

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
EXECUTIVE COMMITTEE MEETING
MARCH 16, 2010
MINUTES**

Ms. Milliken called the Council meeting to order at 7:30 a.m. in Torgersen Hall, Room 1100, Virginia Polytechnic Institute and State University, Blacksburg, Virginia. Council members present: Bob Ashby, Gil Bland, Whittington Clement, Jim Dyke, Jake Lutz, and Christine Milliken.

Executive Committee Members absent: Susan Magill

Staff members present: Ellie Boyd, Tom Daley, Joe DeFilippo, Daniel LaVista, Kirsten Nelson, and Lee Ann Rung.

UPDATE ON SCHEV BUDGET

Ms. Boyd discussed the budget status for the period ended February 28, 2010 and distributed a chart showing FY2010 total appropriation and actual expenditures for the same period.

Mr. Daley reported that the agency has suffered a 24% loss of general fund staff positions within the last 18 months.

DISCUSSION OF JUNE MEETING WITH COLLEGE PRESIDENTS

Dr. LaVista asked if the Council would like to consider postponing its meeting with college presidents that is currently scheduled for the end of June. He advised that it might be useful to meet with presidents in the fall after all of the five new college presidents have been installed. There was also some discussion about a fall meeting with the new members of the Boards of Visitors (BOV). After some discussion, it was decided that an overlapping meeting with college presidents and new BOV members should be scheduled in the fall. Once a date has been established, it was recommended that the Secretary of the Commonwealth be invited.

Ms. Milliken appointed an ad hoc committee to plan for these two meetings. Mr. Lutz will lead this effort, along with Mr. Clement and Mr. Dyke. A draft agenda and possible dates for the meetings will be developed and shared with Council members prior to the May meeting. Dr. LaVista agreed to send a few past BOV agendas to Mr. Lutz for his information.

The meeting was adjourned at 8:05 a.m.

Gilbert T. Bland
Secretary

Lee Ann Rung
Manager for Executive & Council Affairs

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
COUNCIL MEETING
MARCH 16, 2010
MINUTES**

Ms. Milliken called the meeting to order at 8:10 a.m. in the Torgersen Board Room, Virginia Polytechnic Institute and State University, Blacksburg, Virginia. Council members present: Bob Ashby, Gilbert Bland, Whittington Clement, Jim Dyke, Mimi Elrod, Jacob Lutz, Christine Milliken, G. Gilmer Minor, and Katharine Webb.

Council members absent: Mary Haddad, Susan Magill

Staff members present: Lee Andes (by phone), Tom Daley, Joe DeFilippo, Dan Hix (by phone), Daniel LaVista, Kirsten Nelson, and Lee Ann Rung. Jake Belue from the Office of the Attorney General (OAG) was also present.

PUBLIC COMMENT

No requests for public comment were received.

APPROVAL OF MINUTES

On motion by Mr. Dyke and seconded by Ms. Webb the January 12, 2010 Council minutes were approved as revised and distributed.

REMARKS BY PRESIDENT STEGER

President Steger announced that a tornado drill would take place during the meeting but said there was no need for alarm.

He spoke about tuition being a significant driver in funding and said the principal burden of the cost of education has shifted to parents of students rather than being funded primarily by the state. He reported that Virginia Tech has a total student population of 30,000, 22,000 of which are undergraduate students.

Dr. Steger spoke about the new medical school which is a private joint venture between Virginia Tech and Carilion, which just received a preliminary accreditation from the Liaison Committee on Medical Education (LCME). The partnership is considered to be a model for use throughout the country and is similar to the model used by the Cleveland Clinic. There have been 1,650 applicants to fill 42 spaces. The facility is scheduled to open for classes in fall 2010. A new director has been hired and will bring a team of researchers when he comes on board in June.

He spoke about rankings and said Virginia Tech is ranked 30th by U.S. News and World Report. He cited the university's large class sizes and limited classroom space as the reason it was not ranked higher.

Dr. Steger informed the Council of several exciting ventures that are currently underway at Virginia Tech, including:

- A \$6.2M grant for broadband development to increase capacity in several counties.
- A joint venture with IBM for a major cyber infrastructure in Arlington.
- A self-sufficient solar house that included contributions from vendors all over the world. The house will be shipped to Madrid for a competition and was featured on *Good Morning America*.
- Ongoing robotics competitions, considered one of the best programs in the country.

Dr. Steger said that while Virginia Tech will have experienced \$72M in budget reductions, at the same time he was pleased that the cost of instruction today is less than it was in 2000. He indicated that 60% of students get some kind of financial aid and approximately \$30M of private funding goes toward student aid. He said the institution is at a critical stage where the funding model has changed and institutions will need to find ways to be more entrepreneurial.

Dr. Steger thanked the Council for its guidance and said the long-term health of the Commonwealth depends on a successful higher education system. President Steger was thanked for his leadership and Council members thanked the Virginia Tech staff for the warm welcome extended to the Council.

EXECUTIVE DIRECTOR'S REPORT

Dr. LaVista provided a presentation on higher education governance and distributed a chart showing current higher education governance structures in the country. He reminded the Council that the strength of a coordinating board is in its production of objective and reliable data and its ability to remain a detached third party voice for higher education issues. He stressed that Virginia's coordinating structure operates at the highest level of efficiency and excellence. It is a decentralized system which provides innovation, flexibility, and allows for bold initiatives such as those outlined by President Steger.

Dr. LaVista informed the Council that many states are looking to galvanize resources and create efficiencies. He reminded members of the September 2009 policy briefing in which panelist Julie Bell from the National Conference for State Legislatures cautioned that a trend is emerging that would tie any new dollars allocated for higher education to specific accountability features.

He read a portion of Governor McDonnell's Executive Order #2 that calls for establishing the Governors' Commission on government reform and restructuring and said the Commission is to submit its findings and recommendations to the

Governor no later than July 16, 2010, with a final report due by December 1, 2010. Dr. LaVista also mentioned that Louisiana, Minnesota, California, and Nevada are beginning to convene similar special commissions.

BRIEFINGS AND DISCUSSION

Update on General Assembly Budget Actions

The latest copy of the report comparing Governor Kaine's introduced budget and the conference report for higher education operations in the 2010-12 biennium was distributed. Mr. Hix was available by phone to discuss the items in the report and answer questions. Mr. Andes was also available by phone and provided information on the Tuition Assistance Grant (TAG) program. It was his opinion that projections will not need to be changed. It was mentioned that these are preliminary numbers at this point. Overall for the system, the average reduction from FY12 over FY10 was 12.6%. If the percentage of cuts over the original FY10 budget is taken into consideration, the average reduction is 26%.

Mr. Hix indicated that institutions have not yet received any ARRA funds. There was some discussion about the cost to the institutions in delaying receipt of federal funds and Mr. Hix agreed to discuss this with institutions to get their input.

Update on 2010 Legislation

Ms. Nelson distributed a list of bills passed in the 2010 general assembly session and reviewed the bills individually, providing a brief summary of the status of each.

Dr. LaVista briefly reviewed the bills related to higher education governance and provided the status of each. He also reported that the Joint Legislative and Review Commission (JLARC) will conduct a review of the Office of the Secretary of Education to consider opportunities for improvements in coordination between sectors (K-12, community colleges, and four-year institutions).

He expressed thanks to Council members who advised staff during the session, especially the "legislative leads," Mr. Clement, Ms. Magill and Ms. Webb. Dr. LaVista also informed the Council of the number of agency staff that have become more involved in providing assistance during the legislative session, and he gave special thanks to Ms. Nelson for organizing these efforts. Mr. Clement recognized that Dr. LaVista played an important role in defeating certain bills by staying on top of issues and visiting with the appropriate legislators. Ms. Webb also congratulated Ms. Nelson and Dr. LaVista for their good work in dealing with budget issues as well as bills during the session. Ms. Webb asked that members thoroughly read SB534. She also expressed an interest in having the Council explore ways in which it can provide input and advice to the higher education commission once it begins its work.

Update Private and Out-of-State Postsecondary Education (POPE) Sector Regulation & Exemption

Dr. DeFilippo provided an update as a result of questions raised at the last meeting. He informed the Council that it is not currently possible to provide greater detail in reporting graduation and placement information because the information is currently reported to SCHEV as aggregate information rather than by unit records. The cost of adding additional staff to implement this would not be feasible. He did suggest that staff address the issue at the next Career College Advisory Board meeting to determine logistical issues and potential direct and indirect costs for certified institutions and SCHEV.

With regard to exempt institutions, it was determined in 2004, that following the initiatory ten-year period, the standards established by the regional or national accreditation agencies would provide the stability and administrative capability to ensure adequate student protections. However, should an exempt school lose its accreditation, it would come back under the purview of SCHEV regulation.

It was suggested by Mr. Lutz that staff review what is currently available to the public on the SCHEV website about exempt schools to be certain that student rights are made very clear. In response to a question raised by Ms. Milliken about the financial status of students, Dr. DeFilippo agreed to confer with the Career College Advisory Board (CCAB) and meet with staff to determine what information might be collected and whether or not financial information could be collected from the federal government profile.

Update on Program Viability Process

Dr. DeFilippo discussed this item and said at its May 2009 meeting Council passed a resolution that called for a supplemental annual review of only programs that had been in existence for 5 years. The information in the table was reviewed and Dr. DeFilippo said staff will provide the next annual program productivity/viability review to the Council in March 2011.

The chair called for a break at 10:15. The meeting reconvened at 10:30 a.m.

ACTION ITEMS

Action on Programs at Public Institutions

Dr. DeFilippo provided background information and said the proposed program would be funded through existing resources at the institution. Dr. John Bigby and Dr. Laura Moriarty from Virginia Commonwealth University were introduced. On motion by Mr. Minor and seconded by Ms. Webb the following resolution was unanimously approved by the Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to Virginia Commonwealth University to initiate a Doctor of Philosophy (Ph.D.) degree program in Neuroscience (CIP: 30.2401), effective fall 2010.

Action on Revision of Institutional Assessment Guidelines

Dr. DeFilippo said this item was a follow-up to questions raised by members at last year's meeting with the Council of Presidents. At that time, staff was asked about the possibility of adjusting the assessment requirement to coordinate with other accrediting agencies, particularly the Southern Association of Colleges and Schools (SACS). Dr. DeFilippo reported that the added reporting burden the institutions referred to is a result of the Council's requirement in 2007 to require value-added assessment. While value-added assessment incurs additional costs, Dr. DeFilippo provided information to the institutions that would make it more cost effective.

Dr. DeFilippo said that if the Council is interested in accommodating the presidents' requests for less reporting, the requirement of value-added assessment would need to be relaxed. He answered questions from members. Dr. Elrod consulted with staff to bring forward the resolution that was before the Council and she felt this was a good approach given available resources. Ms. Webb expressed some concern that the report was not due until 2012 and asked if the charge could be broadened to include other reports.

After some discussion, Mr. Lutz suggested that the matter be tabled until staff could study the Council's concerns and determine whether a narrow competency assessment could be substituted for value-added or if the report could include substitute areas of the existing SACS report submitted by institutions. It was decided that Dr. DeFilippo would work with the Instructional Programs Advisory Committee (IPAC) and provide a report to the Council in May.

On motion by Mr. Clement and seconded by Mr. Minor the following revised resolution was unanimously approved by the Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia amends its *Guideline for Assessment of Student Learning* to allow institutions the option of assessing competency for the remainder of the current cycle of student learning assessment in Virginia. This option applies only to content area assessments undertaken in academic year 2010-11 or later.

CONSENT AGENDA

Ms. Milliken reported that the academic affairs "leads" (Dr. Elrod and Ms. Haddad) had reviewed the action items on the consent agenda. The following programs from the consent agenda were approved without discussion:

Action on Programs at Public Institutions

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to George Mason University to initiate a Master of Science (M.S.) degree program in Health and Medical Policy (CIP: 44.0503), effective fall 2010.

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to Virginia Polytechnic Institute and State University to initiate a Master of Fine Arts (M.F.A.) degree program in Creative Technologies (CIP: 10.0304), effective fall 2010.

Action on Private and Out-of-State Post-secondary Education (POPE) Institutions

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Cue Studios' Center for Audio Engineering to operate a postsecondary institution in the Commonwealth of Virginia, effective March 16, 2010.

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies the Protocol School of Washington to operate a postsecondary institution in the Commonwealth of Virginia, effective March 16, 2010.

ITEMS DELEGATED TO STAFF

The following item was reviewed and/or approved by staff as delegated by the Council. As required, this information is included as part of these minutes:

- Program Action – Thomas Nelson Community College

NEW BUSINESS

Ms. Milliken informed the Council that a nominating committee has been appointed with Mr. Clement as chair. Dr. Elrod and Ms. Webb will also serve on the committee.

Mr. Bland indicated that the Restructuring Subcommittee will provide a report at the next meeting.

Ms. Milliken reported that as discussed by the Executive Committee, a meeting will be planned for the fall to include a meeting with presidents that will overlap with a meeting of the new Boards of Visitors. Mr. Lutz will chair the ad hoc planning committee and will be joined by Messrs. Dyke and Clement to work with staff to develop the agenda for these meetings.

ADJOURNMENT

The meeting was adjourned at 11:10 p.m.

Gilbert Bland
Secretary

Lee Ann Rung
Manager for Council and Executive Affairs

Items Delegated to Director/Staff

Pursuant to the Code of Virginia, Section 23-9:6:1 and Council's "Policies and Procedures for Program Approval and Changes," the following item was approved as delegated to staff:

Program Actions

Institution	Degree/Program/CIP	Effective Date
Thomas Nelson Community College	Associate of Applied Science degree program in Dental Hygiene (CIP Code: 51.0602)	Fall 2010