -                  |
| <b>University of Memphis</b>       | 22,507,100 *         | 22,507,100                 | -                  | 21,818,900           | 21,270,900                 | 548,000            |
| <b>Subtotal</b>                    | <b>\$115,046,095</b> | <b>\$115,020,565</b>       | <b>\$25,530</b>    | <b>\$116,315,465</b> | <b>\$115,765,115</b>       | <b>\$550,350</b>   |
| <b>Chattanooga</b>                 | \$1,225,000          | \$837,285                  | \$387,715          | \$1,160,000          | \$851,066                  | \$308,934          |
| <b>Cleveland</b>                   | 219,900              | 47,000                     | 172,900            | 236,000              | 47,300                     | 188,700            |
| <b>Columbia</b>                    | 315,000 *            | 315,000                    | - *                | 315,000              | 315,000                    | -                  |
| <b>Dyersburg</b>                   | 108,000              | 108,000                    | -                  | 108,000              | 108,000                    | -                  |
| <b>Jackson</b>                     | 225,000              | 225,000                    | -                  | 225,000              | 225,000                    | -                  |
| <b>Motlow</b>                      | 267,000              | 12,600                     | 254,400            | 157,000              | 12,600                     | 144,400            |
| <b>Nashville</b>                   | 344,600              | 22,700                     | 321,900            | 344,600              | 22,700                     | 321,900            |
| <b>Northeast</b>                   | 245,500              | 12,280                     | 233,220            | 245,500              | 12,280                     | 233,220            |
| <b>Pellissippi</b>                 | 700,000 *            | 700,000                    | - *                | 640,000              | 640,000                    | -                  |
| <b>Roane</b>                       | 347,800 *            | 347,800                    | - *                | 314,300              | 314,300                    | -                  |
| <b>Southwest</b>                   | 650,000              | 192,500                    | 457,500            | 580,000              | 469,600                    | 110,400            |
| <b>Volunteer</b>                   | 366,500              | 284,750                    | 81,750             | 365,500              | 284,750                    | 80,750             |
| <b>Walters</b>                     | 282,100              | 280,800                    | 1,300 *            | 277,300              | 277,300                    | -                  |
| <b>Subtotal</b>                    | <b>\$5,296,400</b>   | <b>\$3,385,715</b>         | <b>\$1,910,685</b> | <b>\$4,968,200</b>   | <b>\$3,579,896</b>         | <b>\$1,388,304</b> |
| <b>UT Chattanooga</b>              | \$12,457,401         | \$12,393,610               | 63,791             | \$8,451,931          | \$8,451,931                | \$0                |
| <b>UT Knoxville</b>                | 173,429,399          | 167,674,306                | 5,755,093          | 171,291,952          | 171,291,952                | -                  |
| <b>UT Martin</b>                   | 10,830,742 *         | 10,830,742                 | -                  | 11,551,952           | 11,551,952                 | -                  |
| <b>Subtotal</b>                    | <b>\$196,717,542</b> | <b>\$190,898,658</b>       | <b>\$5,818,884</b> | <b>\$191,295,835</b> | <b>\$191,295,835</b>       | <b>\$0</b>         |
| <b>UT Space Institute</b>          | \$206,244 *          | \$206,244                  | \$0                | \$197,000            | \$197,000                  | \$0                |
| <b>UT Memphis</b>                  | 2,247,338 *          | 2,247,338                  | -                  | 1,844,995            | 1,844,995                  | -                  |
| <b>TN Colleges of Applied Tech</b> | 4,601,800            | 3,919,900                  | 681,900            | 4,545,300            | 3,847,200                  | 698,100            |
| <b>Subtotal</b>                    | <b>\$7,055,382</b>   | <b>\$6,373,482</b>         | <b>\$681,900</b>   | <b>\$6,587,295</b>   | <b>\$5,889,195</b>         | <b>\$698,100</b>   |
| <b>TOTAL</b>                       | <b>\$324,115,419</b> | <b>\$315,678,420</b>       | <b>\$8,436,999</b> | <b>\$319,166,795</b> | <b>\$316,530,041</b>       | <b>\$2,636,754</b> |

\*Revenues may include transfers from Auxiliary Fund Balance in order to balance Auxiliary Enterprises

**Table 6**  
**Athletics Data**  
**2012-13 & 2013-14**

|                 | <b>2012-13<br/>General<br/>Fund Support</b> | <b>Athletics<br/>General Fund<br/>as Percent of E&amp;G</b> | <b>2012-13<br/>Student<br/>Athletics Fee</b> | <b>2012-13<br/>Student<br/>Athl Fee Revenue</b> | <b>2012-13<br/>Athletics<br/>Budget</b> |
|-----------------|---|---|--|---|---|
| APSU            | \$5,004,436                                 | 5.0%  | \$250  | \$2,104,898                                     | \$9,456,964                             |
| ETSU            | 4,842,810                                   | 2.8%  | 250  | 3,658,304                                       | 10,663,868                              |
| MTSU            | 7,807,000                                   | 3.0%  | 350  | 7,713,268                                       | 22,340,293                              |
| TSU             | 4,990,129                                   | 4.5%  | 224  | 2,003,060                                       | 9,602,677                               |
| TTU             | 5,058,500                                   | 4.2%  | 400  | 4,161,704                                       | 11,521,126                              |
| UM              | 6,851,391                                   | 2.1%  | 450  | 8,223,129                                       | 42,265,141                              |
| UTC             | 5,636,090                                   | 4.3%  | 480  | 5,180,579                                       | 14,131,085                              |
| UTM             | 5,097,787                                   | 5.9%  | 308  | 1,970,000                                       | 9,163,732                               |
| UTK*            | 0   | 0.0%  | 0  | 1,000,000                                       | 99,000,000                              |
| <b>Subtotal</b> | <b>45,288,143</b>                           |   |  | <b>36,014,942</b>                               | <b>228,144,887</b>                      |
| Chattanooga     | \$688,972                                   | 1.2%  | \$0  | \$0   | \$973,861                               |
| Cleveland       | 586,684                                     | 2.8%  | 0  | 0   | 849,080                                 |
| Columbia        | 431,516                                     | 1.7%  | 0  | 0   | 651,989                                 |
| Dyersburg       | 386,834                                     | 2.3%  | 0  | 0   | 497,842                                 |
| Jackson         | 464,489                                     | 1.9%  | 0  | 0   | 517,595                                 |
| Motlow          | 409,798                                     | 1.8%  | 0  | 0   | 622,857                                 |
| Roane           | 481,633                                     | 1.3%  | 0  | 0   | 691,413                                 |
| Southwest       | 662,958                                     | 1.0%  | 0  | 0   | 847,629                                 |
| Volunteer       | 693,863                                     | 1.8%  | 0  | 0   | 634,391                                 |
| Walters         | 623,383                                     | 1.6%  | 0  | 0   | 1,079,961                               |
| <b>Subtotal</b> | <b>5,430,131</b>                            |   |  | <b>-</b>  | <b>7,366,618</b>                        |
| <b>Total</b>    | <b>\$50,718,274</b>                         |   |  | <b>\$36,014,942</b>                             | <b>\$235,511,505</b>                    |

|                 | <b>2013-14<br/>General<br/>Fund Support</b> | <b>Athletics<br/>General Fund<br/>as Percent of E&amp;G</b> | <b>2013-14<br/>Student<br/>Athletics Fee</b> | <b>2013-14<br/>Student<br/>Athl Fee Revenue</b> | <b>2013-14<br/>Athletics<br/>Budget</b> |
|-----------------|---|---|--|---|---|
| APSU            | \$5,108,600                                 | 4.7%  | \$250  | \$2,100,000                                     | \$10,138,100                            |
| ETSU            | 4,777,300                                   | 2.7%  | 500  | 6,725,000                                       | 13,268,450                              |
| MTSU            | 7,460,000                                   | 2.6%  | 350  | 8,039,800                                       | 22,976,265                              |
| TSU             | 5,144,100                                   | 4.4%  | 224  | 2,058,000                                       | 9,398,100                               |
| TTU             | 5,214,900                                   | 3.7%  | 400  | 4,207,000                                       | 11,149,790                              |
| UM              | 6,212,941                                   | 1.7%  | 450  | 7,559,900                                       | 39,553,441                              |
| UTC             | 5,833,588                                   | 4.2%  | 480  | 5,170,817                                       | 14,697,605                              |
| UTM             | 5,433,478                                   | 5.9%  | 308  | 1,970,000                                       | 9,612,147                               |
| UTK*            | 0   | 0.0%  | 0  | 1,000,000                                       | 97,500,000                              |
| <b>Subtotal</b> | <b>45,184,907</b>                           |   |  | <b>38,830,517</b>                               | <b>228,293,898</b>                      |
| Chattanooga     | \$757,000                                   | 1.3%  | \$0  | \$0   | \$1,092,000                             |
| Cleveland       | 568,040                                     | 2.6%  | 0  | 0   | 844,890                                 |
| Columbia        | 475,470                                     | 1.7%  | 0  | 0   | 738,870                                 |
| Dyersburg       | 361,500                                     | 2.1%  | 0  | 0   | 454,100                                 |
| Jackson         | 476,580                                     | 1.8%  | 0  | 0   | 580,980                                 |
| Motlow          | 462,301                                     | 1.7%  | 0  | 0   | 725,301                                 |
| Roane           | 493,880                                     | 1.3%  | 0  | 0   | 741,560                                 |
| Southwest       | 706,600                                     | 1.1%  | 0  | 0   | 960,300                                 |
| Volunteer       | 710,518                                     | 1.7%  | 0  | 0   | 959,030                                 |
| Walters         | 757,000                                     | 1.7%  | 0  | 0   | 1,194,379                               |
| <b>Subtotal</b> | <b>5,768,889</b>                            |   |  | <b>-</b>  | <b>8,291,410</b>                        |
| <b>Total</b>    | <b>\$50,953,796</b>                         |   |  | <b>\$38,836,517</b>                             | <b>\$236,585,308</b>                    |

\*Athletics at UTK are self supporting.

**DATE:** January 30, 2014

**SUBJECT:** Presentation of the Tennessee Tech University Campus Master Plan Update Refinement

**ACTION RECOMMENDED:** Approval

The 2013 Tennessee Tech University Master Plan Update Refinement will be presented by Gary Askew of Bauer Askew Architecture. THEC encourages institutions to produce a master plan approximately every five years that addresses near, mid and long-term needs of the campus with respect to building and land use, open space, vehicular circulation and parking, and land acquisition opportunities. The 2013 Refinement is intended to serve as a supplement to the master plan approved in 2010 in order to incorporate the vision of TTU president Dr. Philip Oldham, who was inaugurated in 2012.

The 2013 Refinement augments and enhances many of the concepts proposed in the 2010 Master Plan with three notable exceptions: the divergence from a long-term, four-phase approach in creating a multi-building science complex to the near-term construction of an integrated Science Building; the incorporation of a Student Intramural Building in the near-term vision; and an acceleration of the greening of the campus.

First, the integrated Science Building will dedicate approximately 150,000 gross square feet to multiple science disciplines, including chemistry, biology and other science programs. The new building will be the keynote building of a new east-west academic mall. Future academic buildings will be developed to the north and south of the new facility. Second, as detailed in the 2010 Master Plan, the current student recreation building will be converted into an athletic facility. The 2013 Refinement therefore plans to construct a new Student Intramural Building and requisite intramural fields south of campus, pending property acquisition.

A final major initiative of the 2013 Refinement is the greening of the campus. With the construction of the facilities above resulting in displaced parking, major parking lots will be established on the perimeter of the campus, diverting traffic to the exterior of campus. Additionally, trees will line major thoroughfares and existing parking lots will be enhanced with tree islands.

The Tennessee Tech University Campus Master Plan Update Refinement has been thoroughly reviewed and THEC staff recommends it for approval.

**Agenda Item:** I.E.

**DATE:** January 30, 2014

**SUBJECT:** Reappointment of Audit Committee Member

**ACTION RECOMMENDED:** Approval

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**BACKGROUND INFORMATION:** The THEC/TSAC Audit Committee Charter outlines the requirements for membership on the audit committee. The committee and its chair shall be selected by the Executive Director of THEC/TSAC and confirmed by the Commission/Board of Directors. The audit committee shall consist of five members with representation from both organizations who are generally knowledgeable in financial, management, and auditing matters. The committee chair shall have some accounting or financial management expertise. Each member shall serve for a term not to exceed three years, and may be reappointed. Each member shall be free of any appearance of conflict and of any relationship that would interfere with his or her exercise of independent judgment.

The current composition of the audit committee is:

Claude Pressnell, Chair, representing TSAC

Jon Kinsey, representing THEC

Sharon Hayes, representing THEC

Greg Turner, designee for Finance and Administration Commissioner, representing TSAC

Keri McInnis, representing TSAC (to be confirmed at March board meeting)

**Reappointment:** Ms. Sharon Hayes has completed a three-year term on the committee. Dr. Rhoda recommends reappointment to another three-year term as permitted by the charter.

**DATE:** January 30, 2014

**SUBJECT:** Colleges of Memphis Approach to Drive to 55

**ACTION RECOMMENDED:** Information

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**BACKGROUND:** On February 4, 2013, Lumina Foundation announced that Memphis will be among the first 20 cities in America to partner with Lumina in a mobilization effort designed to increase the number of local residents with postsecondary credentials.

**Purpose:** The purpose of Memphis' Community Partnership for Attainment is to increase postsecondary attainment in Memphis by creating a city-wide postsecondary attainment goal tied to Tennessee's Drive to 55 strategies, the Lumina Foundation's Goal 2025 and the Obama Administration's 2020 postsecondary achievement goal. The approach for improving postsecondary attainment in Memphis constitutes creating a Collaborative Action Network within the context of the Strive framework. This effort is critical for aligning current college attainment efforts across our community around a set of common metrics, a shared understanding of challenges, and an opportunity to come up with collective solutions. Memphis is one of twenty cities that will take part in the first round of this partnership supported by the Lumina Foundation.

**Process:** A Collaborative Action Network facilitates a movement from collaboration to collaborative action amongst network members to drive improvement of a selected community level outcome.

- The shared community outcome is the 'North Star'
- Improving this outcome guides decision making and actions taken by the Network
  - Leading indicators are selected and tracked to measure success
  - Local data is prioritized and used for continuous improvement

**Partners:**

- The City of Memphis
- Colleges of Memphis
- Latino Memphis
- Memphis Talent Dividend
- Office of the Governor of Tennessee
- PeopleFirst Partnership
- Strive Mid-South
- Tennessee Higher Education Commission

**Agenda Item:** II.B.

**DATE:** January 30, 2014

**SUBJECT:** Legislative Report

**ACTION RECOMMENDED:** Information

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**BACKGROUND INFORMATION:** The Second session of the 108th General Assembly convened on January 14. Staff will provide the Commission with an overview of legislation filed to date impacting the Commission.

**DATE:** January 30, 2014

**SUBJECT:** Academic Program Review

**ACTION RECOMMENDED:** Information

As Tennessee’s institutions of higher education continue to focus on the goals of completion and student success, there is a clear need for an ongoing evaluation of the health, productivity, and quality of the state’s academic programs. The Drive to 55, launched by Governor Haslam in January 2013, calls for Tennessee to reach 55 percent of residents with a postsecondary credential by 2025. The academic programs at Tennessee’s institutions of higher education will provide the vehicle for awarding these credentials, and will directly contribute to the state’s economic and workforce development resources.

THEC is the approving authority for all new academic programs at public institutions of higher education, with approval of new programs at community colleges delegated to the Tennessee Board of Regents. The approval process for new programs was revised in January 2011, with significant emphasis added to require that the Letter of Intent include consideration of mission distinctiveness, labor supply/demand data and program duplication.

As this report indicates, despite this more rigorous process, many of the new programs approved in the previous five years are failing to meet benchmarks. This is a serious issue of both resource allocation and student success, and as a result, THEC has designated 2014 for a formal review of the program proposal process and the evaluation of all low producing programs.

This Academic Program Review provides a holistic view of the status of degree programs throughout the state, and includes the following components:

**Post Approval Monitoring:** Assesses success of new programs approved within the last five years against projected enrollment and graduation benchmarks.

**Program Activity:** Depicts new programs added to the state inventory in the previous year, as well as programs that have been terminated.

**Performance Funding Qualitative Reviews:** Results of accreditation reviews, consultant evaluations, or academic audits of established programs as a Performance Funding qualitative measure.

**Program Productivity Review:** On-going monitoring of all programs in operation for more than five years is conducted to identify those that are not graduating a sufficient number of students as well as those that are thriving. A schedule for future program productivity review is presented and discussed.



**1) Post Approval Monitoring**

Newly approved programs are evaluated under the Post Approval Monitoring (PAM) cycle for five years at the baccalaureate level and above and three years for pre-baccalaureate programs. This review evaluates programs against enrollment and graduate projections, program cost, and other goals agreed upon by the governing boards and THEC.

Benchmarks for programs are developed by each institution and failure to meet these benchmarks can impact the institution substantially. For example, if the institution does not enroll the projected number of students then there may be a deficit in tuition receipts, and thus, a financial burden to the institution.

THEC can recommend termination for those programs that do not, over the monitoring period, show improvement.

The full summary of Post Approval Monitoring can be found in Appendix A.

**Table 1: Summary of Post Approval Monitoring**

|                        | <b>Programs Meeting Benchmarks</b> | <b>Programs Not Meeting Benchmarks</b> | <b>Delayed Programs</b> |
|------------------------|------------------------------------|--|-------------------------|
| TBR Universities       | 8                                  | 16                                     | -                       |
| UT System              | 9                                  | 7                                      | -                       |
| TBR Community Colleges | 4                                  | 17                                     | 3                       |
| <b>Total</b>           | <b>21</b>                          | <b>40</b>                              | <b>3</b>                |

Of the 61 programs reviewed during the 2013 Post Approval Monitoring cycle, 21 or 34 percent met the projections listed in the program proposal or exceeded productivity benchmarks. This is a slight decrease from the percentage of programs that achieved benchmarks during 2012.

However, many under-performing programs are meeting at least one of the benchmarks in either enrollment or graduation. This was the case in 22 of the 40 monitored programs that failed to meet benchmarks.

In the remaining 18 under-performing programs, both enrollment and graduation benchmarks are not being met, indicating that the program is in true peril of failing to reach the institutionally developed projections that indicate success.

Perhaps the greatest concerns emerge when a program is completing the 5 year Post Approval Monitoring Cycle, yet has failed to achieve the benchmarks set out in the program proposal. The full summary of Under-Performing Programs Completing Monitoring Cycle can be found in Table 2. Not only are these under-performing but they also are considered low producing programs.

**Table 2: Under-Performing Programs Completing Monitoring Cycle**

| <b>Institution</b> | <b>Academic Program/<br/>Degree Level</b> | <b>Projected<br/>Graduates<br/>during PAM<br/>Cycle</b> | <b>Actual<br/>Graduates<br/>during PAM<br/>Cycle</b> | <b>Average<br/>Graduates<br/>during PAM<br/>Cycle</b> |
|--------------------|---|---|--|---|
| East Tennessee     | Early Childhood Educ, PhD                 | 16  | 1  | 0   |
| Middle Tennessee   | Literacy Studies, PhD                     | 9   | 5  | 1   |
| Tennessee State    | Urban Studies, BS                         | 9   | 10   | 2   |
| Univ of Memphis    | Architecture, MS                          | 44  | 18   | 3   |
| UT Knoxville       | Nutritional Sciences, PhD                 | 17  | 11   | 2   |

There are various reasons why programs may not meet projected benchmarks. Sometimes the implementation of programs are delayed due to difficulty of hiring faculty, inadequate recruitment practices, changes in labor market demands, or other issues not within the control of the institution.

Programs that did not meet benchmarks during the monitoring period completed a Program Productivity Plan that addressed deficiencies and provided specific plans for corrective actions. Although the Program Productivity Plan serves to help improve the program, many of these under-performing programs will ultimately move from the PAM Cycle to the low producing listing of academic programs.

In the January 2013 Academic Program Review report, three programs completed their final year of post-approval monitoring. However, these programs failed to meet both enrollment and graduation benchmarks and therefore remained on monitoring status during 2013. These programs and their current status are reflected in Table 3.

**Table 3: Under-Performing Programs: Monitoring Cycle Extended**

| <b>Institution</b>  | <b>Academic Program</b>     | <b>Average Graduates<br/>during PAM Cycle</b> |
|---|-----------------------------|---|
| East Tennessee State University   | Theatre, BA                 | 3   |
| <i>Status:</i> This program is making significant improvement with 14 degrees awarded in 2012-13. Recruitment and retention efforts are also improving with 67 students enrolled. |                             |   |
| East Tennessee State University   | Woman's Studies, BA         | 3   |
| <i>Status:</i> Enrollment has increased to 15 students and one degree was awarded in 2012-13.   |                             |   |
| UT Knoxville  | Reliability Engineering, MS | 2   |
| <i>Status:</i> Enrollment has increased to 12 students and four degrees were awarded in 2012-13.  |                             |   |

## 2) Program Activity

The Commission has the statutory responsibility to review and approve new academic programs, while responsibility for program termination lies with the two governing boards. However, Commission staff may recommend termination to the TBR and UT systems.

During 2013, the Commission approved eight programs and the Board of Regents approved 29 sub-baccalaureate programs. The governing boards terminated five programs.

A complete listing of program approvals and terminations can be found in Appendix B.

**Table 4: New Programs and Terminations, 2013**

|                        | <b>New Programs</b> | <b>Terminations</b> | <b>Net Change</b> |
|------------------------|---------------------|---------------------|-------------------|
| TBR Universities       | 6                   | 4                   | 2                 |
| UT System              | 2                   | 0                   | 2                 |
| TBR Community Colleges | 29                  | 1                   | 28                |
| <b>Total Actions</b>   | <b>37</b>           | <b>5</b>            | <b>32</b>         |

- Of the 37 new programs, the majority were certificate and associate degree programs approved by the Board of Regents.
- Program approval activity for 2013 represents a significant decrease from prior year program actions. During 2012, there were 48 new program approvals. In 2011, a total of 92 new programs (84 programs at the certificate level).
- THEC approved seven graduate programs and a single program at the baccalaureate level. Each of these programs was approved under the more rigorous program approval process instituted in 2011 and is congruent with the institutional mission profile.
- Overall termination activity was very low in comparison to programs terminated in 2012. Termination activity consisted of one certificate program and four programs at the public universities. During 2012, a total of 22 programs were terminated.

### 3) Performance Funding Qualitative Reviews

The THEC Performance Funding Quality Assurance program requires institutions to evaluate undergraduate and graduate programs against a range of measures, ensuring that all degree programs provide an appropriately rigorous academic pathway and meet established national quality measures.

As the completion agenda continues, it is necessary to provide a clear assurance that the quality of academic programs is continuing to be sustained. This assurance is provided via two primary methods:

- 1) Academic audit/program review process
- 2) Accreditation status

**Academic Program Review:** The purpose of academic program review is to ensure that standards of the discipline are being met and that adequate financial support is evident. Each program is reviewed according to accreditation review cycles or at least once every five to seven years by THEC program evaluation criteria.

**Table 5: Academic Program Evaluation by Type, 2012-13**

|                        | <b>Traditional<br/>Program Review</b> | <b>Academic<br/>Audit</b> |
|------------------------|---------------------------------------|---------------------------|
| TBR Universities       | 13                                    | 16                        |
| UT System              | 23                                    | 0                         |
| TBR Community Colleges | 8                                     | 10                        |
| <b>Total</b>           | <b>44</b>                             | <b>26</b>                 |

Traditional program reviews are conducted by a qualified, out of state faculty member that provides an external review of program performance. These reviewers are approved by both TBR and THEC staff, and provide a unique perspective to assist institutions in the quality assurance process. The UT system solely utilizes the program review process for program evaluation.

Academic Audits are carried out by select TBR faculty evaluators, and follow a prescribed process to determine program health in learning objectives, curriculum, teaching and learning, student learning assessment, quality assurance, overall assessment, previous audit response, and support. Effective with the 2010-15 performance funding cycle, associate degree programs that contain embedded certificates are evaluated as part of the respective associate degree program.

**Accreditation Status:** Accreditation by a professional, discipline specific accreditor is perhaps the most rigorous evaluation of an academic program. These accreditors, all of whom are approved by THEC, provide invaluable subject-specific insight into whether programs are truly preparing students for success in their selected field.

Across both systems, 563 programs are eligible for accreditation. Eligibility is determined when all Tennessee institutions agree on a specific accreditor as best representing qualitative standards for each discipline.

Currently, all programs are accredited, except for newly approved programs (85) and two programs in which accreditation has been rescinded or an institution elected not to seek accreditation. This results in 99% of the eligible programs being either accredited or in the process of seeking accreditation. In these instances where accreditation was not achieved, institutions' performance funding scores were negatively impacted.

The accreditation status of Tennessee's public institutions is available for review in Appendix C.

#### **4) Program Productivity Review**

THEC has, for many years, monitored the health of the state's academic programs and issued a periodic report regarding program productivity. Once a program completes the Post Approval Monitoring cycle, it is considered "mature" and is then evaluated through THEC's Program Productivity review.

This process identifies programs that are not meeting nationally-used graduate production benchmarks:

- Average of ten graduates per year over a five-year period for baccalaureate and pre-baccalaureate programs
- Average of five graduates for master's programs over five-years, and
- Average of three graduates for doctorates over this same period of time.

Programs identified as failing to meet these benchmarks are then recommended by institutions for consolidation, inactivation, retention, or termination. As indicated in the program activity report, new program approvals have far outpaced termination actions. Many institutions are continuing to commit resources to new programs while failing to meet productivity thresholds in existing programs.

As a result of this fact, as well as the general need to provide time for a thorough evaluation of the state's academic program inventory, THEC, TBR, and UT have agreed to a one year moratorium on new academic programs, effective July 1, 2014. This moratorium will allow each system to evaluate the currently low producing programs in its inventory and the resources that will be required to improve the program's productivity.

Throughout 2013, THEC staff conducted a detailed analysis of each institution's academic status. This review included a report on new program (Post Approval Monitoring) and mature program productivity. Results from this review were then compiled into a comprehensive report for system and institutional leaders to utilize during the evaluation process.

The timeline for this review is included below.

- **January 2014:** THEC notifies system leaders of formal moratorium on new academic program approval commencing July 1, 2014.
- **February 2014:** Both systems will be provided with productivity data from all institutions and be asked to respond to THEC with a determination of program action recommendation (retention/consolidation/inactivation/termination) no later than July 2014.
- **July 2014:** In partnership with system leadership, THEC conducts review of institutional recommendations; determines if further program action is appropriate.
- **Fall 2014:** UT/TBR communicates institutional findings to Boards for action.
- **January 2015:** In accordance with the findings of the recent THEC Performance Audit, THEC Academic Program Review may include formal termination recommendations.

## Appendix A 2012-2013 Post Approval Monitoring

|    | <b>Institution</b> | <b>Academic Program</b>                | <b>Met Enrollment Benchmark</b> | <b>Met Graduation Benchmark</b> | <b>Met No Benchmarks</b> |
|----|--------------------|--|---------------------------------|---------------------------------|--------------------------|
| 1  | Austin Peay        | Chemical Eng Tech, Associate           |                                 |                                 | X                        |
| 2  | East Tennessee     | Bluegrass, OT & CM Studies, BA         | X                               | X                               |                          |
| 3  | East Tennessee     | Early Childhood Education, PhD         | X                               |                                 |                          |
| 4  | East Tennessee     | Geosciences, MS                        | X                               | X                               |                          |
| 5  | East Tennessee     | International Affairs, BA              | X                               | X                               |                          |
| 6  | East Tennessee     | Sports Physiology and Performance, PhD | X                               | X                               |                          |
| 7  | Middle Tennessee   | Computational Science, PhD             | X                               |                                 |                          |
| 8  | Middle Tennessee   | Exercise Science, BS                   | X                               | X                               |                          |
| 9  | Middle Tennessee   | Forensic Science, BS                   | X                               |                                 |                          |
| 10 | Middle Tennessee   | Horse Science, MS                      |                                 |                                 | X                        |
| 11 | Middle Tennessee   | Information Systems, MS                | X                               | X                               |                          |
| 12 | Middle Tennessee   | International Affairs, MA              | X                               |                                 |                          |
| 13 | Middle Tennessee   | Leisure and Sport Management, MS       | X                               | X                               |                          |
| 14 | Middle Tennessee   | Literacy Studies, PhD                  | X                               |                                 |                          |
| 15 | Middle Tennessee   | Math & Science Education, PhD          | X                               |                                 |                          |
| 16 | Middle Tennessee   | Molecular Biosciences, PhD             | X                               |                                 |                          |
| 17 | Tennessee State    | Public Health, MPH                     |                                 |                                 | X                        |
| 18 | Tennessee State    | Urban Studies, BS                      |                                 | X                               |                          |
| 19 | Tennessee Tech     | Environmental/ Sustainability, BS      | X                               |                                 |                          |
| 20 | Univ of Memphis    | Architecture, MS                       |                                 |                                 | X                        |
| 21 | Univ of Memphis    | Epidemiology, PhD                      | X                               | X                               |                          |
| 22 | Univ of Memphis    | Interior Design, BFA                   |                                 |                                 | X                        |
| 23 | Univ of Memphis    | Social/ Behavioral Science PhD         | X**                             |                                 |                          |
| 24 | Univ of Memphis    | Social Work, MSW                       |                                 |                                 | X                        |
| 25 | UT Chattanooga     | Athletic Training, MS                  | X                               | X                               |                          |
| 26 | UT Chattanooga     | Doctor of Nursing Practice, DNP        | X**                             | X**                             |                          |
| 27 | UT Chattanooga     | Early Childhood Education, BS          | X                               | X                               |                          |
| 28 | UT Chattanooga     | Integrated Studies, BS                 | X                               |                                 |                          |
| 29 | UT Chattanooga     | Mathematics, MS                        | X                               | X                               |                          |
| 30 | UT Knoxville       | Child & Family Studies, PhD            |                                 |                                 | X                        |
| 31 | UT Knoxville       | Counselor Education, PhD               | X**                             |                                 |                          |
| 32 | UT Knoxville       | Doctor of Nursing, DNP                 |                                 |                                 | X                        |
| 33 | UT Knoxville       | Educational Psych./Research, PhD       | X                               | X                               |                          |
| 34 | UT Knoxville       | Energy Science/Eng. Engineering, PhD   | X                               | X                               |                          |
| 35 | UT Knoxville       | Higher Ed Admin, PhD                   |                                 |                                 | X                        |
| 36 | UT Knoxville       | Kinesiology & Sport Studies, PhD       | X                               | X                               |                          |
| 37 | UT Knoxville       | Landscape Arch, MLA/MA/MS              | X                               | X                               |                          |

|    | <b>Institution</b> | <b>Academic Program</b>                    | <b>Met Enrollment Benchmark</b> | <b>Met Graduation Benchmark</b> | <b>Met No Benchmarks</b> |
|----|--------------------|--|---------------------------------|---------------------------------|--------------------------|
| 38 | UT Knoxville       | Nutritional Sciences                       | X                               |                                 |                          |
| 39 | UT Knoxville       | Retail/Hospitality/Tourism Mgmt, PhD       |                                 |                                 | X                        |
| 40 | UT Knoxville       | School Psychology, PhD                     | X**                             | X                               |                          |
| 41 | ROCC               | Criminal Justice, Associate                | X                               | X                               |                          |
| 42 | Chattanooga        | Applied Science, Associate                 | X                               | X                               |                          |
| 43 | Chattanooga        | EMT-Paramedic, Certificate                 |                                 | x                               |                          |
| 44 | Chattanooga        | Fine Arts, Associate                       | X                               |                                 |                          |
| 45 | Chattanooga        | Health Sciences, Associate                 |                                 | X                               |                          |
| 46 | Chattanooga        | Process Tech - Certificate                 |                                 |                                 | X                        |
| 47 | Cleveland          | Fine Arts, Associate                       |                                 |                                 | X                        |
| 48 | Cleveland          | Health Sciences, Associate                 |                                 | X                               | X                        |
| 49 | Columbia           | Adv. Integrated Industrial Tech, Associate | X                               |                                 |                          |
| 50 | Columbia           | Fine Arts, Associate                       | X                               |                                 |                          |
| 51 | Columbia           | Health Sciences, Associate                 | X                               |                                 |                          |
| 52 | Dyersburg          | Fine Arts, Associate                       |                                 |                                 | X                        |
| 53 | Nashville          | Fine Arts, Associate                       |                                 |                                 | X                        |
| 54 | Nashville          | Health Sciences, AAS                       |                                 |                                 | X                        |
| 55 | Pellissippi        | Fine Arts, Associate                       | X                               | X                               |                          |
| 56 | Pellissippi        | Health Sciences, AAS                       |                                 | X                               |                          |
| 57 | Roane              | Allied Health Sciences, Associate          | X                               | X                               |                          |
| 58 | Roane              | Fine Arts, Associate                       |                                 |                                 | X                        |
| 59 | Volunteer          | Vet Tech, Associate                        |                                 | X                               |                          |
| 60 | Walters            | Clean Energy Tech, Associate               |                                 |                                 | X                        |
| 61 | Walters            | Fine Arts, Associate                       |                                 |                                 | X                        |

\*\* Please note that all programs that have reached at least 80 percent of their projected goals are considered meeting benchmarks.

### 2012-13 Post Approval Monitoring: Delayed Programs

|   | <b>Institution</b> | <b>Academic Program</b>    | <b>Degree Level</b> |
|---|--------------------|----------------------------|---------------------|
| 1 | Motlow             | Emergency Medical Services | Associate           |
| 2 | Volunteer          | Fine Arts                  | Associate           |
| 3 | Volunteer          | Medical Informatics        | Associate           |



**Appendix B**  
**2013 Program Activity Report: New Programs**

|           | <b>Institution</b>        | <b>Academic Program</b>               | <b>Degree Level</b> |
|-----------|---------------------------|---------------------------------------|---------------------|
| <b>1</b>  | Austin Peay               | Professional Science Masters          | Master              |
| <b>2</b>  | East Tennessee            | Appalachian Studies                   | Master              |
| <b>3</b>  | Middle Tennessee          | Management                            | Master              |
| <b>4</b>  | Middle Tennessee          | Mechatronics Engineering              | Bachelor            |
| <b>5</b>  | Tennessee State           | Professional Science Masters          | Master              |
| <b>6</b>  | Tennessee Tech            | Professional Science Masters          | Master              |
| <b>7</b>  | UT Knoxville              | Creative Writing                      | Master              |
| <b>8</b>  | UT Health Sciences Center | Physician Assistant                   | Master              |
| <b>9</b>  | Chattanooga               | Adv. Gas Welding/Flux Cored           | Certificate         |
| <b>10</b> | Chattanooga               | Adv. Gas Tungsten Arc Welding         | Certificate         |
| <b>11</b> | Chattanooga               | Advanced Shielded Metal Arc           | Certificate         |
| <b>12</b> | Chattanooga               | Advanced Welding Automation           | Certificate         |
| <b>13</b> | Chattanooga               | Automated Manufacturing               | Certificate         |
| <b>14</b> | Chattanooga               | Lean Practitioner                     | Certificate         |
| <b>15</b> | Chattanooga               | Manufacturing Technology              | Certificate         |
| <b>16</b> | Chattanooga               | Surface Non-destructive Testing       | Certificate         |
| <b>17</b> | Chattanooga               | Vol. Non-destructive Testing          | Certificate         |
| <b>18</b> | Chattanooga               | Welding and Visual Inspection         | Certificate         |
| <b>19</b> | Chattanooga               | Welding Automation                    | Certificate         |
| <b>20</b> | Columbia                  | Medical Informatics                   | Associate           |
| <b>21</b> | Columbia                  | Emergency Med Tech- IV Therapy        | Certificate         |
| <b>22</b> | Columbia                  | EMT-IV Therapy                        | Certificate         |
| <b>23</b> | Dyersburg                 | Adv. Integrated Industrial Tech.      | Associate           |
| <b>24</b> | Dyersburg                 | Medical Informatics                   | Associate           |
| <b>25</b> | Motlow                    | Information Systems Tech              | Associate           |
| <b>26</b> | Motlow                    | Mechatronics Technology               | Associate           |
| <b>27</b> | Nashville                 | Medical Informatics                   | Associate           |
| <b>28</b> | Nashville                 | Healthcare/IT Management              | Certificate         |
| <b>29</b> | Nashville                 | Homeland Security                     | Certificate         |
| <b>30</b> | Northeast                 | Entertainment Technology              | Certificate         |
| <b>31</b> | Roane                     | Surgical Technology                   | Associate           |
| <b>32</b> | Roane                     | Composite Materials                   | Certificate         |
| <b>33</b> | Southwest                 | Adv. Integrated Industrial Technology | Associate           |
| <b>34</b> | Southwest                 | Adv. Integrated Industrial Technology | Certificate         |
| <b>35</b> | Volunteer                 | Music Business                        | Certificate         |
| <b>36</b> | Walters                   | Occupational Therapy Assistant        | Associate           |
| <b>37</b> | Walters                   | Surgical Technology                   | Associate           |

**Appendix B**  
**2013 Program Activity: Terminated Programs**

|          | <b>Institution</b> | <b>Academic Program</b> | <b>Degree Level</b> |
|----------|--------------------|-------------------------|---------------------|
| <b>1</b> | Austin Peay        | Health                  | Bachelor            |
| <b>2</b> | Tennessee State    | Medical Technology      | Certificate         |
| <b>3</b> | Tennessee State    | Physical Therapy        | Master              |
| <b>4</b> | Tennessee Tech     | Web Design              | Bachelor            |
| <b>5</b> | Dyersburg          | General Education Core  | Certificate         |

**Appendix C**  
**2012-13 Accreditation Status**

| <b>Institution</b>       | <b>Accreditable Programs</b> | <b>Accredited Programs</b> | <b>Programs Seeking Accreditation</b> | <b>Programs Failed/Rescinded Accreditation</b> |
|--------------------------|------------------------------|----------------------------|---------------------------------------|--|
| Austin Peay              | 25                           | 21                         | 4                                     |  |
| East Tennessee           | 58                           | 52                         | 5                                     | 1  |
| Middle Tennessee         | 54                           | 49                         | 5                                     |  |
| Tennessee State          | 45                           | 44                         | 1                                     |  |
| Tennessee Tech           | 34                           | 34                         | 0                                     |  |
| Univ of Memphis          | 71                           | 67                         | 4                                     |  |
| <b>TBR Universities</b>  | <b>287</b>                   | <b>267</b>                 | <b>19</b>                             | <b>1</b>                                       |
| UT Chattanooga           | 35                           | 1                          | 34                                    |  |
| UT Knoxville             | 66                           | 62                         | 4                                     |  |
| UT Martin                | 23                           | 22                         | 1                                     |  |
| <b>UT System</b>         | <b>124</b>                   | <b>85</b>                  | <b>39</b>                             | <b>0</b>                                       |
| Chattanooga              | 26                           | 25                         | 1                                     |  |
| Cleveland                | 4                            | 3                          | 1                                     |  |
| Columbia                 | 8                            | 7                          | 1                                     |  |
| Dyersburg                | 6                            | 3                          | 3                                     |  |
| Jackson                  | 10                           | 9                          | 1                                     |  |
| Motlow                   | 5                            | 2                          | 3                                     |  |
| Nashville                | 12                           | 10                         | 2                                     |  |
| Northeast                | 10                           | 9                          | 1                                     |  |
| Pellissippi              | 7                            | 5                          | 1                                     | 1  |
| Roane                    | 16                           | 15                         | 1                                     |  |
| Southwest                | 20                           | 19                         | 1                                     |  |
| Volunteer                | 15                           | 13                         | 2                                     |  |
| Walters                  | 13                           | 12                         | 1                                     |  |
| <b>TBR Comm Colleges</b> | <b>152</b>                   | <b>124</b>                 | <b>27</b>                             | <b>1</b>                                       |
| <b>Grand Total</b>       | <b>563</b>                   | <b>476</b>                 | <b>85</b>                             | <b>2</b>                                       |

**DATE:** January 30, 2014

**SUBJECT:** GEAR UP TN, CACG, and Latino Student Success Grant Status Reports

**ACTION RECOMMENDED:** Information

**BACKGROUND INFORMATION:** The Office of P-16 Initiatives administers programs focused on college access and success in Tennessee. Current initiatives include:

- GEAR UP TN provides Tennessee students with a clear path to college. Funded through a seven-year grant from the U.S. Department of Education, GEAR UP TN works with Collaboratives in 15 Tennessee counties to promote college readiness and success. GEAR UP TN Collaboratives serve a cohort of students starting in the seventh grade continuing through their first year of postsecondary education. The program also provides services to high school seniors each year of the grant. GEAR UP TN is designed to promote student achievement and expand the college-going culture statewide.
- The College Access Challenge Grant (CACG) is a federal formula grant program focused on developing partnerships to promote college access and success. CACG creates professional development opportunities for college access professionals and enhances resources found on CollegeforTN.org. The program expands current college access programs via the Tennessee College Mentor Corps. The overall goal of Tennessee’s CACG is two-fold: (1) make college accessible to more Tennesseans and (2) facilitate the transition between high school and community college, and community college and four-year institutions, thereby aiding in college retention and completion.
- In October 2011, Lumina Foundation for Education awarded the Tennessee Higher Education Commission a Latino Student Success Grant aimed at increasing the number of Latinos completing higher education in Memphis. The Memphis Latino Student Success Collaborative directs its work using a three-tiered approach: public will building through a community-wide Latino student success report card for Memphis and Shelby County, the development and expansion of college access and success programming including the Abriendo Puertas (Opening Doors) college access and success mentoring program, and the formal development of a community-wide collaborative focused on increasing Latino student success in Memphis.
- The Tennessee College Access and Success Network connects college access and success programs with like-minded organizations for the purpose of increasing the number of Tennesseans participating and succeeding in postsecondary opportunities. The Network was established through a Lumina Foundation grant and expanded through Race to the Top funds. Its purpose is to create a college-going culture in communities across the state by expanding and creating new college access and success programs, educating professionals, and facilitating statewide advocacy.

**Agenda Item:** II.E.

**DATE:** January 30, 2014

**SUBJECT:** Audit Committee Report

**ACTION RECOMMENDED:** Information

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**BACKGROUND INFORMATION:** The creation of an audit committee was required under Public Chapter 310, known as the “State of Tennessee Audit Committee Act of 2005.” The Commission approved the merging of the THEC and TSAC audit committees on July 24, 2008.

**Sunset Performance Audit:** As part of the sunset process, the Comptroller of the Treasury, Division of State Audit conducted performance audits of THEC and TSAC, as well as UT and TBR. Draft reports were received in December. Management has responded to the findings in the reports. The reports and responses are considered draft until released and cannot be discussed in a public meeting.

THEC, TSAC, TBR, and UT are scheduled to appear at the legislative Government Operations Committee on February 10.

**Audit Committee Conference Call:** A call was held with the audit committee members to discuss the draft findings in the reports.

**Risk Assessment:** The state’s Financial Integrity Act requires an annual risk assessment to be submitted by December 31<sup>st</sup> of each year to the Department of Finance and Administration and the Comptroller of the Treasury. The assessment due December 31, 2013 was prepared by staff and submitted to the audit committee for review. The reports were submitted to the required agencies.

**Agenda Item:** II.F.

**DATE:** January 30, 2014

**SUBJECT:** Spring Quarterly Meeting

**ACTION RECOMMENDED:** Information

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**BACKGROUND INFORMATION:** The next scheduled quarterly Commission meeting is April 24, 2014. The meeting will be held in the THEC board room on the 18<sup>th</sup> floor of Parkway Towers.