

**Questions Presented by TSUAA AT MARCH 4, 2016, CONFERENCE CALL  
TSU'S RESPONSES TO QUESTIONS**

**1. How is House Bill 2578 and the proposed State University Boards going to benefit and improve resources for Tennessee State University?**

The FOCUS Act (Act) is part of Governor Haslam's overall effort, along with other initiatives – Drive to 55, Tennessee Promise, and the Complete College Tennessee Act - to increase the number of university, community college, and technology college educated citizens in the State of Tennessee, in order to meet the needs of today's employers and attract more quality companies to Tennessee. The Act's intent is to permit the Tennessee Board of Regents to focus on the state's community colleges and technology colleges, which have somewhat different missions than the four-year institutions, and to free up the universities to pursue their respective and specific missions and goals. The Act creates individual boards to govern the TBR's four-year universities, with each board exclusively devoted to governing and supporting the needs of each individual institution.

While the Act's intent is, in part, to benefit the four-year universities and enhance their ability to operate and thrive in the 21<sup>st</sup> century, TSU, along with the other TBR four- year institutions, will be operating in uncharted waters with the hope that the Act's actual effect matches its intent. As addressed below, TSU is seeking modifications to the Act to help minimize the Act's unintended adverse effects on TSU.

**2. What is the primary reason for the change to the TBR (House Bill 2578)?**

See Response to question number 1.

**3. Why is Tennessee Board of Regents (TBR) being restructured but the governor has chosen to let the University of Tennessee's system of schools to remain?**

The Act's intent is to allow the Board of Regents to focus on the community colleges and technology colleges, while freeing the universities up to pursue their respective, institution specific missions. The UT System is comprised of four universities, with no community colleges or technology colleges in the UT System.

**4. Does the governor think that 6 individual university boards versus an established 4-university UT system provides an equal playing field for all ten (10) 4-year universities in the state of Tennessee?**

The Governor's focus under the Act has been on the need to restructure the TBR system to separate the community colleges and technology colleges from the universities. TSU does not doubt the Governor's good faith intentions related to the Act. Nonetheless, TSU expects the proposed structure will present challenges to TSU and other smaller TBR four-year institutions with respect to funding, capital projects, and operational issues. TSU is seeking amendments to the Act to ensure the Act provides adequate funding and support to TSU, including an amendment to ensure President Glover becomes a permanent member of the statewide funding formula committee.

**5. How will the funding be appropriated to all 10 schools?**

The State will continue to fund the four-year schools based on an outcomes-based formula. The current formula utilizes several metrics, including progression, research, target populations, retention, etc. to appropriate funds to the institutions. The new formula will likely include similar metrics. We are seeking amendments to the bill to ensure the funding formula includes fair and equitable metrics. The process is not clear for non-formula appropriations for capital projects (i.e., capital maintenance and new construction), although THEC will be directly involved. For other non-formula appropriations, such as land grant funding, TSU will coordinate any requests directly through the Tennessee Higher Education Commission (THEC).

- 6. Do you think that the 6 TBR schools (TSU in particular) will be able to compete with duplicate programs that are in the University of Tennessee's system (UT – Knoxville, UT – Chattanooga, UT – Martin, UT – Health Science Center)?**

TSU already competes with duplicative academic programs offered at the UT System schools. TSU is seeking an amendment to the Act to empower THEC to play a greater and more aggressive role in regulating the approval of programs, including a requirement that THEC consider unnecessary program duplication, proximity of the institutions, and federal law in evaluating new academic program and program location proposals.

- 7. How will the role of the Tennessee Higher Education Commission (THEC) change with the new structure?**

THEC will have an expanded role under the Act. For example, it will be responsible for approving university transition plans under the Act and approving each state university board's tuition and fee policy. At the legislative hearings on the Act, THEC has indicated that it intends to play a larger and more aggressive role in interacting with, policing, and regulating all of the four-year institutions in the state. As stated above, TSU is seeking amendments to the Act to ensure THEC plays a more active role in key areas, including program approvals, competition for capital project funding, and the fair and equitable distribution of state funding to support TSU and other institutions.

- 8. Are you familiar with other states that have the same type of structure setup for their universities? If so, what was the impact on the HBCUs and the smaller universities in that state?**

We are not familiar with other states that have the same exact structure contemplated under the Act. However, we are familiar with other states, including the state of Florida, where universities have their own governing boards. Based on information we have developed, Florida A&M (another HBCU) has encountered challenges in the governance and support of the institution.

- 9. Are you aware of any HBCUs in other states that have been strengthened under this new structure?**

See response to number 8.

- 10. If there are signs of significant decrease in enrollment and a continued decrease in funding to any of the 6 universities impacted, is there a contingency plan to help these schools get back on track?**

The Governor's office has expressed a willingness to make necessary changes/adjustments to the Act in the future as the institutions experience the Act's actual impacts. TSU will be closely monitoring the impacts of the Act, including key indicators, and proposing necessary amendments to minimize or eliminate the Act's unintended adverse impacts on TSU.

- 11. What is the timeline for the governor's appointees?**

If the proposed Act becomes law, the Governor can start making appointments to the state university boards when the Act takes effect on July 1, 2016. The Governor's appointments are subject to confirmation by the House and the Senate. The Governor will call the first meeting of the board, which we anticipate will occur around this time next year.

- 12. What is the process to be considered for appointment to the new board?**

The Act grants the Governor exclusive authority to appoint eight of the ten members of the state university boards. The Governor has indicated that he intends to seek input from the University Presidents, legislators, and others in identifying and appointing individuals to the boards. The Governor is obligated to consider diversity in race, gender, and perspective in making his appointments. The

Governor must also appoint alumni from each institution to the board. We encourage the TSUAA to coordinate among its members in considering and submitting prospective candidates for the board, and to contact President Glover with the names of prospective board members.

**13. Are you aware of any applicants or people that the governor is considering?**

No, although we understand the Governor has already received some inquiries.

**14. How will the Chair of the new board be determined?**

Under the Act, each board will appoint a person to serve as Chair of the Board.