

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
COUNCIL MEETING
OCTOBER 16, 2007
MINUTES NO. 516 (Revised 6-25-08)**

Mr. Clement called the Council meeting to order at 8:35 a.m. in the SCHEV main conference room, Richmond, Virginia. Council members present: Bob Ashby, Gilbert Bland, Whittington Clement, Helen Dragas, Jim Dyke, Mimi Elrod, Eva Hardy, Margaret Lewis, Christine Milliken, and Alan Wurtzel. Staff members present: Jim Alessio, Tom Daley, Joe DeFilippo, Alan Edwards, Dan Hix, Daniel LaVista, Tod Massa, Kirsten Nelson, and Lee Ann Rung.

APPROVAL OF SCHEV BYLAWS

Mr. Clement mentioned that Council would postpone approval of the bylaws to the January meeting, after the Executive Committee has had a chance to review them for changes.

REMARKS BY DR. DUBOIS

Dr. DuBois spoke about career coaches, who are community college employees physically located in local high schools. This program began in 2005 as an effort by counselors to find ways to help students transition from high school to college. Currently, there are more than 80 career coaches in more than 110 high schools throughout the Commonwealth. A video was shown that provided student and staff feedback on the success of the career coaching initiative.

EXECUTIVE DIRECTOR'S REPORT

Dr. LaVista tied his report to the collaboration theme of Dr. DuBois' remarks. He announced the 2-year \$500,000 Science, Technology, Engineering and Math (STEM) grant from the National Governor's Association. He spoke about the purpose of the grant and next steps in the process.

Dr. LaVista also advised the Council of the first Student Advisory Committee meeting that was held in October. The student items that should be brought forward to the Council include issues of safety, most of which were focused on alcohol-related safety issues. Mr. Dyke reminded staff of a sexual assault study done in the 1990's and suggested that it be reviewed as efforts related to campus safety are being addressed.

He also announced the details of the upcoming Boards of Visitors orientation session scheduled for November 5 in Richmond. Items on the agenda include an overview of the roles and responsibilities of boards and of the Council as well as moderated sessions on campus safety and the Restructuring Act. Messrs. Clement and Dyke and Ms. Magill will participate as panelists.

BRIEFINGS AND DISCUSSION

Teacher Education (Part II)

Mr. Clement introduced the four speakers and read a short bio on each. Dr. Susan Wood from the Virginia Community College System (VCCS) presented information about the career switchers program, traditional pathways and alternative routes for teacher education, particularly in shortage areas. She also answered questions from Council members. Staff was asked to intervene in bringing James Madison University (JMU) and George Mason University (GMU) into the transfer agreement process. Dr. LaVista indicated that this will be done as part of Restructuring.

Dr. Delores Greene from Virginia State University (VSU) spoke about the history of the university and its role as a Historically Black College and University (HBCU) for teachers. VSU recently received National Council for Accreditation of Teacher Education (NCATE) as well as state approval for passing all national and state standards for the program. VSU is re-establishing a School of Education on campus and feels its mission is to prepare teachers who can meet the needs of all students, particularly in regions where there is a large minority population.

Dr. Steve Tonelson from Old Dominion University (ODU) provided handouts and spoke about the Commonwealth Special Education Endorsement Programs (CSEEP) designed as a distance learning approach to alternative licensure. He also spoke of the collaboration with the Virginia Department of Education in this effort and of the need for more mentoring support.

Dr. Carole Grove from Mary Baldwin College distributed handouts and spoke about the academic programs in education at Mary Baldwin College.

Staff was asked to bring to the Council an overview of what the Council can do to assist in the different areas of teacher education that have been presented in September and October. Dr. Elrod commended Dr. DeFilippo for arranging the teacher education speakers at both meetings.

Outstanding Faculty Awards Program (OFA)

Dr. Elrod indicated that the OFA packages were mailed to institutions in May and that nominations are due to SCHEV on October 26. Once the nominations are received by staff, they will be sent to the peer reviewers. The peer review process will take place from November 2-30. The final review panelists will receive packets by December 6 and must return their rankings to SCHEV by January 1, 2008. Ms. Milliken agreed to serve on the review panel and other Council members were encouraged to participate. Dr. Elrod indicated that the process allows Council members to gain insight into the types of things faculty are pursuing at various schools. The OFA ceremony will be held on February 20 at The Jefferson Hotel in Richmond. Staff is currently working with staff from Dominion on the final details for the ceremony, which will begin at 12:30 p.m. It is anticipated that recipients will be introduced on the House and Senate floors prior to the luncheon and ceremony.

ACTION ITEMS

Private Institutions and the State's Nursing Shortage

This item was discussed at the October 15 meeting and additional comments from the Council were heard. Ms. Lewis moved that Option 1 be approved with modifications including language of funding up to 10%. A revised resolution was distributed. It was suggested that contract details be worked out with participating institutions. Mr. Wurtzel felt that the private institutions should be required to provide more reporting and measures of accountability comparable to what is required of the public institutions as part of Restructuring, and this was added to the resolution. He would like to look at future graduation and licensure rates to determine whether or not this effort will be effective in producing more trained licensed nurses. Ms. Dragas indicated that while she respected the views of other Council members, she was not persuaded that this action will have an effect on producing more nursing staff.

The following resolution was approved by the Council (9-1 - Ms. Dragas opposed):

BE IT RESOLVED that the State Council of Higher Education for Virginia recommends an appropriation of just under \$795,000 per year from the general fund in the 2008-10 biennium to fund up to a 10% salary increase for nursing faculty at the 7 private nonprofit colleges and universities with nursing programs: Eastern Mennonite University, Hampton University, Jefferson College of Health Sciences, Liberty University, Lynchburg College, Marymount University and Shenandoah University. Based on Article VIII, Section 11 of the Virginia Constitution, the Commonwealth may contract with private nonprofit colleges for educational services. Council requests that SCHEV staff prepare such contract to include financial accountability measures and program outcomes.

Cost of Living Adjustments to Faculty Salaries

This item was discussed at the October 15 meeting. Mr. Dyke proposed an amendment changing the date from September to May 2008. On motion by Mr. Dyke and seconded by Mr. Wurtzel the following revised resolution was unanimously approved by the Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia, in response to the continuing high cost of living in Northern Virginia, directs its staff to work with relevant state-supported institutions of higher education to review the need for a cost of living adjustment to faculty salaries. Priority will be given to the immediate concerns of institutions of higher education located in Northern Virginia. The staff should include, besides representatives from the institutions, experts in the field of human resource management, salary analysis, and others as determined necessary. The review should be comprehensive and address cost of living adjustments that may be appropriate to two-year and four-year state-supported institutions. Staff should complete

the report including any faculty salary recommendations to address cost-of-living to present to the Council no later than the May 2008 Council meeting.

Report from the Assessment Task Force

Ms. Milliken provided a revised resolution and thanked Dr. DiCroce for chairing the task force. Ms. Milliken and Mr. Wurtzel were also thanked for moving this important initiative forward. On motion by Ms. Milliken and seconded by Ms. Hardy, the following resolution was unanimously approved by the Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia receive the *Report of SCHEV's 2007 Assessment Task Force*, including the proposed *Guidelines for the Assessment of Student Learning*, and direct SCHEV staff to develop a plan for implementing its recommendations, including but not limited to the process and criteria for conducting the annual review of institutional assessment plans. The implementation plan should be presented to Council for consideration at its January 8, 2008 meeting.

Value-Added Assessment Budget Request

On motion by Mr. Wurtzel and seconded by Ms. Hardy, the following resolution was unanimously approved by the Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia recommends the proposed budget request of \$2,975,000 in 2008-09 and \$2,975,000 in 2009-10 to support improving the quality of undergraduate education at Virginia's public institutions through value-added assessment.

Radford University's Interest in Program Expansion

This item was discussed at the October 15 meeting. Dr. DeFilippo provided brief background information about the proposal to offer a Doctor of Physical Therapy program and indicated that other applied doctoral programs will be forthcoming from Radford University for Doctor of Pharmacy (PharmD) and Doctor of Optometry programs. Council felt it would be appropriate to have an external review panel to consider the ambitious plans of the university and determine if these actions would constitute a change in the university's mission. On motion by Mr. Clement and seconded by Dr. Ashby, the following revised resolution was unanimously approved by the Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia authorizes staff to work with Radford University to identify an external review team and objectives for the external review of the proposed Doctor of Physical Therapy program and to consider whether additional future applied doctoral programs fall within the current mission of the university.

2008-10 HIGHER EDUCATION SYSTEM OPERATING BUDGET

Base Adequacy

Mr. Hix distributed a chart entitled, "2008-10 Recommended Additional Funding in Higher Education for Systemwide Operating Budgets" broken down by fund category. He discussed the numbers in the chart and answered questions from members. On motion by Mr. Dyke and seconded by Dr. Ashby, the following resolution was unanimously approved by the Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia recommends an additional appropriation of \$197,113,006 from the general fund and \$185,410,119 from the nongeneral funds for a total of \$382,523,125 in the 2008-10 biennium in order to reach current full base adequacy funding.

Faculty Salaries

Mr. Hix distributed a table on teaching and research faculty salaries. The goal is Option 2, which is a 4-year phase-in approach. Mr. Dyke said that while he understands the rationale for choosing option 2, he feels the Council needs to be true to its position of advocating for the needs of higher education when making its recommendations to the legislature. Mr. Wurtzel disagreed and felt that the Council should keep its credibility with the legislature and consider the state's current fiscal climate. It was suggested that the resolution be modified to indicate the Council's preference for a two-year approach while explaining that a four-year phase-in approach is being recommended due to the current fiscal environment.

Ms. Dragas indicated that Mr. Dyke's point could be made for other items the Council has recommended and if the Council chooses to be an advocate for the needs of higher education, Option 1 should be considered. Mr. Clement expressed support for Option 2 because it indicates that Council is in touch with the state's fiscal reality. Dr. Ashby agreed that additional language is important if Option 2 is approved. Staff was asked to revise the resolution to reflect the Council's comments. On motion by Dr. Ashby and seconded by Mr. Dyke, the following revised resolution was unanimously approved by the Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia recommends additional appropriations of \$73,929,884 from the general fund and \$68,292,595 from nongeneral funds for a total of \$142,222,479 for faculty salary increases in order to raise average faculty salaries to the 60th percentile goal by FY2012. This is of such importance that Council would have preferred that the goal be reached by 2010; however, given the current fiscal realities, the Council recommends a four-year phase-in approach.

Research

Mr. Hix explained the summary of major elements and on motion by Ms. Milliken and seconded by Ms. Dragas, the following resolution was unanimously approved by the Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia recommends an appropriation of \$90 million (\$45 million per year) from the general fund and \$30 million (\$15 million per year) from nongeneral funds for a total of \$120 million in the 2008-10 biennium to continue the Commonwealth's Research Initiative as described in the consortium proposal advanced by the Virginia Research & Technology Advisory Commission and endorsed in the 2007-13 Strategic Plan for Higher Education in Virginia.

Higher Education Equipment Trust Fund (HEETF)

Mr. Hix discussed the proposal and provided background information. On motion by Dr. Ashby and seconded by Mr. Dyke, the following resolution was unanimously approved by the Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia approves the recommendation to appropriate an additional \$13 million for debt service on Virginia College Building Authority revenue bonds necessary to finance \$115.8 million in equipment for the 2008-10 biennium through the Higher Education Equipment Trust Fund.

Operation and Maintenance of New Facilities Coming Online

Mr. Daley reviewed the chart showing the results of SCHEV's survey. On motion by Ms. Hardy and seconded by Dr. Elrod, the following resolution was unanimously approved by the Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia recommends the appropriation of \$24,867,783 from the general fund and \$34,591,787 from nongeneral funds for the operation and maintenance of new facilities coming on-line in the 2008-10 Biennium.

Undergraduate and Graduate Student Financial Aid

Mr. Hix provided details about this item and informed the Council that the state is currently at 60% of the model. Mr. Andes commented on how Virginia compares to six other states. On motion by Dr. Elrod and seconded by Ms. Dragas, the following resolution was unanimously approved by the Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia approves the recommendation of a four-year phase-in to full funding of the Partnership Model by increasing VSFAP funding annually by \$34 million resulting in annual increases of \$34 million for FY09, \$68 million for FY10, \$102 million for FY11, and \$136 million in FY12 over the current FY08 base.

GRADUATE STUDENT FINANCIAL ASSISTANCE

Mr. Hix provided background information and reviewed the calculations and funding recommendation. On motion by Mr. Wurtzel and seconded by Dr. Ashby, the following resolution was unanimously approved by the Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia approves the recommendation of a two-year phase-in to return funding for the graduate portion of the Virginia Student Financial Assistance Program to FY1995 levels of effectiveness by providing additional funding of \$6.3 million in FY2009 and \$12.6 million in FY2010.

2008-10 HIGHER EDUCATION SYSTEM CAPITAL OUTLAY BUDGET

Maintenance Reserve

Mr. Daley provided background information about the three components of the recommendation. On motion by Ms. Dragas and seconded by Ms. Milliken, the following resolution was unanimously approved by the Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia recommends the appropriation of \$214,244,135 from the general fund to the Maintenance Reserve Program for higher education institutions in the 2008-10 Biennium.

New Capital Outlay

Mr. Daley discussed the recommendation and provided background information on the capital outlay environment. He distributed a table on the state supported capital outlay appropriations history from 2002-2008. Ms. Hardy inquired about cost overruns. Mr. Daley explained the two new categories of projects included in the recommendation, which explains the reason for the increase over last year.

There was some discussion among Council members about the wording of the resolution. Some members felt that the Council could not adequately approve the appropriation, but rather the Council could endorse the approval process and indicate that the process was conducted according to SCHEV guidelines. Staff was asked to restate the resolution to reflect these concerns.

Electronic learning will be factored into future guidelines. It was also suggested that in the future it would be helpful to have a subtotal of the numbers. On motion by Ms. Hardy and seconded by Mr. Wurtzel, the following priorities and the revised resolution were unanimously approved by the Council:

The Council of Higher Education has assigned priorities to or made recommendations on the capital outlay requests of the state-supported institutions of higher education and their affiliated agencies. The priority groups to which the projects have been assigned are:

Priority Group “P” (Planning) – these are projects for which planning money has been previously authorized or projects which have been authorized to be completed in phases.

Priority Group 1.A – these are projects which are fully justified under Council’s Fixed Asset Guidelines.

Priority Group 1.B – these are projects which address critical state wide capital outlay needs and which meet some but not all of the space need and space utilization criteria in the Council’s Fixed Asset Guidelines.

NonGuideline General Fund/Nongeneral Fund – these projects lie outside of the Council’s quantitative space needs assessment scheme but have been recommended based on a compelling programmatic justification.

Priority Group “C” (Cost Overruns) – Council supports the pooled approach to authorizing project supplements. This approach provides for an appropriation to a central account with release of the funds based on an independent review by the Department of General Services to insure that all steps necessary have been taken to complete projects within budget while maintaining the programmatic intent of the project.

2008-10 SCHEV Capital Outlay Recommendations				
Priority Group	General Funds	Nongeneral Funds	9 (c) Debt	9(d) Debt
Priority Group “P”lanning	\$311,148,097	\$18,240,000	\$0	\$8,000,000
Priority Group 1.A	\$978,892,940	\$81,365,116	\$5,241,760	\$49,949,098
Priority Group 1.B	\$578,239,457	\$97,428,514	\$0	\$55,267,300
NonGuideline GF/NGF	\$41,343,000	\$246,069,495	\$479,280,888	\$402,484,500
Priority Group “C”ost Overrun	\$18,693,000	\$35,000,000	\$0	\$0
Included in Resolution Amount	\$1,928,316,494	\$478,103,125	\$484,522,648	\$515,700,898

BE IT RESOLVED that the State Council of Higher Education for Virginia recommends the authorization of \$1,928,316,494 from the general fund and \$1,478,326,671 from nongeneral funds to support the capital outlay needs of the Commonwealth’s system of public higher education.

ACTION ON PROPOSED REGULATIONS FOR TWO-YEAR COLLEGE TRANSFER GRANT PROGRAM

Mr. Andes provided background information about the program that was approved by the legislature in the last session. He mentioned a few quirks in the law but indicated that this recommendation is faithful to language in the current law. On motion by Dr. Elrod and seconded by Dr. Ashby, the following resolution was unanimously approved by the Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia approves the draft regulations for the Two Year College Transfer Grant program pending recommended changes from the Attorney General's Office and the regulatory promulgation process.

AND BE IT FURTHER RESOLVED that the State Council of Higher Education for Virginia will, at the appropriate time, request that the \$1.8 million in Central Accounts for FY08 be carried forward to FY09 for use of student grants under the Two Year College Transfer Grant program.

CONSENT AGENDA ITEMS

The following items were unanimously approved without discussion as part of the consent agenda:

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Fast Track Health Care Education to operate a postsecondary institution in the Commonwealth of Virginia, effective October 16, 2007.

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Mid Atlantic School of Health to operate a postsecondary institution in the Commonwealth of Virginia, effective October 16, 2007.

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Northern Virginia Laser Training to operate a postsecondary institution in the Commonwealth of Virginia, effective October 16, 2007.

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Sentara School of Health Professions to operate a postsecondary institution in the Commonwealth of Virginia, effective October 16, 2007.

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Virginia Language Institute to operate a postsecondary institution in the Commonwealth of Virginia, effective October 16, 2007.

NEW BUSINESS

Mr. Clement asked for suggestions on improving the structure of future Council meetings.

The meeting was adjourned at 12:30 p.m.

Whittington Clement
Chairman

Lee Ann Rung
Council Secretary