# Audit & Business Committee

## March 21, 2019

## Roaden University Center, Room 282

## AGENDA

**I.** Call to Order

**II.** Approval of Minutes

**III.** Dennis Estate

**IV.** Credit Card Processing Fees

**V.** Policy 122 (Rental of Tennessee Tech Property) and Rule

**VI.** Update on Governor's Budget as Proposed

**VII.** 2019-2020 Student Fees

- **A.** Non-mandatory Fees
- **B.** Informational Item: Non-mandatory On-line Fee for Consideration at June Committee Meeting
- **C.** Informational Item: Mandatory Fees

**VIII.** Update and Discussion of University Metrics

**IX.** Five-Year Strategic Financial Plan Update

**X.** Notice of Responsibility

**XI.** Adjournment of Open Session and Call to Order of Executive Closed Session to Discuss Audits, Investigations, and Matters Deemed Not Subject to Public Inspection Pursuant to T.C.A. § 4-35-108(b)(1)-(3)

**XII.** Adjournment

# Board of Trustees Meeting
# Audit & Business Committee
### December 6, 2018
### Roaden University Center Room 282

## MINUTES

## AGENDA ITEM 1—CALL TO ORDER

The Tennessee Tech Board of Trustees Audit & Business Committee met on December 6 2018, in Roaden University Center Room 282. Trustee Teresa Vanhooser called the meeting to order at 8:03 a.m.

Trustee Vanhooser asked Ms. Kae Carpenter, Secretary, to call the roll. The following members were present:

- Teresa Vanhooser
- Rhedona Rose
- Purna Saggurti participated by phone and confirmed that he could simultaneously hear and speak to the Committee members, that he was the only person present in the location from which he was calling, and that he received the Board materials in advance of the meeting.

Other board members and members of the public were also in attendance.

## AGENDA ITEM 2—Approval of Minutes of September 18, 2018

Trustee Vanhooser asked for approval of the minutes of the September 18, 2018 Audit & Business Committee meeting. Trustee Vanhooser asked if there were questions or comments regarding the minutes. There being none, Trustee Rose moved to recommend approval of the September 18, 2018 Audit & Business Committee minutes. Trustee Saggurti seconded the motion. The motion carried unanimously.

## AGENDA ITEM 3A- Approval of Tuition Transparency Act Report

Dr. Stinson stated that during the legislative session last year a statute was passed that required actions on the part of Tennessee Tech University and Board of Trustees. The four elements of the act included: (1)by January 1 2019 develop a list of factors the Board must consider when setting tuition and fee levels, (2)each year by February 1 the board shall provide a report to the general assembly containing information regarding expenditures of revenues derived from any tuition and fees increase in the previous full academic year,(3) June of each year a 15 day public notice prior to the board meeting and provide a comment period for tuition and fee recommendations and (4) by August 1 2019 non-binding predictive cost estimates method for undergraduate degree programs to be included in acceptance letters to the students.

The two items that required action by the Audit & Business Committee and the Board was the report to the general assembly on how the revenues were used and list of factors that shall be considered when developing recommendations increasing tuition and mandatory fees. The report to the general assembly referred to the 2.66 percent tuition increase approved by the Board in June 2018 and was included in the proposed Budget that was also approved by the Board. A draft copy of the report was provided in the Diligent Book.

Trustee Vanhooser asked for a motion to place the Tuition Transparency Act Report on the Board's regular agenda. Trustee Rose moved to recommend. Trustee Saggurti seconded the motion. Ms. Carpenter took a roll call vote. The motion carried unanimously.

## AGENDA ITEM 3B—Approval of Tuition Transparency Act Factors

Dr. Stinson stated the second item from the statute that required action by the Board was by January 1, 2019 to develop a list of factors to consider when recommending tuition and fee increases. The mandatory factors must include at a minimum the level of state support, total cost of attendance and efforts to mitigate the financial effect on students.

The proposed additional factors to take into consideration were THEC mandatory tuition and fee range, comparison to peer institutions, competitor institutions and other LGIs and Higher Education Price Index. These factors required committee approval to send to the Board.

Chair Jones stated that other factors outside of the mandatory and proposed additional factors could be considered but just would not be required.

Trustee Harper asked if Dr. Stinson had any indication what factors the other LGIs were considering. Dr. Stinson stated the LGI chief business officers had conversations regarding potential proposed factors and they are in line with what is being proposed. Trustee Harper stated she would like to see what other LGIs file and if any best practices could be picked up.
Chair Vanhooser asked for a motion to place the Tuition Transparency Act Factors on the Board's regular agenda. Trustee Rose moved to recommend. Trustee Saggurti seconded the motion. Ms. Carpenter took a roll call vote. The motion carried unanimously.

## AGENDA ITEM 4A— Approval of 2018-19 October Revised Budget/Organizational Chart

Dr. Stinson stated information on the budget was provided in the Diligent book. The October budget had been prepared, reconciled and some one-time reserves were used to provide the two percent fund balance. Dr. Stinson provided the following information in regards to E & G Revenue reconciliation of difference:

Actual vs Proposed:

- Tuition and Fees
  -Estimated decline in tuition revenues based on anticipated enrollments $(2,361,359)
  -Estimated tuition increase of 2.66% $1,982,700
- State Appropriations
  -formula adjustment $1,790,800
  -2.5% salary $1,281,500
  -$500,000 recurring for Carnegie class change
  -Remove $(500,000) restricted match
- Other
  -Interest income $986,503
  -IDC, athletics, child care center, Misc. $682,469

Proposed vs Revised:

- Tuition and Fees
  -Loss of $2 million from out-of-state enrollment decline
  -Loss of $306,550 in SACF from enrollment decline
- State Appropriations
  -Addition of $3,000,000 recurring state appropriation designated for Engineering
  -$700,000 recurring state appropriation for Carnegie class change
  -Adjustments for OPEB, TCRS, Risk Management, Health Ins. $(537,700)
- Other
  -Interest income $400,000

Trustee Geist asked if the $700,000 Carnegie funds were restricted. Dr. Stinson advised there was no designation and the university decides how those funds will be used. However, the $3,000,000 has been designated for Engineering.

Dr. Stinson provided information below in regards to reconciliation of change in expenses:

Actual vs Proposed:

- FY 2017-18 Unspent budgets requested to carryforward $4,872,328
- Scholarships Unspent $2,092,745
  -Unspent general scholarship $1,968,310
  -Unspent athletic scholarship $633,670
  -Over spent mandated scholarships $(380,282)
- Budgeted 2.5% salary plus benefits $(2,216,354)
- Budgeted other costs $(1,119,991)

Proposed vs Revised:

- Re-budget of carryforward amounts $3,979,193
  -SACF $909,980
  -Indirect Cost $533,746

-SAF $455,380
-TAF $1,125,458
-Faculty research and match $181,997
-Small renovation projects $307,872
-Other department requests $338,958

- Budget reductions $(1,959,556)
- Budget $3,000,000 engineering enhancement funds
- Investment into new programs $318,000

Trustee Rose asked if the unspent scholarship dollars were average, high or low. Dr. Stinson advised that it was high and over the last few years Tennessee Tech University had offered scholarships at a significant rate and found they were not being accepted. Those scholarship dollars have been brought down. In the revised budget $900,000 was taken out between University Academic Scholarship and International scholarships.

Trustee Geist asked for clarification on the carry forward amounts and the source of the $3,900,000 specifically if it came from academic units or lapsed salaries. Dr. Stinson stated the majority of that amount was composed from specialized academic course fees, student access fees and technology access fees. Other department requests that were approved were fee related or an obligation had already been made, such as a purchase order or carry forward from startup package. The balance of what was not approved were lapsed salaries with no specific usage other than simply requested to carry forward. Trustee Geist wanted to know where funds went that were re-budgeted. Dr. Stinson advised that the specialized academic course fee went back to the colleges, specifically Engineering had a big piece. The Technology Access Fee was re-budgeted back into their accounts. Indirect costs was re-budgeted back to colleges, research, PI's and departments. Where the funds were generated last year it was carried forward into those specific units this year. Dr. Stinson stated there were requests for general dollars, they were looked at to see if a specific obligation had already been made. Most were requested to just carry forward in case the department needed them in the future. To re-budget general dollars really impacts the dollars available for fund balance.

Trustee Jones wanted to know what the unpredictable factors included while working on a budget other than enrollment. Dr. Stinson advised from proposed budget to revised budget, enrollment is the major factor. International students typically register only days before the semester starts as that is when they arrive to campus and obtaining their visa can effect as well. Another factor was projecting TN eCampus revenues. TN eCampus revenues are based on whether Tennessee Tech provides the instruction. Tennessee Board of Regents does not provide the reconciliation until well past the middle of a semester and until that data is received from TBR we do not know what revenue has been earned or lost.

Dr. Stinson advised the consolidated financial indicator gave an overview of the financial health of Tennessee Tech University. The expected level was standard nationwide at or above 3 percent. If a university is at or above three percent, that indicated funds were available to reinvest. If a university is around one percent, then significant financial problems exist. Tennessee Tech has been on a downward trend. The Five-Year Strategic Financial Plan Committee is working on the trend to go up. Dr. Stinson provided CFI comparisons to other LGIs and UT. Tennessee Tech's raw number is better, however the trend is not.

Trustee Vanhooser asked for a motion to place the 2018-19 October Revised Budget/Organizational Chart on the Board's regular agenda. Trustee Rose moved to recommend. Trustee Saggurti seconded the motion. Ms. Carpenter took a roll call vote. The motion carried unanimously.

## AGENDA ITEM 4B—Five-Year Strategic Financial Plan Update

Dr. Stinson advised this was an informational update on the Five-Year Strategic Financial Plan Committee's progress. Revenue assumptions had been updated on the base model and optimistic model to include increase in freshman, decrease in transfers students, tuition increase and ratio of in-state to out-of-state students. The difference between the two models was the base model assumed two percent increase in both freshmen and transfer enrollment in subsequent years and the optimistic model assumed four percent. Current projections indicated on the base model in FY2022-23 $1,974,030 would still be needed to cover the deficit and establish four percent fund and the optimistic model projected $1,304,635 more than needed. The four percent fund is composed of two percent fund balance and two percent investment fund.

Revenue uncertainties included: potential continued decline in international students, decline in TN eCampus, transfer student enrollments had not increased as expected, Tennessee high school graduates were flat, scholarship competition and state appropriations.

Dr. Stinson advised unrestricted expenditures per student credit hour in FY2015 was $489 and increased to $574 in FY2018, which equated to a 17 percent increase in expenses. The unrestricted expenditures per SCH by functional categories were instruction, administrative and student services. The increase from FY2015 to FY2018 was about 15.9 percent increase in cost of instruction, 15.2 percent increase in administrative costs and 16.1 percent increase in student services. Dr. Stinson provided information on the expenditures per student credit hour by college. College of Interdisciplinary studies had several other components not just instruction and therefore had the highest per SCH cost by college. The College of Arts and Science had always had the lowest cost per SCH and had been able to help cover the costs for some higher cost programs. More students have been attending community colleges for general education and more students are beginning with general education credits from dual enrollment which has caused the Arts & Sciences SCH to increase and will become unsustainable.

Dr. Stinson advised the Five-Year Strategic Financial Plan Committee looked at controlling expenses in operations, administrative and academics. From the operations stand point factors that have been considered were reallocating lapsed salaries to the investment pool, creating utility savings, consolidating purchase of computers, reviewing the cell phone policy and provide stipend rather than phone, review credit card discount rate, standardize office supplies and centralize awarding of university funded scholarships. In regards to controlling administrative expenses factors considered included centralized versus de-centralized administrative functions, reviewing variable costs associated with professional contracts, software contracts and temporary positions. Factors to control expenses related to academics included: realigning colleges' budget with the budget model based on SCHs and establishing a contribution margin for each college, class schedules and class size, faculty work load and compensation, financial feasibility of new programs, course delivery methods and effective scheduling of large classrooms.

Dr. Stinson advised per THEC recommendations for FY2019-2020 Tennessee Tech University was the best performing out of all the LGIs which resulted in 7.6 percent additional funding, $814,300

adjustment in outcomes formula and $3,031,900 share of new funding. THEC's 2019-20 recommendation included year three of the Carnegie classification change of $900,000. THEC's recommendation for the binding range for tuition and mandatory fee range is 0-2.5 percent, but will not be set until May. THEC recommended $7,710,000 for capital maintenance projects. The proposal for the new Engineering building was fourth on the capital outlay list. Trustee Geist wanted clarification on how much the Carnegie classification going forward would be each year. President Oldham advised $2.1 million recurring.

## AGENDA ITEM 5—Disclosed Capital Project

Dr. Stinson stated that once a quarter proposals for disclosed projects could be submitted to the State Building Commission. The proposed item is a sprinkler system for the bottom floor of the Roaden University Center.

Trustee Vanhooser asked for a motion to place the Disclosed Capital Project on the Board's regular agenda. Trustee Rose moved to recommend. Trustee Saggurti seconded the motion. Ms. Carpenter took a roll call vote. The motion carried unanimously.

## AGENDA ITEM 6—Report of Audit Activity

Trustee Vanhooser asked Deanna Metts to present. Ms. Metts advised that the report was provided in the Diligent Book. The report covered the period of July 2017 thru November 2018 and was composed of four categories: audits, reviews, investigations and other activities. The review was provided by law and was an informational only item.

## AGENDA ITEM 7—Approval of 2019 Audit Plan

Deanna Metts requested approval of the 2019 Audit Plan. The Audit Plan was provided in Diligent Book. The plan lists each significant activity Internal Audit plans to do by type of activity and the functional area it concerns. Departmental audits are based on a model that looks at six points: prior audit results, internal controls, changes within unit, size of unit regarded to revenue, government regulation and managements concerns.

Trustee Vanhooser advised this approval was only needed by the Audit & Business Committee and asked for a motion. Trustee Rose moved to recommend. Trustee Saggurti seconded the motion. Ms. Carpenter took a roll call vote. The motion carried unanimously.

## AGENDA ITEM 8 —Adjournment of Open Session & Call to Order of Executive Closed Session

There being no further business, the meeting adjourned at 9:56 a.m. After a short break, the Executive Closed Session began at 10:16 a.m. All Tennessee Tech Board Trustees were present with the exception of Trustee Purna Saggurti (attending via phone).



DRAFT

The following were also present for the meeting:

- President Philip Oldham
- Kae Carpenter, Board Secretary
- Deanna Metts, Director of Internal Audit
- Paul Gogonelis, Assistant Director of Internal Audit
- Dr. Claire Stinson, Vice President for Planning and Finance
- Janice Scarlett, Internal Audit Administrative Associate
- Lee Wray, Chief of Staff
- Yvette Clark, IT Executive Director
- Deb Zsigalov, Chief Information Security Officer
- Greg Holt, Compliance Officer
- Zeva Edmonson, Title IX Coordinator
- Kerri Demeri, Director of Auxiliaries

DRAFT

## AGENDA ITEM 9—Adjournment

There being no further business, the Executive Closed Session adjourned at 10:42 a.m.

Approved,

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Audit & Business Committee Chair

# Agenda Item Summary

**Date:** March 21, 2019

**Division:** Planning and Finance

**Agenda Item:** Dennis Estate

☐ **Review** ☒ **Action** ☐ **No action required**

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**PRESENTERS:** Dr. Claire Stinson, Vice President for Planning and Finance

**PURPOSE & KEY POINTS:**

Tennessee Tech has been designated a beneficiary of the Dennis Trust. The Dennis Trust was established by B.J. Dennis and Cleo N. Dennis on September 9, 1993 with an amendment dated December 4, 2008. The terms of the Trust Agreement provide for dividing the net trust estate into fifteen (15) equal shares to be distributed as directed by B.J. Dennis and Cleo N. Dennis upon the death of the survivor. The gift to Tennessee Tech consists of seven (7) shares of the Dennis Trust valued at $1,200,000. According to the terms of the Agreement, the funds are to be used to establish an annual scholarship fund to be known as the "B.J. and Cleo Nash Dennis Scholarship Fund." The University has received $933,333.33 to-date. The balance will be forwarded to the University upon final settlement of the estate.

The Tennessee Tech University Foundation was established as the fundraising arm of the University and it is the practice of the University to route all gifts through the Foundation; however, the Dennis Trust specifically names the University as the recipient of the funds. We are requesting the Board to designate the Dennis Trust gift as a quasi-endowment and transfer the gift to the Foundation for investment purposes only. The University will retain ownership of the funds. Tennessee Tech's Policy 521, Deposit and Investment of Funds, allows for an endowment from private gifts to be invested in equity securities that are prudently diversified. The Foundation's investment strategy through Common Fund meets the requirements of this policy.

TENNESSEE TECH
19
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BOARD OF TRUSTEES

COPY

# TRUST AMENDMENT
# TO
# THE DENNIS TRUST
# Dated September 9, 1993

Pursuant to the powers vested in the Settlors, by ARTICLE 3, Section 3.1, of the above entitled trust, to amend the trust instrument, in whole or in part, by an instrument in writing signed by the Settlors and delivered to the Trustees, the Settlors now amend The DENNIS TRUST dated September 9, 1993, as follows:

1. This amendment shall be known as "The Amendment dated December 4, 2008."

2. ARTICLE 2, Section 2.3 of the DENNIS TRUST dated September 9, 1993 is revoked in its entirety and the following Section is substituted in its place:

"2.3 UPON THE DEATH OF BOTH B.J. DENNIS AND CLEO N. DENNIS: Upon the death of the survivor of B.J. DENNIS and CLEO N. DENNIS, the trustee shall divide the remaining net trust estate (net trust estate is defined as the trust estate available for distribution to all beneficiaries after payment of settlors' debts, taxes and the fees and expenses of settling the trust), including any assets subsequently added to the trust estate, into Fifteen (15) equal shares and shall distribute them as follows:

2.3.1 The trustee shall distribute Two (2) shares to settlors' nephew, [redacted], outright and free of trust, if he is then living. It is settlors' desire, instruction and intent that [redacted] uses this gift solely for the educational needs of his children, [redacted] and [redacted]. If [redacted] is then deceased, the trustee shall distribute this gift to [redacted], outright and free of trust, if he is then living, to be used solely for the educational needs of [redacted] and [redacted]. If neither [redacted], nor [redacted], is then living, the trustee shall distribute this gift, in equal shares, to [redacted] and [redacted], if both are then living, or all to the survivor of them. If both [redacted] and [redacted] are then deceased, this gift shall lapse, even if they leave issue then living.

2.3.2 The trustee shall distribute Three (3) shares to settlors' nephew, [redacted], outright and free of trust, if he is then living. It is settlors' desire, instruction and intent that [redacted] uses this gift solely for the educational needs of his children, [redacted] and [redacted]. If [redacted] is then deceased, the trustee shall distribute this gift to [redacted], outright and free of trust, if he is then living, to be used solely for educational needs of [redacted] and [redacted]. If neither [redacted], nor [redacted], is then living, the

trustee shall distribute this gift, in equal shares, to [redacted], [redacted] and [redacted], if all are then living, or all to the survivor(s) of them. If [redacted], [redacted] and [redacted] are all deceased, this gift shall lapse, even if they leave issue then living.

2.3.3 The trustee shall distribute One (1) share to settlors' niece, [redacted], if she is then living. If [redacted] is then deceased, this gift shall lapse, even if she leaves issue then living.

2.3.4 The trustee shall distribute One-Half (1/2) of a share to settlors' nephew, [redacted], if he is then living. If [redacted] is then deceased, this gift shall lapse, even if he leaves issue then living.

2.3.5 The trustee shall distribute One-Half (1/2) of a share to settlors' nephew, [redacted], if he is then living. If [redacted] is then deceased, this gift shall lapse, even if he leaves issue then living.

2.3.6 The trustee shall distribute One-Fifth (1/5th) of a share to the [redacted], located at [redacted], or its successor in interest. This gift shall be designated for its hospice programs and services.

2.3.7 The trustee shall distribute Two-Fifths (2/5th) of a share to the [redacted], presently located at [redacted], or its successor in interest. This gift shall be used for the general purposes of the organization.

2.3.8 The trustee shall distribute Two-Fifths (2/5th) of a share to [redacted], presently located at [redacted], or its successor in interest. This gift shall be used for the general charitable purposes of the organization.

2.3.9 The trustee shall distribute Seven (7) shares to TENNESSEE TECHNOLOGICAL UNIVERSITY, presently located at Cookeville, Tennessee, or its successor in interest, to be held, administered and distributed as follows:

2.3.9.1 The University shall establish an annual scholarship fund to be known as the "B.J. AND CLEO NASH DENNIS SCHOLARSHIP FUND."

2.3.9.2 The recipients of the scholarship funds must either be graduates of Upperman High School, located at Baxter, Tennessee, or be beneficiaries of this trust, and the scholarship fund shall be

otherwise administered by the University in accordance with the University's normal procedures.

2.3.9.3 Notwithstanding the above, no athletic scholarships shall be made, regardless of the beneficiary status.

2.3.9.4 If the University is unable or unwilling to hold, administer and distribute this gift as a scholarship fund under the terms provided herein, the trustee shall not distribute this gift to the University and this gift shall lapse."

**EXECUTION OF TRUST AMENDMENT**

Settlors, B.J. DENNIS and CLEO N. DENNIS, have read the foregoing Trust Amendment. It correctly states the additional terms, conditions and changes under which the trust estate is to be held, managed and distributed by the Trustees.

Settlors approve the amendment in all particulars and request the Trustees to execute it. Trustees acknowledge delivery of the trust amendment and agree to be bound by the terms of the trust as amended. In all other respects, Settlors affirm, restate, republish, approve and ratify said Declaration of Trust, as hereby amended.

The Settlors and Trustees execute this amendment to the DENNIS TRUST dated September 9, 1993 on December 4, 2008.

SETTLORS:

B.J. DENNIS

CLEO N. DENNIS

TRUSTEES:

B.J. DENNIS

CLEO N. DENNIS

ACKNOWLEDGMENT

STATE OF CALIFORNIA )
)ss.
COUNTY OF ORANGE )

On DEC 04 2008, before me, PAUL D. STUCKI, a Notary Public, personally appeared B.J. DENNIS and CLEO N. DENNIS, who proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Notary Public

**E.** Investments

**1.** All investment decisions shall be in accordance with this policy and must be approved by the Vice President for Planning and Finance or his/her designee.

**2.** All investments in which funds are deposited outside the State of Tennessee must be authorized by the President.

**3.** A Trustee Custodian account should be used for handling and holding all investments, other than the Local Government Investment Pool and collateralized certificates of deposit.

**4.** All investments must be made subject to "delivery versus payment."

**5.** All funds received by Tennessee Tech and that are available for a sufficient period of time for investment in any interest generating medium should be invested within three (3) days after receipt of such funds.

**6.** At a minimum, Tennessee Tech shall determine rates of return on all feasible authorized mediums of investment prior to making an investment; and funds shall be invested in those mediums expected to pay the highest rate for the period of time for which the funds are available for investment.

**7.** All investments of funds in certificates of deposits where the period of investment will exceed thirty (30) days shall be determined on the basis of competitive bids, with appropriate records maintained for audit purposes, including the person obtaining the bids, the amount and rate of return of each bid, and the person who approved the investment.

**8.** An investment plan should be developed that specifies liquidity requirements for providing cash needed by Tennessee Tech.

**9.** Investments of endowments in equity securities shall be limited to funds from private gifts or other sources external to the university. Endowment investments shall be prudently diversified.

**10.** Funds of Tennessee Tech may be invested in a savings account or certificate of deposit of any Depository provided the requirements of this policy including Sections C.1 and C.2, and the Collateral Security requirements of Section B are met. Other authorized investments, subject to the limitations of Section E.12, are set forth in T.C.A. § 9-4-602.

**11.** All investments via repurchase agreements must include the following:

**g.** There must be a written agreement in accordance with the standard agreement set forth in guidelines established pursuant to this policy.

# Agenda Item Summary

**Date:** March 21, 2019

**Division:** Planning and Finance

**Agenda Item:** Credit Card Processing Fees

☐ **Review** ☐ **Action** ☒ **No action required**

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**PRESENTERS:** Dr. Claire Stinson, Vice President for Planning and Finance

**PURPOSE & KEY POINTS:**

Over time costs associated with accepting credit card payments for tuition and other fees have increased to approximately $500,000 annually. This cost is passed on to all students through tuition increases although the majority of students are not using this form of payment. Effective July 1, 2019, we will charge a processing fee of 2.85% on credit card payments. Our on-line payment system will warn students of the additional charge for paying by credit card and offer them other methods for making payments on-line including e-check and ACH. Students may also pay in-person using paper check or cash. Several Tennessee universities have already implemented a similar credit card processing fee including UTK, UTC, ETSU, University of Memphis and Vanderbilt University.

# Student Impact

| | Online | | | In Person |
|---|---|---|---|---|
| | Proposed | Current | | |
| | PayPath Credit Card @ 2.85% | Credit Card | E-Check/ACH | Cash/Paper Check |
| Student Bill | $ 10,000 | $ 10,000 | $ 10,000 | $ 10,000 |
| Student Payment | $ 10,285 | $ 10,000 | $ 10,000 | $ 10,000 |
| TTU Net Revenue | $ 10,000 | $ 9,850 | $ 10,000 | $ 10,000 |

# FY 18 Tender Analysis For Student Account

| | Credit Card | E-check/ACH | Check | Cash | Total Out-of-Pocket Payments | Total Student Financial Aid | Total Tuition and Fees |
|---|---|---|---|---|---|---|---|
| FY18 $ | $ 29,087,961 | $ 9,333,027 | $ 972,123 | $ 435,875 | $ 39,828,986 | $ 63,463,314 | $ 103,292,300 |
| FY18 % | 73.03% | 23.43% | 2.44% | 1.09% | 100.00% | | |
| FY18 Expense | $ 436,319 | $ - | $ - | $ - | $ 436,319 | | |

**Table represents out-of-pocket payments made on student accounts only.*

# PayPath Notes of Interest

- Implementation cost is a one-time fee of $8,750.
- Optional ACH validation at an estimated annual cost of $16,000.
- Annual decrease in expenses for Tennessee Tech should be $400,000 to $500,000.
- Anticipate a flip in volume regarding credit card payments and ACH payments based on experiences from other schools who have implemented PayPath.
- Students have other **free options** to pay online including ACH and bank wire.
- Discourages the use of credit cards (immediate interest, higher interest, etc. vs. student loans) as a long term debt instrument.

# Agenda Item Summary

**Date:** March 21, 2019

**Division:** Planning and Finance

**Agenda Item:** Policy 122(Rental of Tennessee Tech Property) and Rule

☐ **Review** ☒ **Action** ☐ **No action required**

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**PRESENTERS:** Dr. Claire Stinson, Vice President for Planning and Finance

**PURPOSE & KEY POINTS:**

The purpose of Policy 122 (Rental of Tennessee Tech Property) and the associated Rule is to provide a uniform basis for regulation and facilitation of the rental of Tennessee Tech property. The policy and rule establish the priority of use, reasons for denial or limitations of use, rental requirements, and the application, agreement and payment processes necessary for rental of Tennessee Tech property. This policy governs the use of Tennessee Tech Property for reasons other than Official Tennessee Tech Purposes or free speech activity which are governed by TTU Policy 121( Use of Tennessee Tech Property by Affiliated Users and for Free Speech Activities) and TTU Policy 007(Free Speech on Campus).

Tennessee Technological University
Policy No. 122

# Rental of Tennessee Tech Property

Effective Date: July 1, 2019

**Policy No.:** 122
**Policy Name:** Rental of Tennessee Tech Property

## I. Purpose

**A.** The purpose of this policy is to provide a uniform basis upon which Tennessee Tech can regulate and facilitate the rental of its Property.

**B.** This policy is intended to operate consistently with Tennessee Tech's educational and research purpose and mission through the implementation of reasonable and viewpoint-neutral restrictions related to rented Property.

**C.** This policy shall be implemented and construed so as to preserve the primacy of Tennessee Tech's educational and research purpose and mission, to protect the safety of persons and security of property, and to prevent the use of its Property contrary to federal or state laws, rules, regulations, or Tennessee Tech policies.

## II. Review

This policy will be reviewed by the Vice President for Planning and Finance every four years or whenever circumstances require review, whichever is earlier, with recommendations presented to the Administrative Council, University Assembly, and Board of Trustees.

## III. Scope

**A.** Except as provided in this section, this policy governs the use of Tennessee Tech Property for reasons other than Official Tennessee Tech Purposes.

**B.** Use of Tennessee Tech Property for Official Tennessee Tech Purposes or free speech activity is governed by TTU Policy 121 (Use of Tennessee Tech Property by Affiliated Users and for Free Speech Activities) and TTU Policy 007 (Free Speech on Campus).

## IV. Definitions

**A.** "Official Tennessee Tech Purpose" – Use of Tennessee Tech Property by student groups/organizations, administrative offices, and/or departments for events, programs, activities, etc., that primarily support Tennessee Tech's purpose and mission and/or are planned primarily for members of the Tennessee Tech community.

**B.** "Renter" – A person or entity who has received the appropriate approvals and has received a fully executed agreement for the rental of Tennessee Tech Property.

**C.** "Tennessee Tech Property" or "Property" - All facilities and property owned, leased, or controlled by Tennessee Tech.

## V. General Policy

**A.** Tennessee Tech dedicates its Property primarily for use by its students and employees for purposes that promote its educational and research purpose and mission.

**B.** Consistent with its purpose and mission, priority of use, and pursuant to this policy, Tennessee Tech may make certain portions of its Property available for rent to students, employees, or the public for purposes other than for Official Tennessee Tech Purposes.

**C.** Tennessee Tech may, in its sole discretion, designate which Property is available for rental, establish rental rates for that Property, remove or add Property to the list of Property available for rental, and increase or decrease rental rates for such Property.

**D.** Tennessee Tech may, in its sole discretion, deny or limit the use of any Property if:

**1.** The requested Property has not been designated as available for rental;

**2.** The requested Property has been previously reserved by another user or Renter with equal or higher priority;

**3.** The requested Property is not available for rental during the time requested;

**4.** The rental would be impractical due to scheduled usage prior to or following the requested rental;

**5.** The applicant has knowingly provided inaccurate or false information in the rental application;

**6.** The applicant or the applicant's invitees or guests violated federal or state law(s), rule(s), regulation(s), or Tennessee Tech policy or policies during a previous use;

**7.** The use would constitute an immediate and actual danger to Tennessee Tech students and/or employees, or to the peace or security of Tennessee Tech that available law enforcement officials could not control with reasonable effort;

**8.** The anticipated size or attendance of the activity or event exceeds building/fire codes, established safety standards, and/or the physical or other limitations of the Property;

**9.** The anticipated nature or duration of the activity or event cannot be reasonably accommodated in the requested Property;

**10.** The anticipated size and/or location of the activity or event would cause disruption or interference with normal Tennessee Tech activities, the educational use of other Property or services, or the flow of vehicular or pedestrian traffic;

**11.** The rental conflicts with existing Tennessee Tech contractual obligations;

**12.** Tennessee Tech does not have sufficient institutional resources available for the proposed use as determined by the appropriate Tennessee Tech official(s);

**13.** The rental would be contrary to federal or state law(s), rule(s), regulation(s) or Tennessee Tech policy or policies; or

**14.** Other extenuating circumstances exist that, in the sole determination of Tennessee Tech, prevent or limit rental of the Property.

**E.** Renter must abide by all terms and conditions stated in the rental agreement, in addition to any requirements in federal or state laws, rules, regulations, or in Tennessee Tech policies.

## VI. Priority of Use and Frequency of Rental

**A.** The priority for use of Property is as follows:

**1.** Athletics facilities:
- **a.** Intercollegiate athletic competition or practice;
- **b.** Approved camps;
- **c.** Credit and non-credit classes and programs;
- **d.** Tennessee Tech-sponsored activities;
- **e.** Use by students or student organizations; then
- **f.** All other requests for use.

**2.** All other Property:
- **a.** Credit and non-credit classes and programs;
- **b.** Tennessee Tech-sponsored activities;
- **c.** Use by students or student organizations; then
- **d.** All other requests for use.

**B.** Rental of Property is limited to:

**1.** One-time only events; or

**2.** Short term, intermittent rental of Property, provided that

- **a.** Approval for repeated or intermittent rental of Property may not exceed six (6) months in length; and
- **b.** Such agreements may not be renewed or repeated until Tennessee Tech has received and approved a new application.



in approval

## VII. Rental Requirements

**A.** Renter and Renter's use of Property shall comply with federal and state laws, rules, regulations, and Tennessee Tech policies, including, but not limited to, applicable fire and safety codes and TTU Policy 120 (Minors on Campus).

**B.** Use of Tennessee Tech Property is limited to the declared purpose in the rental agreement.

**C.** Renter must comply with applicable Tennessee Tech contractual obligations, including but not limited to use of contracted dining services vendor, beverage pouring rights exclusivity, etc.

**D.** Renter is solely responsible for ensuring that invitees and guests comply with federal and state laws, rules, regulations, and Tennessee Tech policies.

**E.** Tennessee Tech may assign and charge for additional services that Tennessee Tech determines, in its sole discretion, are necessary for any event considering the event's nature, size, location, or anticipated attendance.

**F.** To the extent allowed by federal or state law, Renter must agree to indemnify Tennessee Tech and hold it harmless from any and all liabilities arising out of Renter's use of Property, including, but not limited to, personal injury, property damage, court costs, attorney's fees, and any other damage, whether caused by Renter, invitees, guests, or by Renter's employees, agents, or contractors.

**G.** Renter must provide, upon request, proof of insurance of the types and coverages determined by Tennessee Tech to be appropriate for the intended use. Tennessee Tech may, in its sole discretion, require Renter to include the State of Tennessee, the Tennessee Tech Board of Trustees, and/or Tennessee Tech as additionally insured entities on Renter's insurance policy.

**H.** If requested, all persons on Property in conjunction with Renter's use shall provide adequate identification to appropriate officials and security personnel of Tennessee Tech. Persons who refuse to provide such identification may be subject to immediate removal from Tennessee Tech Property and/or arrest, as appropriate.

**I.** Renters and their invitees and guests are restricted to the area(s) approved for their use.

**J.** Renter may not have overnight access to or use of Property unless specifically requested and approved by Tennessee Tech in the rental agreement or other written agreement.

**K.** Renter may not use Property to conduct profit-making activities unless specifically agreed upon in the rental agreement or in a separate agreement specifically addressing the profit-making activities.

**L.** Renter must return Property in the same condition it was in when made available to the Renter. Renter will be responsible for all expenses incurred by Tennessee Tech to remedy the condition of damaged Tennessee Tech Property.

## VIII. Rental Fees

**A.** Category I Renter:

**1.** Rental fee is waived but Category I Renter remains responsible for payment of all other costs to Tennessee Tech associated with the event. Such costs may include, but are not limited to, maintenance services, custodial services, security services, utilities, and audio-visual equipment.

**2.** Category I Renters include:

**a.** Public and private K-12 schools from Tennessee Tech's focus area for student recruitment;
**b.** Other Tennessee public higher education institutions, provided such free use is reciprocated by the institution to Tennessee Tech; and
**c.** Federal, state, and local governmental agencies, provided such free use is reciprocated by the agency to Tennessee Tech.

**B.** Category II Renter:

**1.** Rental fee may be discounted by 50% unless Tennessee Tech, in its sole discretion, determines the request will require extensive use of Tennessee Tech resources.

**2.** Category II Renter is responsible for payment of all costs to Tennessee Tech associated with event.

**3.** Category II Renters include 501(c)(3) non-profit organizations that are not affiliated with Tennessee Tech. Proof of non-profit status is required as part of the application process.

**C.** Category III Renter:

**1.** Rental is at published rate, as set by Tennessee Tech.

**2.** Category III Renter is responsible for payment of all costs to Tennessee Tech associated with event.

**3.** Category III includes any Renter that does not fall within Category I or II.

## IX. Application and Agreement Process

**A.** All applicants must follow the application process as outlined in the Property rental application.



in approval

**B.** The Property rental agreement contains an estimate of charges based on the information provided in the application. This amount is subject to change if the actual conditions related to the event differ from those presented in the application and Renter is responsible for all such charges.

**C.** Rental of Tennessee Tech Property is not approved until Renter and Tennessee Tech have fully executed a rental agreement.

## X. Payment by Renter

**A.** All rentals are subject to applicable rental fees and charges for required services, including, but not limited to, maintenance, custodial, utilities, set-up, audio-visual, and security.

**B.** If rental includes the use of Tennessee Tech equipment, Tennessee Tech may limit the operation of that equipment to Tennessee Tech employees and may assess an additional charge for the use of such equipment and for the associated labor.

**C.** Renter must make payment as described in the rental agreement.

**D.** Renter must make all payments to Tennessee Tech University. Renter shall not pay a Tennessee Tech employee for services rendered unless those services are delineated in the rental agreement and/or billed by the appropriate Tennessee Tech official.

**E.** Renter must agree to pay within thirty (30) days of receipt of invoice any additional charges assessed by Tennessee Tech.

## XI. Penalties

Tennessee Tech may immediately terminate Renter's permission to use Tennessee Tech Property and may deny future requests for rental if Renter or Renter's invitees and guests violate any provision(s) of the rental agreement or any federal or state law, rule, regulation, or Tennessee Tech policy.

## XII. Exceptions

The President or the Vice President for Planning and Finance may grant exceptions to this policy when, in his/her sole discretion, the requested exception is in furtherance of Tennessee Tech's educational and research purpose and mission.

## XIII. Interpretation

The Vice President for Planning and Finance or designee has the final authority to interpret the terms of this policy.

## XIV. Citation of Authority for Policy

Tennessee Tech Rule 0240-09-07; T.C.A. § 49-8-203(a)(1)(E)

**Approved by:**

Administrative Council: February 20, 2019

University Assembly:

Board of Trustees:

in approval

**Department of State**
**Division of Publications**
312 Rosa L. Parks Ave., 8th Floor, Snodgrass/TN Tower
Nashville, TN 37243
Phone: 615-741-2650
Email: publications.information@tn.gov

**For Department of State Use Only**

Sequence Number: _____
Rule ID(s): _____
File Date: _____
Effective Date: _____

# Proposed Rule(s) Filing Form

*Proposed rules are submitted pursuant to Tenn. Code Ann. §§ 4-5-202, 4-5-207, and 4-5-229 in lieu of a rulemaking hearing. It is the intent of the Agency to promulgate these rules without a rulemaking hearing unless a petition requesting such hearing is filed within ninety (90) days of the filing of the proposed rule with the Secretary of State. To be effective, the petition must be filed with the Agency and be signed by ten (10) persons who will be affected by the amendments, or submitted by a municipality which will be affected by the amendments, or an association of ten (10) or more members, or any standing committee of the General Assembly. The agency shall forward such petition to the Secretary of State.*

*Pursuant to Tenn. Code Ann. § 4-5-229, any new fee or fee increase promulgated by state agency rule shall take effect on July 1, following the expiration of the ninety (90) day period as provided in § 4-5-207. This section shall not apply to rules that implement new fees or fee increases that are promulgated as emergency rules pursuant to § 4-5-208(a) and to subsequent rules that make permanent such emergency rules, as amended during the rulemaking process. In addition, this section shall not apply to state agencies that did not, during the preceding two (2) fiscal years, collect fees in an amount sufficient to pay the cost of operating the board, commission or entity in accordance with § 4-29-121(b).*

| | |
|---|---|
| **Agency/Board/Commission:** | Tennessee Technological University |
| **Division:** | |
| **Contact Person:** | Dr. Claire Stinson, Vice President for Planning and Finance |
| **Address:** | 1 William L. Jones Drive, Cookeville, TN |
| **Zip:** | 38505 |
| **Phone:** | 931-372-3311 |
| **Email:** | cstinson@tntech.edu |

**Revision Type (check all that apply):**

___ Amendment
X New
___ Repeal

**Rule(s)** (**ALL** chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please make sure that **ALL** new rule and repealed rule numbers are listed in the chart below. Please enter only **ONE** Rule Number/Rule Title per row)

| **Chapter Number** | **Chapter Title** |
|---|---|
| 0240-09-07 | Rental of Tennessee Tech Property |
| **Rule Number** | **Rule Title** |
| 0240-09-07-.01 | Purpose and Implementation |
| 0240-09-07-.02 | Scope |
| 0240-09-07-.03 | Definitions |
| 0240-09-07-.04 | General Policy |
| 0240-09-07-.05 | Priority of Use and Frequency of Rental |
| 0240-09-07-.06 | Rental Requirements |
| 0240-09-07-.07 | Application and Agreement Process |
| 0240-09-07-.08 | Payment by Renter |
| 0240-09-07-.09 | Penalties |
| 0240-09-07-.10 | Exceptions |

Rules
Of
Tennessee Technological University, Cookeville

Chapter 0240-09-07
Rental of Tennessee Tech Property

New Chapter

Table of Contents is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.01 Purpose and Implementation
0240-09-07-.02 Scope
0240-09-07-.03 Definitions
0240-09-07-.04 General Policy
0240-09-07-.05 Priority of Use and Frequency of Rental
0240-09-07-.06 Rental Requirements
0240-09-07-.07 Application and Agreement Process
0240-09-07-.08 Payment by Renter
0240-09-07-.09 Penalties
0240-09-07-.10 Exceptions

0240-09-07-.01 Purpose and Implementation is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.01 Purpose and Implementation

(1) The purpose of this rule is to provide a uniform basis upon which Tennessee Tech can regulate and facilitate the rental of its Property.

(2) This rule is intended to operate consistently with Tennessee Tech's educational and research purpose and mission through the implementation of reasonable and viewpoint-neutral restrictions related to rented Property.

(3) This rule shall be implemented and construed so as to preserve the primacy of Tennessee Tech's educational and research purpose and mission, to protect the safety of persons and security of Property, and to prevent the use of Tennessee Tech's Property contrary to federal or state laws, rules, regulations, or Tennessee Tech policies.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.02 Scope is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.02 Scope

(1) This rule does not apply to use of Tennessee Tech Property by affiliated users for Official Tennessee Tech Purposes or for free speech activities. Such use is subject to Tennessee Technological University Rules, Chapter 0240-09-06.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.03 Definitions is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.03 Definitions

(1) Official Tennessee Tech Purpose: Use of Tennessee Tech Property by student groups/organizations,

administrative offices, and/or departments for events, programs, activities, etc. that primarily support Tennessee Tech's purpose and mission and/or are planned primarily for members of the Tennessee Tech community.

(2) Renter: A person or entity who has received the appropriate approvals and has received a fully executed agreement for the rental of Tennessee Tech Property.

(3) Tennessee Tech Property or Property: All facilities and property owned, leased, or controlled by Tennessee Tech.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.04 General Policy is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.04 General Policy

(1) Tennessee Tech dedicates its Property primarily for use by its students and employees for purposes that promote its educational and research purpose and mission.

(2) Consistent with its purpose and mission, priority of use, and pursuant to this rule, Tennessee Tech may make certain portions of its Property available for rent to students, employees, or the public for purposes other than for Official Tennessee Tech Purposes.

(3) Tennessee Tech may establish and modify, in its sole discretion, rental fees and charges for use of Property and will publish those rates to the public.

(4) Tennessee Tech may, in its sole discretion, deny or limit the use of any Property if:

(a) The requested Property has not been designated as available for rental;

(b) The requested Property has been previously reserved by another user or Renter with equal or higher priority;

(c) The requested Property is not available for rental during the time requested;

(d) The rental would be impractical due to scheduled usage prior to or following the requested rental;

(e) The applicant has knowingly provided inaccurate or false information in the rental application;

(f) The applicant or the applicant's invitees or guests violated federal or state law(s), rule(s), regulation(s), or Tennessee Tech policy or policies during a previous use;

(g) The use would constitute an immediate and actual danger to Tennessee Tech students and/or employees, or to the peace or security of Tennessee Tech that available law enforcement officials could not control with reasonable effort;

(h) The anticipated size or attendance of the activity or event exceeds building/fire codes, established safety standards, and/or the physical or other limitations of the Property;

(i) The anticipated nature or duration of the activity or event cannot be reasonably accommodated in the requested Property;

(j) The anticipated size and/or location of the activity or event would cause disruption or interference with normal Tennessee Tech activities, the educational use of other Property or services, or the flow of vehicular or pedestrian traffic;

(k) The rental conflicts with existing Tennessee Tech contractual obligations;

(l) Tennessee Tech does not have sufficient institutional resources available for the proposed use as determined by the appropriate Tennessee Tech official(s);

(m) The rental would be contrary to federal or state law(s), rule(s), regulation(s), or Tennessee Tech policy or policies; or

(n) Other extenuating circumstances exist that, in the sole determination of Tennessee Tech, prevent or limit rental of the Property.

(5) Renter must abide by all terms and conditions stated in the rental agreement, in addition to any requirements in federal or state laws, rules, regulations, or in Tennessee Tech policies.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.05 Priority of Use and Frequency of Rental is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.05 Priority of Use and Frequency of Rental

(1) Tennessee Tech will establish priority of use of Property that is consistent with its educational and research purpose and mission.

(2) Tennessee Tech may set reasonable limitations on the frequency of rental, intermittent rental, or repeated rental of Tennessee Tech Property.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.06 Rental Requirements is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.06 Rental Requirements

(1) Renter and Renter's use of Property shall comply with federal and state laws, rules, regulations, and Tennessee Tech policies, including, but not limited to, applicable fire and safety codes and Tennessee Tech policies related to the safety of minors on campus.

(2) Use of Tennessee Tech Property is limited to the declared purpose in the rental agreement.

(3) Renters must comply with applicable Tennessee Tech contractual obligations, including but not limited to use of Tennessee Tech's contracted dining service vendor, beverage pouring rights exclusivity, etc.

(4) Renter is solely responsible for ensuring that invitees and guests comply with federal and state laws, rules, regulations, and Tennessee Tech policies.

(5) Tennessee Tech may assign and charge for additional services that Tennessee Tech determines, in its sole discretion, are necessary for any event considering the event's nature, size, location, or anticipated attendance.

(6) To the extent allowed by federal or state law, Renter must agree to indemnify Tennessee Tech and hold it harmless from any and all liabilities arising out of Renter's use of Property, including, but not limited to, personal injury, property damage, court costs, attorney's fees, and any other damage, whether caused by Renter, invitees, guests, or by Renter's employees, agents, or contractors.

(7) Renter must provide, upon request, proof of insurance of the types and coverages determined by Tennessee Tech to be appropriate for the intended use. Tennessee Tech may, in its sole discretion, require Renter to include the State of Tennessee, the Tennessee Tech Board of Trustees, and/or Tennessee Tech as additionally insured entities on Renter's insurance policy.

(8) If requested, all persons on Property in conjunction with Renter's use shall provide adequate identification to appropriate officials and security personnel of Tennessee Tech. Persons who refuse to provide such identification may be subject to immediate removal from Tennessee Tech Property and/or arrest, as appropriate.

(9) Renters and their invitees and guests are restricted to the area(s) approved for their use.

(10) Renter may not have overnight access to or use of Property unless specifically requested and approved by Tennessee Tech in the rental agreement or other written agreement.

(11) Renter may not use Property to conduct profit-making activities unless specifically agreed upon in the rental agreement or in a separate agreement specifically addressing the profit-making activities.

(12) Renter must return Property in the same condition it was in when made available to the Renter. Renter will be responsible for all expenses incurred by Tennessee Tech to remedy the condition of damaged Tennessee Tech Property.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.07 Application and Agreement Process is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.07 Application and Agreement Process

(1) Tennessee Tech will establish and publish an application process, which will result in an estimate of fees and charges for the rental of the requested Property.

(2) Any such estimated amount is subject to change if the actual conditions related to the activity or event differ from those presented in the application. Renter will be responsible for all such charges.

(3) Rental of Tennessee Tech Property is not approved until Renter and Tennessee Tech have fully executed a rental agreement.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.08 Payment by Renter is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.08 Payment by Renter

(1) All rentals are subject to applicable rental fees and charges for required services, including, but not limited to, maintenance, custodial, utilities, set-up, audio-visual, and security.

(2) If rental includes the use of Tennessee Tech equipment, Tennessee Tech may limit the operation of that equipment to Tennessee Tech employees and may assess an additional charge for the use of such equipment and for the associated labor.

(3) Renter must make payment as described in the rental agreement.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.09 Penalties is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.09 Penalties

(1) Tennessee Tech may immediately terminate Renter's permission to use Tennessee Tech Property and may deny future requests for rental if Renter or Renter's invitees or guests violate any provision of the rental agreement or any federal or state law, rule, regulation, or Tennessee Tech policy.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.10 Exceptions is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.10 Exceptions

(1) The President or the President's designee may grant exceptions to this rule when, in his/her sole discretion, the requested exception is in furtherance of Tennessee Tech's educational and research purpose and mission.

Authority: T.C. A. § 49-8-203(a)(4)

* If a roll-call vote was necessary, the vote by the Agency on these rules was as follows:

| Board Member | Aye | No | Abstain | Absent | Signature (if required) |
|---|---|---|---|---|---|
| Tom Jones | | | | | |
| Trudy Harper | | | | | |
| Melissa Geist | | | | | |
| Rhedona Rose | | | | | |
| Purna Saggurti | | | | | |
| Johnny Stites | | | | | |
| Teresa Vanhooser | | | | | |
| Barry Wilmore | | | | | |
| | | | | | |

I certify that this is an accurate and complete copy of proposed rules, lawfully promulgated and adopted by the Tennessee Tech Board of Trustees on 03/21/2019, and is in compliance with the provisions of T.C.A. § 4-5-222. The Secretary of State is hereby instructed that, in the absence of a petition for proposed rules being filed under the conditions set out herein and in the locations described, he is to treat the proposed rules as being placed on file in his office as rules at the expiration of ninety (90) days of the filing of the proposed rule with the Secretary of State.

Date: _____

Signature: _____

Name of Officer: _____

Title of Officer: _____

Subscribed and sworn to before me on: _____

Notary Public Signature: _____

My commission expires on: _____

Agency/Board/Commission: _____

Rule Chapter Number(s): _____

All proposed rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

_____
Herbert H. Slatery III
Attorney General and Reporter

_____
Date

**Department of State Use Only**

Filed with the Department of State on: _____

Effective on: _____

_____
Tre Hargett
Secretary of State

**Regulatory Flexibility Addendum**

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process, all agencies shall conduct a review of whether a proposed rule or rule affects small business.

The rule is not anticipated to have an impact on small business.

**Impact on Local Governments**

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 “any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments.” (See Public Chapter Number 1070 (http://publications.tnsosfiles.com/acts/106/pub/pc1070.pdf) of the 2010 Session of the General Assembly)

The rule is not anticipated to have an impact on local government.

**Additional Information Required by Joint Government Operations Committee**

All agencies, upon filing a rule, must also submit the following pursuant to T.C.A. § 4-5-226(i)(1).

**(A)** A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

The rule establishes the general conditions and terms on which it will makes its property available to the public for rent or for purposes unrelated to its education and research purpose and mission. Tennessee Tech has not previously promulgated a rule on this matter.

**(B)** A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

T.C.A. § 4-5-102(12)(A) defines a rule as "an agency regulation, standard, statement, or document of general applicability that [d]escribes the procedure or practice requirements of an agency." Tennessee Tech's statements related to rental of its property appear to fall within the terms of this definition.

**(C)** Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

Any person or entity that wishes to rent space on Tennessee Tech's property is affected by this rule. Because Tennessee Tech has had a similar policy in place since 2012, Tennessee Tech does not believe affected persons or individuals would urge rejection of the rule. The Tennessee Tech Board of Trustees urges adoption of this rule.

**(D)** Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule or the necessity to promulgate the rule;

None of which Tennessee Tech is aware.

**(E)** An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars ($500,000), whichever is less;

No impact

**(F)** Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Dr. Claire Stinson, Vice President for Planning and Finance

**(G)** Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Dr. Claire Stinson, Vice President for Planning and Finance

**(H)** Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

1 William L. Jones Drive, Cookeville, TN 38505; 931-372-3311; cstinson@tntech.edu

**(l)** Any additional information relevant to the rule proposed for continuation that the committee requests.

| |
|---|
| N/A |

Rules
Of
Tennessee Technological University, Cookeville

Chapter 0240-09-07
Rental of Tennessee Tech Property

New Chapter

Table of Contents is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.01 Purpose and Implementation
0240-09-07-.02 Scope
0240-09-07-.03 Definitions
0240-09-07-.04 General Policy
0240-09-07-.05 Priority of Use and Frequency of Rental
0240-09-07-.06 Rental Requirements
0240-09-07-.07 Application and Agreement Process
0240-09-07-.08 Payment by Renter
0240-09-07-.09 Penalties
0240-09-07-.10 Exceptions

0240-09-07-.01 Purpose and Implementation is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.01 Purpose and Implementation

(1) The purpose of this rule is to provide a uniform basis upon which Tennessee Tech can regulate and facilitate the rental of its Property.

(2) This rule is intended to operate consistently with Tennessee Tech's educational and research purpose and mission through the implementation of reasonable and viewpoint-neutral restrictions related to rented Property.

(3) This rule shall be implemented and construed so as to preserve the primacy of Tennessee Tech's educational and research purpose and mission, to protect the safety of persons and security of Property, and to prevent the use of Tennessee Tech's Property contrary to federal or state laws, rules, regulations, or Tennessee Tech policies.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.02 Scope is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.02 Scope

(1) This rule does not apply to use of Tennessee Tech Property by affiliated users for Official Tennessee Tech Purposes or for free speech activities. Such use is subject to Tennessee Technological University Rules, Chapter 0240-09-06.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.03 Definitions is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.03 Definitions

(1) Official Tennessee Tech Purpose: Use of Tennessee Tech Property by student groups/organizations, administrative offices, and/or departments for events, programs, activities, etc. that primarily support

Tennessee Tech's purpose and mission and/or are planned primarily for members of the Tennessee Tech community.

(2) Renter: A person or entity who has received the appropriate approvals and has received a fully executed agreement for the rental of Tennessee Tech Property.

(3) Tennessee Tech Property or Property: All facilities and property owned, leased, or controlled by Tennessee Tech.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.04 General Policy is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.04 General Policy

(1) Tennessee Tech dedicates its Property primarily for use by its students and employees for purposes that promote its educational and research purpose and mission.

(2) Consistent with its purpose and mission, priority of use, and pursuant to this rule, Tennessee Tech may make certain portions of its Property available for rent to students, employees, or the public for purposes other than for Official Tennessee Tech Purposes.

(3) Tennessee Tech may establish and modify, in its sole discretion, rental fees and charges for use of Property and will publish those rates to the public.

(4) Tennessee Tech may, in its sole discretion, deny or limit the use of any Property if:

(a) The requested Property has not been designated as available for rental;

(b) The requested Property has been previously reserved by another user or Renter with equal or higher priority;

(c) The requested Property is not available for rental during the time requested;

(d) The rental would be impractical due to scheduled usage prior to or following the requested rental;

(e) The applicant has knowingly provided inaccurate or false information in the rental application;

(f) The applicant or the applicant's invitees or guests violated federal or state law(s), rule(s), regulation(s), or Tennessee Tech policy or policies during a previous use;

(g) The use would constitute an immediate and actual danger to Tennessee Tech students and/or employees, or to the peace or security of Tennessee Tech that available law enforcement officials could not control with reasonable effort;

(h) The anticipated size or attendance of the activity or event exceeds building/fire codes, established safety standards, and/or the physical or other limitations of the Property;

(i) The anticipated nature or duration of the activity or event cannot be reasonably accommodated in the requested Property;

(j) The anticipated size and/or location of the activity or event would cause disruption or interference with normal Tennessee Tech activities, the educational use of other Property or services, or the flow of vehicular or pedestrian traffic;

(k) The rental conflicts with existing Tennessee Tech contractual obligations;

(l) Tennessee Tech does not have sufficient institutional resources available for the proposed use as

determined by the appropriate Tennessee Tech official(s);

(m) The rental would be contrary to federal or state law(s), rule(s), regulation(s), or Tennessee Tech policy or policies; or

(n) Other extenuating circumstances exist that, in the sole determination of Tennessee Tech, prevent or limit rental of the Property.

(5) Renter must abide by all terms and conditions stated in the rental agreement, in addition to any requirements in federal or state laws, rules, regulations, or in Tennessee Tech policies.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.05 Priority of Use and Frequency of Rental is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.05 Priority of Use and Frequency of Rental

(1) Tennessee Tech will establish priority of use of Property that is consistent with its educational and research purpose and mission.

(2) Tennessee Tech may set reasonable limitations on the frequency of rental, intermittent rental, or repeated rental of Tennessee Tech Property.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.06 Rental Requirements is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.06 Rental Requirements

(1) Renter and Renter's use of Property shall comply with federal and state laws, rules, regulations, and Tennessee Tech policies, including, but not limited to, applicable fire and safety codes and Tennessee Tech policies related to the safety of minors on campus.

(2) Use of Tennessee Tech Property is limited to the declared purpose in the rental agreement.

(3) Renters must comply with applicable Tennessee Tech contractual obligations, including but not limited to use of Tennessee Tech's contracted dining service vendor, beverage pouring rights exclusivity, etc.

(4) Renter is solely responsible for ensuring that invitees and guests comply with federal and state laws, rules, regulations, and Tennessee Tech policies.

(5) Tennessee Tech may assign and charge for additional services that Tennessee Tech determines, in its sole discretion, are necessary for any event considering the event's nature, size, location, or anticipated attendance.

(6) To the extent allowed by federal or state law, Renter must agree to indemnify Tennessee Tech and hold it harmless from any and all liabilities arising out of Renter's use of Property, including, but not limited to, personal injury, property damage, court costs, attorney's fees, and any other damage, whether caused by Renter, invitees, guests, or by Renter's employees, agents, or contractors.

(7) Renter must provide, upon request, proof of insurance of the types and coverages determined by Tennessee Tech to be appropriate for the intended use. Tennessee Tech may, in its sole discretion, require Renter to include the State of Tennessee, the Tennessee Tech Board of Trustees, and/or Tennessee Tech as additionally insured entities on Renter's insurance policy.

(8) If requested, all persons on Property in conjunction with Renter's use shall provide adequate identification

to appropriate officials and security personnel of Tennessee Tech. Persons who refuse to provide such identification may be subject to immediate removal from Tennessee Tech Property and/or arrest, as appropriate.

(9) Renters and their invitees and guests are restricted to the area(s) approved for their use.

(10) Renter may not have overnight access to or use of Property unless specifically requested and approved by Tennessee Tech in the rental agreement or other written agreement.

(11) Renter may not use Property to conduct profit-making activities unless specifically agreed upon in the rental agreement or in a separate agreement specifically addressing the profit-making activities.

(12) Renter must return Property in the same condition it was in when made available to the Renter. Renter will be responsible for all expenses incurred by Tennessee Tech to remedy the condition of damaged Tennessee Tech Property.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.07 Application and Agreement Process is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.07 Application and Agreement Process

(1) Tennessee Tech will establish and publish an application process, which will result in an estimate of fees and charges for the rental of the requested Property.

(2) Any such estimated amount is subject to change if the actual conditions related to the activity or event differ from those presented in the application. Renter will be responsible for all such charges.

(3) Rental of Tennessee Tech Property is not approved until Renter and Tennessee Tech have fully executed a rental agreement.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.08 Payment by Renter is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.08 Payment by Renter

(1) All rentals are subject to applicable rental fees and charges for required services, including, but not limited to, maintenance, custodial, utilities, set-up, audio-visual, and security.

(2) If rental includes the use of Tennessee Tech equipment, Tennessee Tech may limit the operation of that equipment to Tennessee Tech employees and may assess an additional charge for the use of such equipment and for the associated labor.

(3) Renter must make payment as described in the rental agreement.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.09 Penalties is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.09 Penalties

(1) Tennessee Tech may immediately terminate Renter's permission to use Tennessee Tech Property and may deny future requests for rental if Renter or Renter's invitees or guests violate any provision of the rental agreement or any federal or state law, rule, regulation, or Tennessee Tech policy.

Authority: T.C. A. § 49-8-203(a)(4)

0240-09-07-.10 Exceptions is added to Chapter 0240-09-07 Rental of Tennessee Tech Property and shall read as follows:

0240-09-07-.10 Exceptions

(1) The President or the President's designee may grant exceptions to this rule when, in his/her sole discretion, the requested exception is in furtherance of Tennessee Tech's educational and research purpose and mission.

Authority: T.C. A. § 49-8-203(a)(4)

# Agenda Item Summary

**Date:** March 21, 2019

**Division:** Planning and Finance

**Agenda Item:** Update on Governors Budget as Proposed

☐ **Review** ☐ **Action** ☒ **No action required**

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**PRESENTERS:** Dr. Claire Stinson, Vice President for Planning and Finance

**PURPOSE & KEY POINTS:**

Recurring state appropriations:

- $2,653,800 for outcomes growth
- $900,000 for third year of three year funding for Tech's Carnegie classification change
- $814,300 for outcomes growth redistribution of base state appropriations

Non-recurring state appropriations:

- $500,000 third year of a four-year, $2 million state funding match of an NSF grant for Cybersecurity Education, Research and Outreach Center

Capital Outlay New Construction:

- $3,250,000 for planning for the new engineering building

Capital Maintenance:

- $3,060,000 Roof Replacements Phase 3
- $4,650,000 Multiple Buildings Upgrades
- $200,000 ADA Compliance

**Analysis of 2019-2020 State Appropriations - Governor's Budget**

**Reconciliation of Governor's Higher Education Budget for All Institutions Operating Costs Increase (Funding Formula):**

| | | |
|---|---|---|
| Governor's Budget | **$ 56,000,000** | |
| Distribution: | | Percent of Total |
| TBR | $ 17,760,600 | 31.72% |
| APSU | $ 2,459,000 | 4.39% |
| ETSU | $ 3,383,800 | 6.04% |
| MTSU | $ 5,230,300 | 9.34% |
| TSU | $ 2,032,200 | 3.63% |
| TTU | $ 2,653,800 | 4.74% |
| UM | $ 6,016,900 | 10.74% |
| UT | $ 16,463,400 | 29.40% |
| | **$ 56,000,000** | 100.00% |

**Reconciliation of Governor's Budget to THEC Recommendation on Outcomes Formula:**

| | THEC Recommend New Funding | Governor's Budget Recommendation | Percentage Funded |
|---|---|---|---|
| APSU | $ 2,810,300 | $ 2,459,000 | 87.50% |
| ETSU | $ 3,867,200 | $ 3,383,800 | 87.50% |
| MTSU | $ 5,977,400 | $ 5,230,300 | 87.50% |
| TSU | $ 2,322,500 | $ 2,032,200 | 87.50% |
| TTU | $ 3,032,900 | $ 2,653,800 | 87.50% |
| UM | $ 6,876,500 | $ 6,016,900 | 87.50% |
| CC | $ 16,126,100 | $ 14,110,200 | 87.50% |
| TCAT | $ 4,171,900 | $ 3,650,400 | 87.50% |
| UTK | $ 13,585,000 | $ 11,886,900 | 87.50% |
| UTC | $ 3,276,600 | $ 2,867,000 | 87.50% |
| UTM | $ 1,953,600 | $ 1,709,500 | 87.51% |
| | $ 64,000,000 | **$ 56,000,000** | 87.50% |

## Proposed Capital Appropriations from Bonds, Current Funds, and Other Revenues Fiscal Year 2019-2020

| | COUNTY | TOTAL | STATE | BONDS | FEDERAL | OTHER |
|---|---|---|---|---|---|---|
| **Correction** | | | | | | |
| Maintenance | Statewide | $ 24,600,000 | $ 0 | $ 0 | $ 0 | $ 24,600,000 |
| **Economic and Community Development** | | | | | | |
| Amazon Operations Center Infrastructure Grant | Davidson | $ 65,000,000 | $ 65,000,000 | $ 0 | $ 0 | $ 0 |
| Volkswagen Plant Infrastructure Grant | Hamilton | 50,000,000 | 50,000,000 | 0 | 0 | 0 |
| **Sub-Total Economic and Community Development** | | **$ 115,000,000** | **$ 115,000,000** | **$ 0** | **$ 0** | **$ 0** |
| **Education** | | | | | | |
| Maintenance | Statewide | $ 2,070,000 | $ 0 | $ 0 | $ 0 | $ 2,070,000 |
| **Environment and Conservation** | | | | | | |
| Maintenance | Statewide | $ 8,520,000 | $ 2,925,500 | $ 0 | $ 0 | $ 5,594,500 |
| Fall Creek Falls State Park Inn Replacement | Van Buren | 11,000,000 | 11,000,000 | 0 | 0 | 0 |
| Paris Landing State Park Inn Replacement | Henry | 8,470,000 | 8,470,000 | 0 | 0 | 0 |
| **Sub-Total Environment and Conservation** | | **$ 27,990,000** | **$ 22,395,500** | **$ 0** | **$ 0** | **$ 5,594,500** |
| **General Services** | | | | | | |
| Maintenance | Statewide | $ 4,200,000 | $ 4,200,000 | $ 0 | $ 0 | $ 0 |
| Emergency and Contingency Funds | Statewide | 5,000,000 | 5,000,000 | 0 | 0 | 0 |
| **Sub-Total General Services** | | **$ 9,200,000** | **$ 9,200,000** | **$ 0** | **$ 0** | **$ 0** |
| **Human Services** | | | | | | |
| Maintenance | Statewide | $ 5,330,000 | $ 0 | $ 0 | $ 0 | $ 5,330,000 |
| **Intellectual and Developmental Disabilities** | | | | | | |
| Maintenance | Statewide | $ 590,000 | $ 0 | $ 0 | $ 0 | $ 590,000 |
| **Military** | | | | | | |
| Maintenance | Statewide | $ 8,705,000 | $ 0 | $ 0 | $ 3,262,500 | $ 5,442,500 |
| **Locally Governed Higher Education Institutions** | | | | | | |
| **Austin Peay State University** | | | | | | |
| Maintenance | Statewide | $ 3,770,000 | $ 3,770,000 | $ 0 | $ 0 | $ 0 |
| **East Tennessee State University** | | | | | | |
| Maintenance | Statewide | $ 4,110,000 | $ 4,110,000 | $ 0 | $ 0 | $ 0 |
| **Middle Tennessee State University** | | | | | | |
| Maintenance | Statewide | $ 6,370,000 | $ 6,370,000 | $ 0 | $ 0 | $ 0 |
| School of Concrete and Construction Management | Rutherford | 40,100,000 | 34,085,000 | 0 | 0 | 6,015,000 |
| **Sub-Total Middle Tennessee State University** | | **$ 46,470,000** | **$ 40,455,000** | **$ 0** | **$ 0** | **$ 6,015,000** |
| **Tennessee State University** | | | | | | |
| Maintenance | Statewide | $ 2,475,000 | $ 2,475,000 | $ 0 | $ 0 | $ 0 |
| **Tennessee Technological University** | | | | | | |
| Maintenance | Statewide | $ 7,910,000 | $ 7,910,000 | $ 0 | $ 0 | $ 0 |
| Engineering Building Planning | Putnam | 3,250,000 | 3,250,000 | 0 | 0 | 0 |
| **Sub-Total Tennessee Technological University** | | **$ 11,160,000** | **$ 11,160,000** | **$ 0** | **$ 0** | **$ 0** |
| **University of Memphis** | | | | | | |
| Maintenance | Statewide | $ 8,970,000 | $ 6,650,000 | $ 0 | $ 0 | $ 2,320,000 |
| **Sub-Total Locally Governed Higher Education Institutions** | | **$ 76,955,000** | **$ 68,620,000** | **$ 0** | **$ 0** | **$ 8,335,000** |
| **Tennessee Board of Regents** | | | | | | |
| Maintenance | Statewide | $ 19,710,000 | $ 720,000 | $ 0 | $ 0 | $ 18,990,000 |
| TCAT Athens and Cleveland Higher Education Center | McMinn | 17,750,100 | 14,231,300 | 0 | 0 | 3,518,800 |
| **Sub-Total Tennessee Board of Regents** | | **$ 37,460,100** | **$ 14,951,300** | **$ 0** | **$ 0** | **$ 22,508,800** |
| **University of Tennessee** | | | | | | |
| Maintenance | Statewide | $ 20,120,000 | $ 1,430,000 | $ 0 | $ 0 | $ 18,690,000 |
| UTIA Energy & Environmental Science Edu. Research Ctr. | Knox | 89,000,000 | 81,500,000 | 0 | 0 | 7,500,000 |
| **Sub-Total University of Tennessee** | | **$ 109,120,000** | **$ 82,930,000** | **$ 0** | **$ 0** | **$ 26,190,000** |

## Proposed Capital Maintenance Appropriations from Bonds, Current Funds, and Other Revenues Fiscal Year 2019-2020

| | COUNTY | TOTAL | STATE | BONDS | FEDERAL | OTHER |
|---|---|---|---|---|---|---|
| **Tennessee State University** | | | | | | |
| Utility Tunnel Upgrades | Davidson | $ 375,000 | $ 375,000 | $ 0 | $ 0 | $ 0 |
| Multiple Buildings Fire Alarm Upgrades | Davidson | 705,000 | 705,000 | 0 | 0 | 0 |
| Multiple Buildings Electrical Upgrades | Davidson | 1,205,000 | 1,205,000 | 0 | 0 | 0 |
| ADA Compliance | Davidson | 190,000 | 190,000 | 0 | 0 | 0 |
| **Sub-Total Tennessee State University** | | **$ 2,475,000** | **$ 2,475,000** | **$ 0** | **$ 0** | **$ 0** |
| **Tennessee Technological University** | | | | | | |
| Roof Replacements Phase 3 | Putnam | $ 3,060,000 | $ 3,060,000 | $ 0 | $ 0 | $ 0 |
| Multiple Buildings Upgrades | Putnam | 4,650,000 | 4,650,000 | 0 | 0 | 0 |
| ADA Compliance | Putnam | 200,000 | 200,000 | 0 | 0 | 0 |
| **Sub-Total Tennessee Technological University** | | **$ 7,910,000** | **$ 7,910,000** | **$ 0** | **$ 0** | **$ 0** |
| **University of Memphis** | | | | | | |
| Multiple Buildings Roof Replacements | Shelby | $ 3,000,000 | $ 3,000,000 | $ 0 | $ 0 | $ 0 |
| Multiple Buildings Interior Repairs | Shelby | 5,540,000 | 3,220,000 | 0 | 0 | 2,320,000 |
| ADA Compliance | Shelby | 430,000 | 430,000 | 0 | 0 | 0 |
| **Sub-Total University of Memphis** | | **$ 8,970,000** | **$ 6,650,000** | **$ 0** | **$ 0** | **$ 2,320,000** |
| **Sub-Total Locally Governed Higher Education Institutions** | | **$ 33,605,000** | **$ 31,285,000** | **$ 0** | **$ 0** | **$ 2,320,000** |
| **Tennessee Board of Regents** | | | | | | |
| TCAT Building System Updates | Statewide | $ 1,050,000 | $ 0 | $ 0 | $ 0 | $ 1,050,000 |
| TCAT Roof Repairs and Replacements | Statewide | 1,160,000 | 0 | 0 | 0 | 1,160,000 |
| CLSCC Technology Building Roof Replacement | Bradley | 250,000 | 0 | 0 | 0 | 250,000 |
| STCC Roof Replacement and Envelope Repairs | Shelby | 610,000 | 0 | 0 | 0 | 610,000 |
| COSCC Multiple Buildings Roof Replacements | Maury | 470,000 | 0 | 0 | 0 | 470,000 |
| PSCC Exterior Lighting Upgrades | Knox | 390,000 | 0 | 0 | 0 | 390,000 |
| WSCC Sevier County Mechanical Upgrades | Sevier | 800,000 | 0 | 0 | 0 | 800,000 |
| TCAT MPE and Infrastructure Updates | Statewide | 1,050,000 | 0 | 0 | 0 | 1,050,000 |
| DSCC Multiple Buildings Boiler Systems Updates | Dyer | 440,000 | 0 | 0 | 0 | 440,000 |
| NASCC Interior Lighting Updates | Davidson | 750,000 | 0 | 0 | 0 | 750,000 |
| MSCC Fayetteville Campus HVAC Modernization | Lincoln | 680,000 | 0 | 0 | 0 | 680,000 |
| CHSCC CETAS Building Modernization | Hamilton | 1,890,000 | 0 | 0 | 0 | 1,890,000 |
| RSCC HVAC Corrections | Roane | 1,100,000 | 0 | 0 | 0 | 1,100,000 |
| JSCC McWherter HVAC Updates Phase 1 | Madison | 910,000 | 0 | 0 | 0 | 910,000 |
| NESCC Network and Communication Modernization | Sullivan | 1,000,000 | 0 | 0 | 0 | 1,000,000 |
| VSCC Cookeville Higher Education Parking Expansion | Putnam | 360,000 | 0 | 0 | 0 | 360,000 |
| CHSCC Gym Roof System Replacement | Hamilton | 660,000 | 0 | 0 | 0 | 660,000 |
| VSCC Chiller Replacement | Sumner | 380,000 | 0 | 0 | 0 | 380,000 |
| PSCC Alarm System Upgrades | Knox | 700,000 | 0 | 0 | 0 | 700,000 |
| TCAT Jacksboro Door and Window Replacements | Campbell | 140,000 | 0 | 0 | 0 | 140,000 |
| TCAT Parking and Paving Repairs | Statewide | 730,000 | 0 | 0 | 0 | 730,000 |
| STCC Exterior Safety Repairs and Updates | Shelby | 1,550,000 | 0 | 0 | 0 | 1,550,000 |
| TCAT Maintenance Repairs | Statewide | 580,000 | 0 | 0 | 0 | 580,000 |
| WSCC Sevier County Campus Reroof | Sevier | 1,000,000 | 0 | 0 | 0 | 1,000,000 |
| JSCC McWherter HVAC Updates Phase 2 | Madison | 340,000 | 0 | 0 | 0 | 340,000 |
| ADA Compliance | Statewide | 720,000 | 720,000 | 0 | 0 | 0 |
| **Sub-Total Tennessee Board of Regents** | | **$ 19,710,000** | **$ 720,000** | **$ 0** | **$ 0** | **$ 18,990,000** |
| **University of Tennessee** | | | | | | |
| UTK Multiple Buildings Fire Safety Upgrades | Knox | $ 7,500,000 | $ 0 | $ 0 | $ 0 | $ 7,500,000 |
| UTIA 4-H Center Multiple Buildings Improvements | Maury | 5,000,000 | 0 | 0 | 0 | 5,000,000 |
| UTC East Campus Utility Expansion | Hamilton | 6,190,000 | 0 | 0 | 0 | 6,190,000 |
| ADA Compliance | Statewide | 1,430,000 | 1,430,000 | 0 | 0 | 0 |
| **Sub-Total University of Tennessee** | | **$ 20,120,000** | **$ 1,430,000** | **$ 0** | **$ 0** | **$ 18,690,000** |
| **Grand Total** | | **$ 127,450,000** | **$ 40,560,500** | **$ 0** | **$ 3,262,500** | **$ 83,627,000** |
| Sub-Total Higher Education | | 73,435,000 | 33,435,000 | 0 | 0 | 40,000,000 |
| Sub-Total Other Agencies | | 54,015,000 | 7,125,500 | 0 | 3,262,500 | 43,627,000 |

# Capital Outlay Project Descriptions
# Fiscal Year 2019-2020

| | Total Project Cost |
|---|---|
| **Tennessee State University** | |
| **Maintenance**<br>Funds to repair, maintain, and update campus facilities. See Capital Maintenance Project Descriptions for additional details. | **$ 2,475,000** |
| **Tennessee Technological University** | |
| **Maintenance**<br>Funds to repair, maintain, and update campus facilities. See Capital Maintenance Project Descriptions for additional details. | $ 7,910,000 |
| **Engineering Building Planning**<br>Funds are provided for construction planning of a new interdisciplinary engineering building. | 3,250,000 |
| **Sub-Total Tennessee Technological University** | **$ 11,160,000** |
| **University of Memphis** | |
| **Maintenance**<br>Funds to repair, maintain, and update campus facilities. See Capital Maintenance Project Descriptions for additional details. | **$ 8,970,000** |
| **Sub-Total Locally Governed Higher Education Institutions** | **$ 76,955,000** |
| **Tennessee Board of Regents**<br>**Objective: Expand and enhance facilities for student and faculty needs.** | |
| **Maintenance**<br>Funds to repair, maintain, and update higher education institution facilities statewide. See Capital Maintenance Project Descriptions for additional details. | $ 19,710,000 |
| **TCAT Athens and Cleveland Higher Education Center**<br>Funds are provided for the construction of a facility for collaboration between TCAT Athens, Cleveland State Community College, UT Extension, Adult Education, and local industry. | 17,750,100 |
| **Sub-Total Tennessee Board of Regents** | **$ 37,460,100** |
| **University of Tennessee**<br>**Objective: Expand and enhance facilities for students and faculty needs.** | |
| **Maintenance**<br>Funds to repair, maintain, and update higher education institution facilities statewide. See Capital Maintenance Project Descriptions for additional details. | $ 20,120,000 |
| **UTIA Energy and Environmental Science Education Research Center**<br>Funds are provided for construction of an energy and environmental science building and the demolition of the current plant sciences building. Funds the construction of a surge building on the Ag Campus. | 89,000,000 |
| **Sub-Total University of Tennessee** | **$ 109,120,000** |
| **Grand Total** | **$ 417,020,100** |

# Capital Maintenance Project Descriptions
# Fiscal Year 2019-2020

| | Total Project Cost |
|---|---|
| **ADA Compliance**<br>Funds are provided for capital maintenance activities, including facility assessments, associated with compliance with the Americans with Disabilities Act and other disabilities-related issues. | $ 260,000 |
| **Sub-Total East Tennessee State University** | **$ 4,110,000** |
| **Middle Tennessee State University** | |
| **Multiple Buildings Roof Replacement**<br>Funds are provided for replacement of roof systems for multiple buildings and all related work. | $ 600,000 |
| **KOM Mechanical, HVAC, Fire Protection, Light and Ceiling Upgrades**<br>Funds are provided for replacement of the HVAC system, sprinkler system, ceilings, and lighting in the Kirskey Old Main building. | 5,600,000 |
| **ADA Compliance**<br>Funds are provided for capital maintenance activities, including facility assessments, associated with compliance with the Americans with Disabilities Act and other disabilities-related issues. | 170,000 |
| **Sub-Total Middle Tennessee State University** | **$ 6,370,000** |
| **Tennessee State University** | |
| **Utility Tunnel Upgrades**<br>Funds are provided for the replacement of utility tunnel lighting including fixtures, conduit, distribution equipment, and all related work. | $ 375,000 |
| **Multiple Buildings Fire Alarm Upgrades**<br>Funds are provided for repair and upgrade of fire alarm systems in multiple buildings and all related work. | 705,000 |
| **Multiple Buildings Electrical Upgrades**<br>Funds are provided for repair of electrical systems in multiple buildings and all related work. | 1,205,000 |
| **ADA Compliance**<br>Funds are provided for capital maintenance activities, including facility assessments, associated with compliance with the Americans with Disabilities Act and other disabilities-related issues. | 190,000 |
| **Sub-Total Tennessee State University** | **$ 2,475,000** |
| **Tennessee Technological University** | |
| **Roof Replacements Phase 3**<br>Funds are provided for replacement of roofs on several buildings including masonry repairs. Project also funds replacement and repairs to various cupolas, replacement of the clock on Derryberry Hall, and all related work. | $ 3,060,000 |
| **Multiple Buildings Upgrades**<br>Funds are provided for system and space upgrades in Brown, Bruner, and Prescott Halls. Project includes all related work. | 4,650,000 |

# Capital Maintenance Project Descriptions
# Fiscal Year 2019-2020

| | Total Project Cost |
|---|---|
| **ADA Compliance**<br>Funds are provided for capital maintenance activities, including facility assessments, associated with compliance with the Americans with Disabilities Act and other disabilities-related issues. | $ 200,000 |
| **Sub-Total Tennessee Technological University** | **$ 7,910,000** |
| **University of Memphis** | |
| **Multiple Buildings Roof Replacements**<br>Funds are provided for replacement of roof systems for several buildings and all related work. | $ 3,000,000 |
| **Multiple Buildings Interior Repairs**<br>Funds are provided for repairs of building interiors including bathroom rehabilitations, floor finishes, doors and hardware, HVAC, and elevators. Project includes all related work. | 5,540,000 |
| **ADA Compliance**<br>Funds are provided for capital maintenance activities, including facility assessments, associated with compliance with the Americans with Disabilities Act and other disabilities-related issues. | 430,000 |
| **Sub-Total University of Memphis** | **$ 8,970,000** |
| **Sub-Total Locally Governed Higher Education Institutions** | **$ 33,605,000** |
| **Tennessee Board of Regents** | |
| **TCAT Building System Updates**<br>Funds are provided for updates to building systems including fire alarms and security systems at Whiteville, Hartsville, and Nashville. Project includes all related work. | $ 1,050,000 |
| **TCAT Roof Repairs and Replacements**<br>Funds are provided for replacement of roofing systems at Chattanooga, Hohenwald, and Mckenzie. Project includes all related work. | 1,160,000 |
| **CLSCC Technology Building Roof Replacement**<br>Funds are provided for roof replacement and all related work. | 250,000 |
| **STCC Roof Replacement and Envelope Repairs**<br>Funds are provided for replacement of roofs and exterior windows at various building and all related work. | 610,000 |
| **COSCC Multiple Buildings Roof Replacements**<br>Funds are provided for replacement of multiple roof systems and all related work. | 470,000 |
| **PSCC Exterior Lighting Upgrades**<br>Funds are provided for replacement of high mast and street lighting. Project includes all related work. | 390,000 |
| **WSCC Sevier County Mechanical Upgrades**<br>Funds are provided for replacement of chillers, boilers, and HVAC, updates to controls, and new LED exterior lighting. Project includes all related work. | 800,000 |

# Education

## Cost Increases for Fiscal Year 2019-2020

| | | State | Federal | Other | Total | Positions |
|---|---|---|---|---|---|---|
| • **Security Upgrades** | | | | | | |
| To provide non-recurring funding for security upgrades at multiple campuses statewide. | | | | | | |
| **332.10** | **UT University-Wide Administration** | $10,000,000 | $0 | $0 | $10,000,000 | 0 |
| **Sub-total** | | $10,000,000 | $0 | $0 | $10,000,000 | 0 |
| **Total University of Tennessee System** | | **$32,893,200** | **$0** | **$0** | **$32,893,200** | **0** |

## State University and Community College System

| | | | | | | |
|---|---|---|---|---|---|---|
| • **Locally Governed Institutions Outcome Growth** | | | | | | |
| To provide recurring funding associated with greater institutional productivity, such as increases in student progression, degree production, and other outcome measures related to the institutional mission for formula units. This appropriation fully funds the outcome-based funding formula and provides additional funds that can be used for salaries and/or operational expenditures. | | | | | | |
| **332.70** | **Austin Peay State University** | $2,459,000 | $0 | $0 | $2,459,000 | 0 |
| **332.72** | **East Tennessee State University** | $3,383,800 | $0 | $0 | $3,383,800 | 0 |
| **332.74** | **University of Memphis** | $6,016,900 | $0 | $0 | $6,016,900 | 0 |
| **332.75** | **Middle Tennessee State University** | $5,230,300 | $0 | $0 | $5,230,300 | 0 |
| **332.77** | **Tennessee State University** | $2,032,200 | $0 | $0 | $2,032,200 | 0 |
| **332.78** | **Tennessee Technological University** | $2,653,800 | $0 | $0 | $2,653,800 | 0 |
| **Sub-total** | | $21,776,000 | $0 | $0 | $21,776,000 | 0 |

| | | | | | | |
|---|---|---|---|---|---|---|
| • **TBR System Outcome Growth** | | | | | | |
| To provide recurring funding associated with greater institutional productivity, such as increases in student progression, degree production, and other outcome measures related to the institutional mission for formula units. This appropriation fully funds the outcome-based funding formula and provides additional funds that can be used for salaries and/or operational expenditures. | | | | | | |
| **332.89** | **Tennessee Community Colleges** | $14,110,200 | $0 | $0 | $14,110,200 | 0 |
| **332.98** | **Tennessee Colleges of Applied Technology** | $3,650,400 | $0 | $0 | $3,650,400 | 0 |
| **Sub-total** | | $17,760,600 | $0 | $0 | $17,760,600 | 0 |

# Education
## Cost Increases for Fiscal Year 2019-2020

| | State | Federal | Other | Total | Positions |
|---|---|---|---|---|---|
| • **Tennessee State University Institutional Support Grant** | | | | | |
| To provide non-recurring funding to support retention of highly qualified students from underserved populations and improve institutional outcomes. | | | | | |
| **332.77 Tennessee State University** | $2,000,000 | $0 | $0 | $2,000,000 | 0 |
| **Sub-total** | $2,000,000 | $0 | $0 | $2,000,000 | 0 |
| • **TBR Administrative Support Costs** | | | | | |
| To provide recurring funding for Tennessee Board of Regents administrative support costs. | | | | | |
| **332.89 Tennessee Community Colleges** | $2,060,300 | $0 | $0 | $2,060,300 | 0 |
| **332.98 Tennessee Colleges of Applied Technology** | $384,500 | $0 | $0 | $384,500 | 0 |
| **Sub-total** | $2,444,800 | $0 | $0 | $2,444,800 | 0 |
| • **Carnegie Classification** | | | | | |
| To provide recurring funding to recognize the change of Carnegie Classification at Tennessee Technological University. | | | | | |
| **332.78 Tennessee Technological University** | $900,000 | $0 | $0 | $900,000 | 0 |
| **Sub-total** | $900,000 | $0 | $0 | $900,000 | 0 |
| • **National Science Foundation (Year Three of Four)** | | | | | |
| To provide the third year of non-recurring funding to Tennessee Technological University for cyber security research. | | | | | |
| **332.78 Tennessee Technological University** | $500,000 | $0 | $0 | $500,000 | 0 |
| **Sub-total** | $500,000 | $0 | $0 | $500,000 | 0 |
| **Total State University and Community College System** | **$50,699,400** | **$0** | **$0** | **$50,699,400** | **0** |
| **Total Higher Education** | **$130,718,800** | **$0** | **$0** | **$130,718,800** | **6** |
| **Total Education** | **$341,893,500** | **$0** | **$5,168,600** | **$347,062,100** | **80** |

| | Actual 2017-2018 | Estimated 2018-2019 | Base 2019-2020 | Cost Increase 2019-2020 | Recommended 2019-2020 |
|---|---|---|---|---|---|
| Full-Time Administrative | 0 | 0 | 0 | 0 | **0** |
| Professional | 0 | 0 | 0 | 0 | **0** |
| Faculty | 0 | 0 | 0 | 0 | **0** |
| Clerical/Support | 0 | 0 | 0 | 0 | **0** |
| **Total** | **0** | **0** | **0** | **0** | **0** |
| Headcount | 0 | 0 | 0 | 0 | 0 |
| State | 193,300 | 196,200 | 196,200 | 2,600 | **198,800** |
| Federal | 0 | 0 | 0 | 0 | **0** |
| Other | 0 | 0 | 0 | 0 | **0** |
| Tuition/Fees | 0 | 0 | 0 | 0 | **0** |
| **Total** | **$193,300** | **$196,200** | **$196,200** | **$2,600** | **$198,800** |

### 332.78 Tennessee Technological University

Tennessee Technological University is a comprehensive university located in Cookeville. While the university's strength is in technology and engineering, other academic divisions include agriculture and human sciences, arts and sciences, business, education, interdisciplinary studies, and graduate studies. The university's three centers of excellence are energy systems research, manufacturing, and water resources.

| | | | | | |
|---|---|---|---|---|---|
| Full-Time Administrative | 37 | 35 | 35 | 0 | **35** |
| Professional | 328 | 343 | 343 | 0 | **343** |
| Faculty | 453 | 473 | 473 | 0 | **473** |
| Clerical/Support | 307 | 298 | 298 | 0 | **298** |
| **Total** | **1,125** | **1,149** | **1,149** | **0** | **1,149** |
| Headcount | 10,526 | 10,186 | 10,186 | 0 | 10,186 |
| State | 47,731,100 | 54,229,000 | 55,834,900 | 4,053,800 | **59,888,700** |
| Federal | 1,122,000 | 869,700 | 869,700 | 0 | **869,700** |
| Other | 30,640,400 | 29,155,500 | 29,155,500 | 0 | **29,155,500** |
| Tuition/Fees | 97,159,400 | 94,772,200 | 94,772,200 | 0 | **94,772,200** |
| **Total** | **$176,652,900** | **$179,026,400** | **$180,632,300** | **$4,053,800** | **$184,686,100** |

# Agenda Item Summary

**Date:** March 21, 2019

**Division:** Planning and Finance

**Agenda Item:** Non-Mandatory Fees-FY 2019-2020

☐ **Review** ☒ **Action** ☐ **No action required**

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**PRESENTERS:** Dr. Claire Stinson, Vice President for Planning and Finance

**PURPOSE & KEY POINTS:**

The proposed 2019-2020 fee changes are for two non-mandatory fees:

- Nursing DNP graduate fee
- Housing rates

# Tennessee Tech University

# Non-Mandatory Fee Proposal 2019-2020

# Tennessee Tech University
## Fee Proposal Summary
## FY2019-2020

## NON-MANDATORY FEES:

| | | | |
|---|---|---|---|
| **Whitson-Hester School of Nursing:** | | | |
| Nursing Graduate Fee | $150 / per credit hour | | $ 34,000 |
| **Housing:** | | | |
| Residence Halls | 2% | $ 270,000 | |
| Tech Village | 2% | $ 48,000 | |
| Total Housing | | | $ 318,000 |
| Total Increase Per Fee Proposals | | | $ 352,000 |

## TENNESSEE TECH UNIVERSITY
## PROPOSED FEE CHANGES
## 2019-20

| Description | Rates | | | Annual Revenue Impact of Fee Change | Prior Fee Increases 2017-18 | Justification |
|---|---|---|---|---|---|---|
| | Current 2018-19 | Proposed 2019-20 | Increase | | | |
| **NON-MANDATORY FEES:** | | | | | | |
| **Nursing Graduate Fee** | | | | | | |
| | **None** | **$150 / per hour** | | **$34,000** | New fee | *Consistent fees for both schools in Joint TTU/ETSU DNP program. |
| **HOUSING:** | | | | | | |
| **Residence Halls:** | | | | | | |
| **Crawford Hall Double** | **$2,530/sem** | **$2,580/sem** | **$50/sem** | **$270,000** | 2017-18 $2,460 | *Offset increased operating costs |
| **Crawford Hall Double as Single** | **$3,245/sem** | **$3,310/sem** | **$65/sem** | | 2017-18 $3,150 | *Provide funding for new and ongoing renewal and replacement projects |
| **Crawford Hall Single** | **$2,600/sem** | **$2,655/sem** | **$55/sem** | | 2017-18 $2,525 | |
| **Traditional Double** | **$2,822/sem** | **$2,880/sem** | **$58/sem** | | 2017-18 $2,740 | |
| **Traditional Double as Single** | **$3,565/sem** | **$3,640/sem** | **$75/sem** | | 2017-18 $3,460 | |
| **Traditional Single** | **$2,915/sem** | **$2,975/sem** | **$60/sem** | | 2017-18 $2,830 | |
| **Traditional Double - Summer** | **$808/sem** | **$825/sem** | **$17/sem** | | 2017-18 $785 | |
| **Traditional Double as Single - Summer** | **$985/sem** | **$1,005/sem** | **$20/sem** | | 2017-18 $955 | |
| **Traditional Single - Summer** | **$845/sem** | **$865/sem** | **$20/sem** | | 2017-18 $820 | |
| **Engineering Village Double** *(Maddux/McCord)* | **$2,922/sem** | **$2,980/sem** | **$58/sem** | | 2017-18 $2,840 | |
| **Engineering Village Double as Single** *(Maddux/McCord)* | **$3,665/sem** | **$3,740/sem** | **$75/sem** | | 2017-18 $3,560 | |
| **Engineering Village Single** | **$3,105/sem** | **$3,075/sem** | **$60/sem** | | 2017-18 $2,930 | |

## TENNESSEE TECH UNIVERSITY
## PROPOSED FEE CHANGES
## 2019-20

| Description | Rates | | | Annual Revenue Impact of Fee Change | Prior Fee Increases 2017-18 | Justification |
|---|---|---|---|---|---|---|
| | Current 2018-19 | Proposed 2019-20 | Increase | | | |
| *(Maddux/McCord)* | | | | | | |
| **Murphy Super Single** | **$3,255/sem** | **$3,325/sem** | **$70/sem** | | 2017-18 $3,160 | |
| **New Halls Double** | **$3,990/sem** | **$4,070/sem** | **$80/sem** | | 2017-18 $3,875 | |
| **New Halls Double as Single** | **$4,940/sem** | **$5,040/sem** | **$100/sem** | | 2017-18 $4,795 | |
| **New Hall North Single** | **$4,430/sem** | **$4,520/sem** | **$90/sem** | | 2017-18 $4,300 | |
| **Tech Village Apartments:** | | | | | | |
| **Phase 1 - One Bedroom** | **$4,115/sem** | **$4,200/sem** | **$85/sem** | **$48,000** | 2017-18 $3,995 | *Offset increased operating costs |
| **Summer Semester** | **$1,643/session** | **$1,680/session** | **$37/session** | | $1,595/session | |
| **Phase 1 - Two Bedroom** | **$4,480/sem** | **$4,570/sem** | **$90/sem** | | 2017-18 $4,350 | *Provide funding for new and ongoing renewal and replacement projects |
| **Summer Semester** | **$1,792/session** | **$1,830/session** | **$38/session** | | $1,740/session | |
| **Phase 1 - Two Bedroom, 4 Person** | **$5,645/sem** | **$5,760/sem** | **$115/sem** | | 2017-18 $5,480 | |
| **Summer Semester** | **$2,256/session** | **$2,305/session** | **$49/session** | | $2,190/session | |
| **Phase 2 & 3 - One Bedroom** | **$3,970/sem** | **$4,050/sem** | **$80/sem** | | 2017-18 $3,855 | |
| **Summer Semester** | **$1,586/session** | **$1,620/session** | **$34/session** | | $1,540/session | |
| **Phase 2 & 3 - Two Bedroom** | **$4,770/sem** | **$4,865/sem** | **$95/sem** | | 2017-18 $4,630 | |
| **Summer Semester** | **$1,906/session** | **$1,945/session** | **$39/session** | | $1,7850/session | |

# Agenda Item Summary

**Date:** March 21, 2019

**Division:** Planning and Finance

**Agenda Item:** Non-Mandatory on-line Fee for consideration at June Committee meeting

☐ **Review** ☐ **Action** ☒ **No action required**

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**PRESENTERS:** Dr. Claire Stinson, Vice President for Planning and Finance

**PURPOSE & KEY POINTS:**

On-line course fees

Several non-mandatory fees for on-line courses and programs have been proposed by various Colleges. After extensive discussions, we are not prepared to bring these forward at this time. We are working to develop a more comprehensive plan for on-line course and program offerings that will include a consistent fee structure for on-line offerings across campus. With this in mind, there is potential to bring a non-mandatory fee proposal related to on-line course and program offerings forward at the June 2019 committee meeting.

# Agenda Item Summary

**Date:** March 21, 2019

**Division:** Planning and Finance

**Agenda Item:** Mandatory Fees-FY 2019-2020

☐ **Review** ☐ **Action** ☒ **No action required**

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**PRESENTERS:** Dr. Claire Stinson, Vice President for Planning and Finance

**PURPOSE & KEY POINTS:**

The anticipated 2019-2020 fee changes for mandatory fees.

*Informational Item Only*

# Tennessee Tech University

# Mandatory Fee Proposal 2019-2020

# Tennessee Tech University
## Fee Proposal Summary
## FY2019-2020

### MANDATORY FEES:

| | | |
|---|---|---|
| **TAF Fee (Technology Access Fee)** | **$17.50 max/sem** | **$ 332,160** |
| **Total Increase Per Fee Proposal** | | **$ 332,160** |

## TENNESSEE TECH UNIVERSITY
## ANTICIPATED FEE CHANGES
## 2019-20

| Description | Rates | | | Annual Revenue Impact of Fee Change | Prior Fee Increases | Justification |
|---|---|---|---|---|---|---|
| | Current 2018-19 | Anticipated 2019-20 | Increase | | | |
| **MANDATORY FEES:** | | | | | | |
| **Technology Access Fee (TAF)** | | | | | | |
| ***(To be included as a component of the General Access Fee, charged hourly and reaching a maximum at 7 hours)*** | | | | | | |
| | **$112.50 max/sem** | **$130 max/sem** | **$17.50** | **$332,160** | 1993-94 $15 max/sem<br>1997-98 $50 max/sem<br>1998-99 $100 max/sem<br>2001-02 $112.50 max/sem | *Create a sustainable instructional equipment refresh plan.<br>*Provide new technology for new science building.<br>* Address the dramatic increase of technology within classrooms since last fee rate revision. |
| | | **Part-time per hour fee to be included with General Access Fee per hour rate** | | | | |
| | | **Requesting to budget into 1 pool instead of 2** | | | | |

# Tennessee Tech University
## Anticipated Maintenance Fee Increase Analysis
### For FTE Hours and Per Credit Hour

| Fee Description | For FTE | | | | Per Credit Hour | | | |
|---|---|---|---|---|---|---|---|---|
| | Fall 2018 | Fall 2019 | $ Increase | % Increase | Fall 2018 | Fall 2019 | $ Increase | % Increase |
| **Maintenance** | | | | | | | | |
| In-State Tuition (Undergraduate) | 3,930.00 | 4,020.00 | 90.00 | 2.29% | 312.00 | 319.00 | 7.00 | 2.2% |
| In-State Tuition Over Base (Undergraduate) | | | | | 62.00 | 64.00 | 2.00 | 3.2% |
| In-State Tution (Graduate) | 5,218.00 | 5,344.00 | 126.00 | 2.4% | 502.00 | 514.00 | 12.00 | 2.4% |
| In-State Tution Over Base (Graduate) | | | | | 99.00 | 102.00 | 3.00 | 3.0% |
| **TN eCampus Fees**** | | | | | | | | |
| TN eCampus Tuition (Undergraduate) | | | | | 312.00 | 319.00 | 7.00 | 2.2% |
| TN eCampus Course Fee (Undergraduate) | | | | | 125.00 | 128.00 | 3.00 | 2.4% |
| TN eCampus Tuition (Graduate) | | | | | 502.00 | 514.00 | 12.00 | 2.4% |
| TN eCampus Course Fee (Graduate) | | | | | 125.00 | 128.00 | 3.00 | 2.4% |
| **Out-of-State Tuition***** | | | | | | | | |
| Out-of-State Tuition (Undergraduate) | 9,915.00 | 9,915.00 | - | 0.0% | 661.00 | 661.00 | - | 0.0% |
| Out-of-State Tuition (Graduate) | 8,712.00 | 8,712.00 | - | 0.0% | 726.00 | 726.00 | - | 0.0% |
| **E-Rate******** | | | | | | | | |
| Undergraduate | | | | | 156.00 | 160.00 | 4.00 | 2.6% |
| Graduate | | | | | 251.00 | 257.00 | 6.00 | 2.4% |

* *Base hours for undergraduate is 12 hours and graduate is 10 hours. FTE for Undergraduate is 15 Hours and 12 Hours for Graduate.*

** *Charges are by credit hour with no maximum.*

*** *Charged in addition to In-State Tuition for out-of-state residents.*

**** *Charged in lieu of Out-of-State Tution for exclusively online shcedules.*

**2019-20 Binding Tuition Ranges**
**Maintenance and Mandatory Fee Increase Dynamic Template**

| Institution | 2018-19 Maintenance Fee per SCH (1-12) | 2018-19 Maintenance Fee per SCH (12+) | 2018-19 Maintenance Fee | 2018-19 Mandatory Fee | 2018-19 Combined | 2019-20 Maintenance Fee per SCH (1-12) | 2019-20 Maintenance Fee per SCH (12+) | 2019-20 Mandatory Fee * | 2019-20 Percent Increases Maintenance Fee | 2019-20 Percent Increases Mandatory Fee | 2019-20 Percent Increases Combined | 2019-20 Total Fees Maintenance Fee | 2019-20 Total Fees Mandatory Fee | 2019-20 Total Fees Combined | Are these fees compliant with the THEC tuition and tuition and mandatory fee ranges? | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Tennessee Tech | $ 312 | $ 62 | $ 7,860 | $ 1,243 | $ 9,103 | $ 319 | $ 64 | $ 1,278 | 2.29% | 2.82% | 2.36% | $ 8,040 | $ 1,278 | $ 9,318 | Compliant | Compliant |

* Proposed Annual Increase:
Technology Access Fee $17.50 increase per semester

# Tennessee Tech University
## Impact of Anticipated Increase on Maintenance
### Analysis - Fall 2018 vs. Fall 2019

| Estimated Total Registration Fees by Major | Fall 2018 | Fall 2019 | Maintenance $ Increase | % Increase |
|---|---|---|---|---|
| **Freshman:** | | | | |
| **Agriculture (15 hrs)** | $ 3,930.00 | $ 4,020.00 | $ 90.00 | 2.29% |
| **Arts & Sciences:** | | | | |
| **Non-science concentration (15 hrs)** | $ 3,930.00 | $ 4,020.00 | $ 90.00 | 2.29% |
| **Science concentration (17 hrs)** | $ 4,054.00 | $ 4,148.00 | $ 94.00 | 2.32% |
| **Business Administration (15 hrs)** | $ 3,930.00 | $ 4,020.00 | $ 90.00 | 2.29% |
| **Education:** | | | | |
| **Arts (16 hrs)** | $ 3,992.00 | $ 4,084.00 | $ 92.00 | 2.30% |
| **Music (16 hrs)** | $ 3,992.00 | $ 4,084.00 | $ 92.00 | 2.30% |
| **Teaching Licensure (15 hrs)** | $ 3,930.00 | $ 4,020.00 | $ 90.00 | 2.29% |
| **Non-Licensure (15 hrs)** | $ 3,930.00 | $ 4,020.00 | $ 90.00 | 2.29% |
| **Engineering (16 hrs)** | $ 3,992.00 | $ 4,084.00 | $ 92.00 | 2.30% |
| **Human Ecology (17 hrs)** | $ 4,054.00 | $ 4,148.00 | $ 94.00 | 2.32% |
| **Nursing (16 hrs)** | $ 3,992.00 | $ 4,084.00 | $ 92.00 | 2.30% |
| | | | | |
| **Upperclassman: (Junior)** | | | | |
| **Agriculture (15 hrs)** | $ 3,930.00 | $ 4,020.00 | $ 90.00 | 2.29% |
| **Arts & Sciences:** | | | | |
| **Non-science concentration (15 hrs)** | $ 3,930.00 | $ 4,020.00 | $ 90.00 | 2.29% |
| **Science concentration (14 hrs)** | $ 3,868.00 | $ 3,956.00 | $ 88.00 | 2.28% |
| **Business Administration (15 hrs)** | $ 3,930.00 | $ 4,020.00 | $ 90.00 | 2.29% |
| **Education:** | | | | |
| **Arts (15 hrs)** | $ 3,930.00 | $ 4,020.00 | $ 90.00 | 2.29% |
| **Music (18 hrs)** | $ 4,116.00 | $ 4,212.00 | $ 96.00 | 2.33% |
| **Teaching Licensure (18 hrs)** | $ 4,116.00 | $ 4,212.00 | $ 96.00 | 2.33% |
| **Non-Licensure (15 hrs)** | $ 3,930.00 | $ 4,020.00 | $ 90.00 | 2.29% |
| **Engineering (16 hrs)** | $ 3,992.00 | $ 4,084.00 | $ 92.00 | 2.30% |
| **Human Ecology (14 hrs)** | $ 3,868.00 | $ 3,956.00 | $ 88.00 | 2.28% |
| **Nursing (14 hrs)** | $ 3,868.00 | $ 3,956.00 | $ 88.00 | 2.28% |

***A proposed 2.50% increase in undergraduate maintenance fees will result in a per hour rate of $319 and an over base rate of $64.***

# Tennessee Tech University

## Impact of Anticipated Increase on Maintenance & Mandatory Fees

### Analysis - Fall 2018 vs. Fall 2019

| Estimated Total Registration Fees by Major | Fall 2018 | Fall 2019 | $ Increase | % Increase |
|---|---|---|---|---|
| **Freshman:** | | | | |
| **Agriculture (15 hrs)** | $ 4,826.50 | $ 4,949.00 | $ 122.50 | 2.54% |
| **Arts & Sciences:** | | | $ - | |
| **Non-science concentration (15 hrs)** | $ 4,551.50 | $ 4,659.00 | $ 107.50 | 2.36% |
| **Science concentration (17 hrs)** | $ 4,938.50 | $ 5,050.00 | $ 111.50 | 2.26% |
| **Business Administration (15 hrs)** | $ 4,756.50 | $ 4,879.00 | $ 122.50 | 2.58% |
| **Education:** | | | $ - | |
| **Arts (16 hrs)** | $ 4,763.50 | $ 4,873.00 | $ 109.50 | 2.30% |
| **Music (16 hrs)** | $ 4,818.50 | $ 4,928.00 | $ 109.50 | 2.27% |
| **Teaching Licensure (15 hrs)** | $ 4,686.50 | $ 4,794.00 | $ 107.50 | 2.29% |
| **Non-Licensure (15 hrs)** | $ 4,776.50 | $ 4,884.00 | $ 107.50 | 2.25% |
| **Engineering (16 hrs)** | $ 4,843.50 | $ 4,953.00 | $ 109.50 | 2.26% |
| **Human Ecology (17 hrs)** | $ 4,965.50 | $ 5,077.00 | $ 111.50 | 2.25% |
| **Nursing (16 hrs)** | $ 4,796.50 | $ 4,906.00 | $ 109.50 | 2.28% |
| | | | | |
| **Upperclassman: (Junior)** | | | | |
| **Agriculture (15 hrs)** | $ 4,806.50 | $ 4,929.00 | $ 122.50 | 2.55% |
| **Arts & Sciences:** | | | $ - | |
| **Non-science concentration (15 hrs)** | $ 4,551.50 | $ 4,659.00 | $ 107.50 | 2.36% |
| **Science concentration (14 hrs)** | $ 4,764.50 | $ 4,870.00 | $ 105.50 | 2.21% |
| **Business Administration (15 hrs)** | $ 5,076.50 | $ 5,259.00 | $ 182.50 | 3.59% |
| **Education:** | | | $ - | |
| **Arts (15 hrs)** | $ 4,836.50 | $ 4,959.00 | $ 122.50 | 2.53% |
| **Music (18 hrs)** | $ 5,012.50 | $ 5,126.00 | $ 113.50 | 2.26% |
| **Teaching Licensure (18 hrs)** | $ 5,175.50 | $ 5,289.00 | $ 113.50 | 2.19% |
| **Non-Licensure (15 hrs)** | $ 4,831.50 | $ 4,954.00 | $ 122.50 | 2.54% |
| **Engineering (16 hrs)** | $ 5,396.50 | $ 5,506.00 | $ 109.50 | 2.03% |
| **Human Ecology (14 hrs)** | $ 4,792.00 | $ 4,897.50 | $ 105.50 | 2.20% |
| **Nursing (14 hrs)** | $ 5,232.50 | $ 5,338.00 | $ 105.50 | 2.02% |

***A proposed 2.50% increase in undergraduate maintenance fees will result in a per hour rate of $319 and an over base rate of $64.***

***Mandatory registration fees include a $17.50 per semester General Access Fee (Technology Access Fee - TAF) increase.***

***Business SACF increased by $5 dollars based on a previously approved phased increase.***

# Tennessee Tech University
## Anticipated Graduate Maintenance Fees
### Fall 2018 vs. Fall 2019

| Graduate In-State Tuition | | | | |
|---|---|---|---|---|
| | **Fall 2018** | **Fall 2019** | **Dollars Increase** | **Percentage Increase** |
| **For Base 10 Hours** | $ 5,020 | $ 5,140 | $ 120 | 2.4% |
| **Hourly rate over base hours** | $ 99 | $ 102 | $ 3 | 3.0% |

# Tennessee Tech University
## Graduate Student Analysis - Total by Assistantship Type
### Spring 2019

| Assistantship | College | # Students | Totals | % |
|---|---|---|---|---|
| Research Assistants | Arts & Science | 7 | | |
| | Education | 14 | | |
| | Engineering | 82 | | |
| | Interdisciplinary Studies | 7 | | |
| | **Total** | | **110** | **9.55%** |
| Support Assistants | Arts & Science | 2 | | |
| | Business | 16 | | |
| | Education | 18 | | |
| | Engineering | 2 | | |
| | Interdisciplinary Studies | 6 | | |
| | Nursing | 1 | | |
| | **Total** | | **45** | **3.91%** |
| Teaching Assistants | Arts & Science | 41 | | |
| | Business | 2 | | |
| | Education | 26 | | |
| | Engineering | 57 | | |
| | Interdisciplinary Studies | 4 | | |
| | Nursing | 3 | | |
| | **Total** | | **133** | **11.55%** |
| No Assistantship | Arts & Science | 6 | | |
| | Business | 189 | | |
| | Education | 331 | | |
| | Engineering | 79 | | |
| | Independent Programs | 8 | | |
| | Interdisciplinary Studies | 134 | | |
| | Nursing | 117 | | |
| | **Total** | | **864** | **75.00%** |
| **Total Graduate Students** | | | **1,152** | **100.00%** |

# Tennessee Tech University

## Graduate Student Analysis - Total by College

### Spring 2019

| College | # Students | # Assistantships | % |
|---|---|---|---|
| Arts & Science | 56 | 50 | 89.29% |
| Business | 207 | 18 | 8.70% |
| Education | 389 | 58 | 14.91% |
| Engineering | 220 | 141 | 64.09% |
| Independent Programs | 8 | 0 | 0.00% |
| Interdisciplinary Studies | 151 | 17 | 11.26% |
| Nursing | 121 | 4 | 3.31% |
| **Totals** | **1,152** | **288** | **25.00%** |

# Tennessee Tech University
## Graduate Student Analysis - Residency Type
### Spring 2019

| Student Type | Residency | Domestic | International* | Total |
|---|---|---|---|---|
| In-State | Border County | 1 | 0 | 1 |
| | Full-Time/Part-Time | 4 | 1 | 5 |
| | In-State | 969 | 13 | 982 |
| | OST - Grad Assistant | 32 | 97 | 129 |
| | **Total In-State** | **1006** | **111** | **1,117** |
| Out-of-State | In-State Non-Verified | 0 | 1 | 1 |
| | Out-of-State | 22 | 12 | 34 |
| | **Total Out-of-State** | **22** | **13** | **35** |
| **Total for All Graduate Students** | | **1028** | **124** | **1,152** |

** Includes residency codes that include non-citizens, permanent resident aliens, asylum seekers, refugees, and resident aliens for tax purposes.*

# Agenda Item Summary

**Date:** March 21, 2019

**Division:** Planning and Finance

**Agenda Item:** Update and Discussion of University Metrics

☐ **Review** ☐ **Action** ☒ **No action required**

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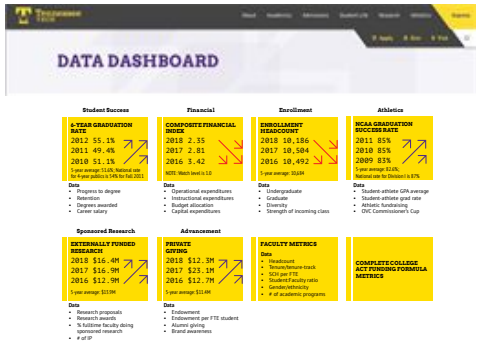
**PRESENTERS:** Dr. Phil Oldham, President

**PURPOSE & KEY POINTS:**

Update on development of reporting system to deliver University metrics to the Board in a clear manner.

# Data Dashboard Project




Attachments

- *Design draft of dashboard homepage*
- *Inventory of proposed data points collected in this dashboard*

## Summary

Utilizing existing university metrics, this project will create a single place to find key metrics for eight categories:

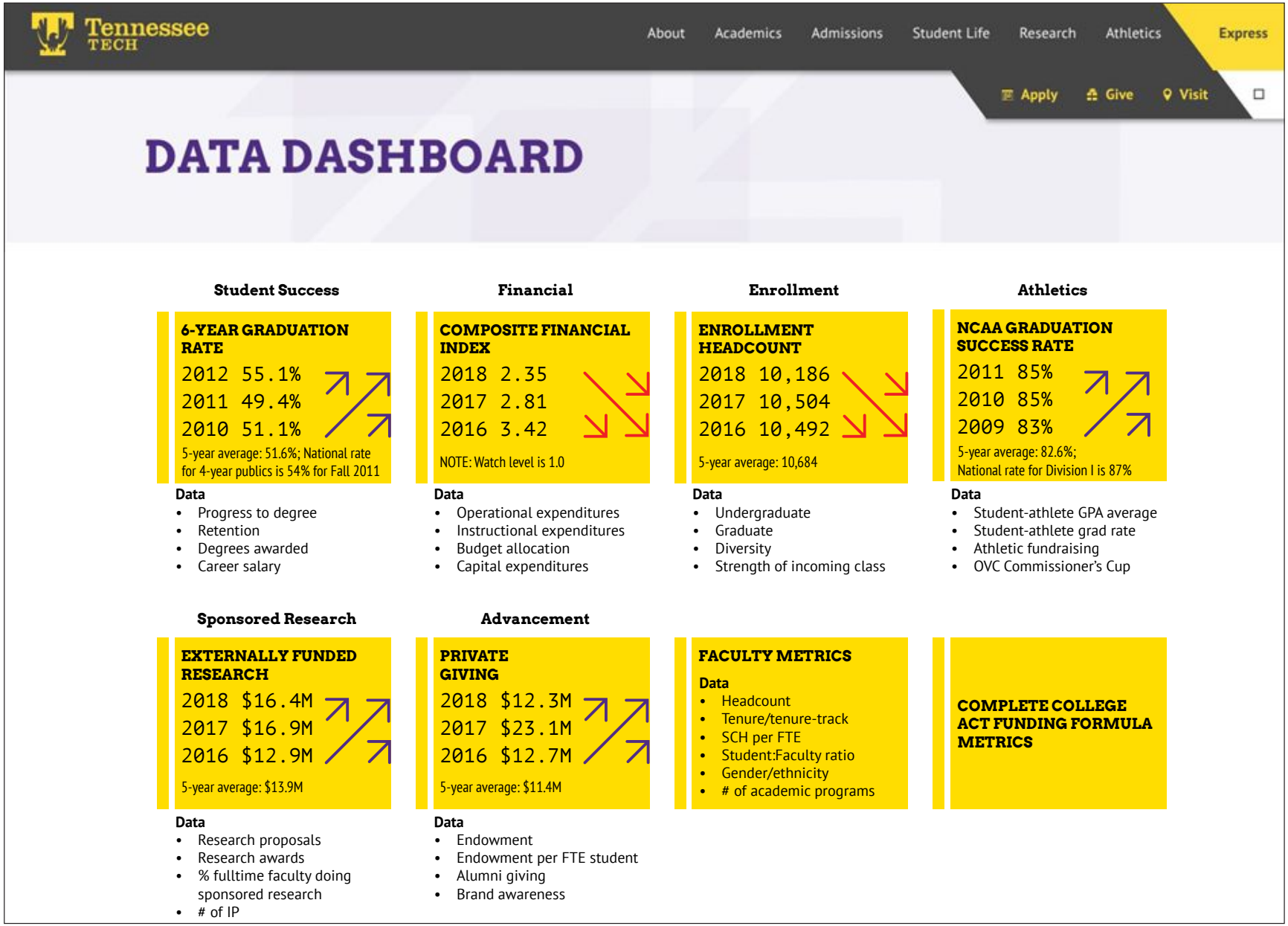
- *Student Success*
- *Financial*
- *Enrollment*
- *Athletics*
- *Sponsored Research*
- *Advancement*
- *Faculty*
- *Complete College Act Funding Formula*

This is not a replacement of various Institutional Research reports, but a clearinghouse for data culled from those reports, along with metrics maintained by other university offices, such as the Business Office, University Advancement, Athletics and the Office of Research.

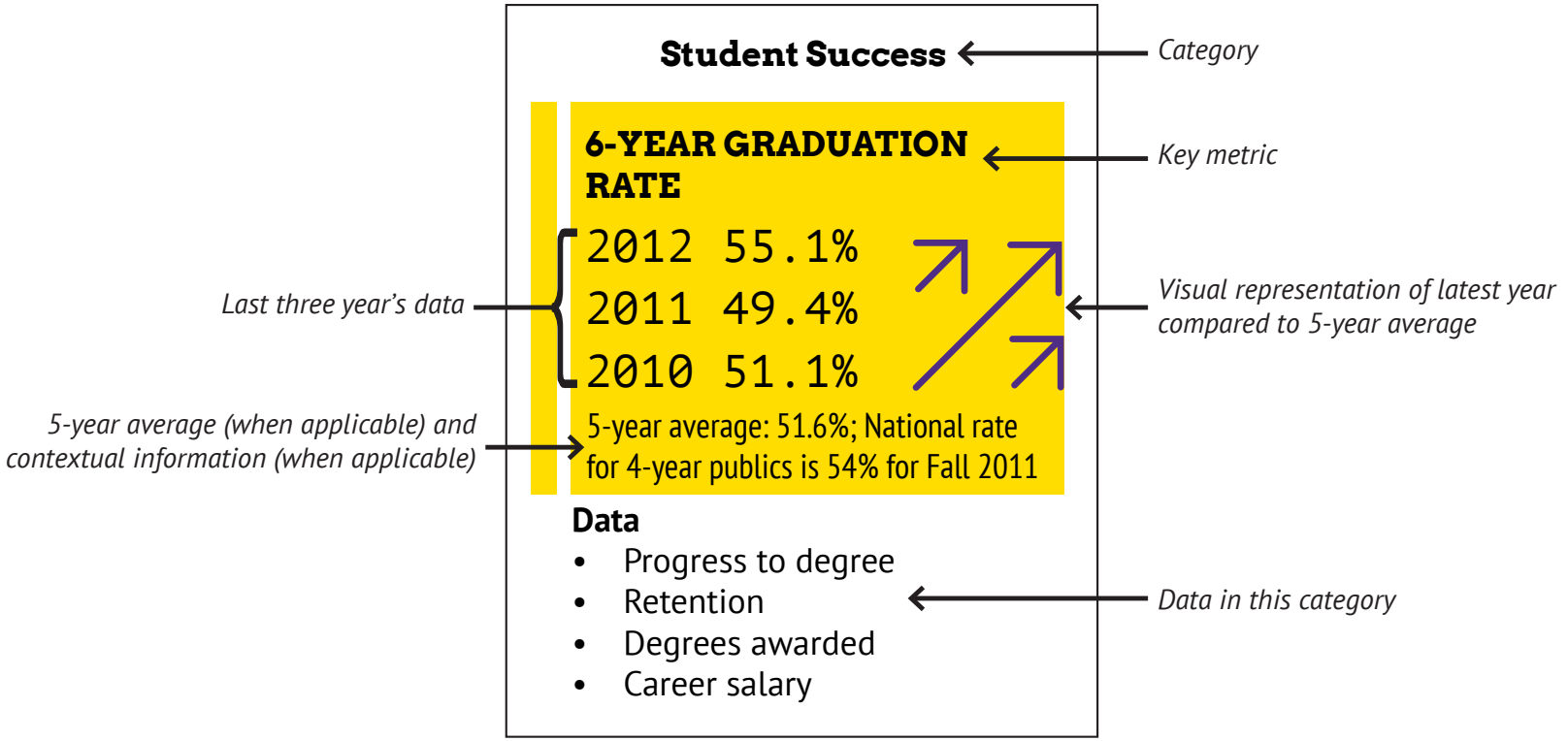
## How it works

A single web-based dashboard will display the key metric for a category. By clicking on the key metric, users will find the other metrics in this category. (For categories that do not have a single key metric, their display will link to a page with the metrics for the category.)

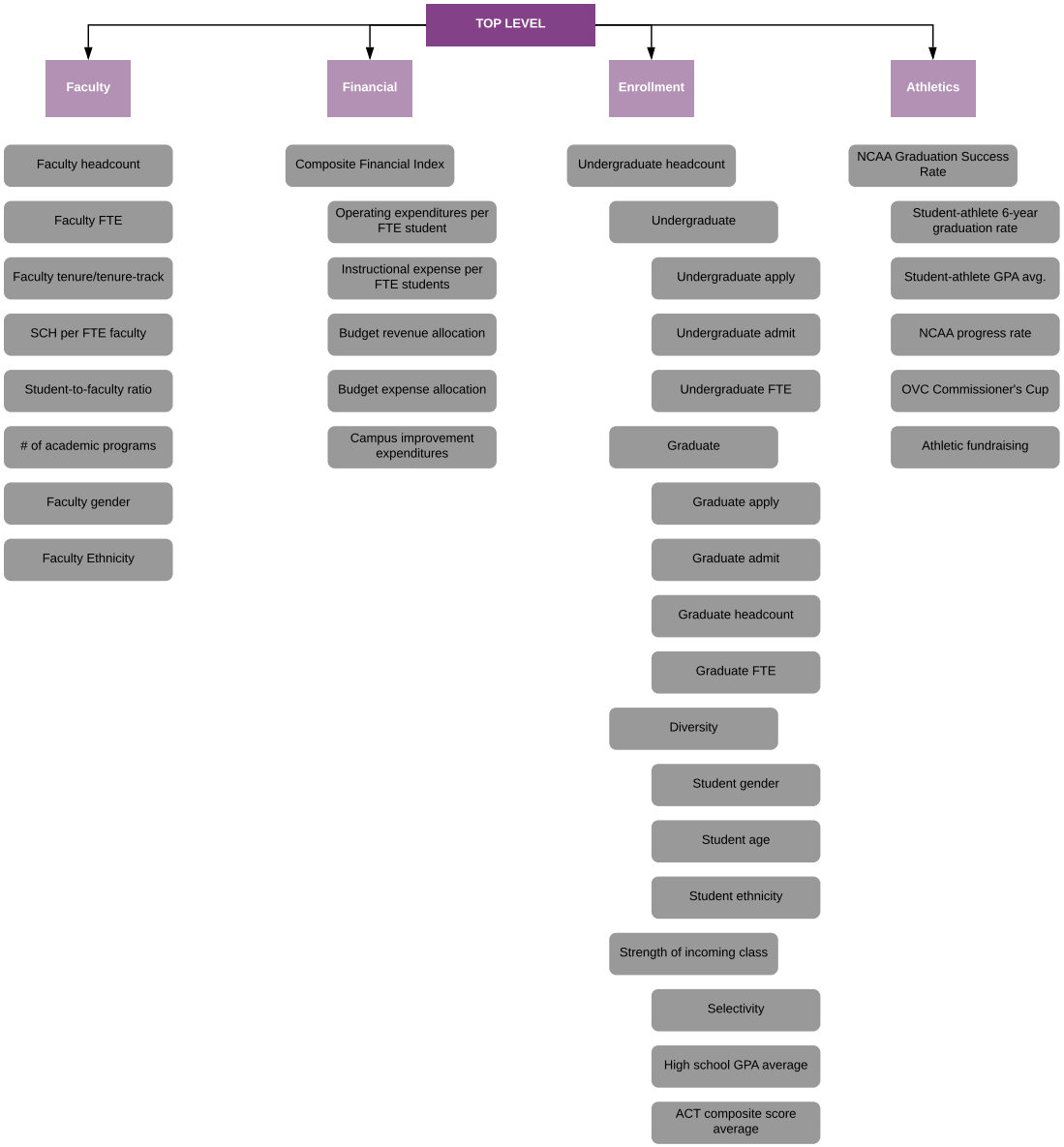
# Data Dashboard homepage (design draft)



# Data Dashboard key metric legend



# Data points inventory



# Data points inventory

# Agenda Item Summary

**Date:** March 21, 2019

**Division:** Planning and Finance

**Agenda Item:** Five-Year Strategic Financial Plan Update

☐ **Review** ☐ **Action** ☒ **No action required**

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**PRESENTERS:** Dr. Claire Stinson, Vice President for Planning and Finance

**PURPOSE & KEY POINTS:**

Update on progress towards a Five-Year Strategic Financial Plan.

# Agenda Item Summary

**Date:** March 21, 2019

**Division:** Internal Audit

**Agenda Item:** Notice of Responsibility

☐ **Review** ☐ **Action** ☒ **No action required**

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**PRESENTERS:** Teresa Vanhooser, Chair of Audit & Business Committee

**PURPOSE & KEY POINTS:**

One of the duties of the Audit Committee is to regularly, formally reiterate to the Board, Management, and Staff their responsibilities for preventing, detecting, and reporting fraud, waste, and abuse.

# Notice of Responsibilities

One of the duties of the Audit Committee is to regularly, formally reiterate to the Board, Management, and Staff their responsibilities for preventing, detecting, and reporting fraud, waste, and abuse.

Detailed definitions and examples of fraud, waste, and abuse, various individual's responsibility for preventing and detecting fraud, waste, and abuse, and methods for reporting fraud, waste, and abuse can be found in TTU Policy 131—Preventing and Reporting Fraud, Waste, or Abuse.

Individuals have varying responsibilities for preventing and reporting fraud, waste, or abuse.

Board Members

Generally, the Board and Audit Committee should consider the risk of fraudulent financial reporting and fraud due to misappropriation and abuse of university assets as they govern and guide the University.

Individually, board members should abide by TTU Policy 001—Board Code of Ethics and Conduct and Conflict of Interest.

Management

Management shall not engage in fraud, waste, or abuse and is responsible for developing and implementing internal controls to help prevent and detect fraud, waste, and abuse.

Executives and administrators with reasonable basis for believing fraud, waste, or abuse has occurred are required to report those incidents.

Employees

Employees shall not engage in fraud, waste, or abuse.

Employees with reasonable basis for believing fraud, waste, or abuse has occurred are strongly encouraged to report those incidents.

Students and Citizens

All students and citizens of the state of Tennessee are encouraged to report known or suspected acts of fraud, waste, or abuse.

Fraud, waste, or abuse can be reported confidentially and should be reported to a supervisor, institutional executive, TTU Internal Audit, or the Tennessee Comptroller of the Treasury.

Specific methods for reporting fraud, waste, or abuse can be found on TTU Internal Audit's website and in TTU Policy 131—Preventing and Reporting Fraud, Waste, or Abuse.