

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
ACADEMIC AFFAIRS COMMITTEE
OCTOBER 28, 2013
MINUTES**

Mr. Lockhart called the meeting to order at 2:00 PM in the 10th Floor conference room of the SCHEV offices. Committee members present: Heywood Fralin, Julious Smith, Gene Lockhart, Johanna Chase.

Committee members absent: Joann DiGennaro, Pamela Moran

Staff members present: Joseph DeFilippo, Darlene Derricott, Sylvia Rosa-Casanova, Beverly Covington

APPROVAL OF MINUTES

On motion by Mr. Fralin and seconded by Ms. Chase, minutes from the September 16, 2013 meeting were approved unanimously.

LIAISON REPORT

Dr. DeFilippo provided a report on Academic Affairs activities:

1. Gear Up close out report was filed with the US Department of Education by the October 20 deadline.
2. OpenVA Digital Learning Resources conference was held at the Stafford campus of UMW on October 15. Staff is in process of writing up the results of the meeting, and will work with the planning group to develop recommendations for future action.
3. Staff is proceeding with the review of the State Policy on College Transfer. Following consultation with the State Committee on Transfer (SCT) at its October 3rd meeting, a survey has been developed and distributed to institutions. We'll use the collected information to work with the SCT on revisions to the State Policy. A revised policy should be available for Council's review in spring 2014.
4. In an effort to increase best practices across the state in serving our veterans in Virginia higher education institutions, **Old Dominion University will be hosting the first state-wide student veteran's conference on Friday, November 22.** The one-day conference will build collaboration between student veterans and those who work to serve them in all of our higher education institutions. SCHEV has been working in collaboration with the Virginia Department of Veteran Affairs to plan this event which is in line with Governor McDonnell's goal to have an active Student Veterans Association chapter at every college and university in Virginia.

ACTION ON POLICY ON THE OFFERING OF DUAL ENROLLMENT

Dr. DeFilippo reviewed the background of the policy. A section of Code provides that SCHEV authorize four-year institutions to offer programming when this occurs in a community college's service area and the programming is "similar" to what is offered by the community college. The definition in the policy provides a broad characterization of dual enrollment and is not meant to be prescriptive. If courses are online, SCHEV does not have authority, but the policy recommends the four-year institution notify the community college. When SCHEV takes action under this policy, it will be done at the Council level.

On motion by Ms. Chase and seconded by Mr. Smith, the following resolution was approved unanimously to be forwarded to the full Council:

BE IT RESOLVED THAT the State Council of Higher Education for Virginia approves the updated "*Virginia Public Higher Education Policy on the Offering of "Dual Enrollment" Courses in Public School Districts by Four-year and Two-year Institutions of Higher Education,*" effective immediately, and staff is authorized to promulgate it as soon as feasible.

ACTION ON POLICY ON MISSION STATEMENT CHANGES

Dr. DeFilippo reviewed the only change to the policy since the previous draft was discussed at the committee's September meeting. This revision delegates to the State Board for Community Colleges the approval of changes to individual community college mission statements. On motion by Mr. Smith and seconded by Mr. Fralin, the following resolution was approved unanimously to be forwarded to the full Council:

BE IT RESOLVED THAT the State Council of Higher Education for Virginia approves the updated "Policy on Mission Statement Changes at Virginia Public Higher Education Institutions," effective immediately, and staff is authorized to promulgate it as soon as feasible.

ACTION ON PROGRAM PRODUCTIVITY POLICY

Dr. DeFilippo reviewed changes to the policy since the last draft was reviewed by the committee at its September meeting. On page A33, the qualitative criterion relating to the interdisciplinary nature of a program was changed to 50% from 75%. Mr. Lockhart asked about the timeline for review. Dr. DeFilippo said he would expect an interim report in March and final recommendations in May or July. The timeline could be affected by several factors, including a desire to give an institution more time to plan for substantive program changes. Mr. Lockhart asked about the process for an institution to appeal if it disagrees with a recommended closure. Dr. DeFilippo explained that the institution has a right to appeal to Council; a preliminary report in March would provide time for any appeals to occur in May or July.

On motion by Ms. Chase and seconded by Mr. Fralin, the following resolution was approved unanimously to be forwarded to the full Council:

BE IT RESOLVED THAT the State Council of Higher Education for Virginia approves the updated “Virginia Public Higher Education Policy on Program Productivity,” effective immediately, and staff is authorized to initiate the process described therein.

ACTION ON PRPGRAMS AT PUBLIC INSTITUTONS

Ms. Robin Parker and Dr. Stephen Nash were in attendance from George Mason University. Dr. DeFilippo provided an overview of the proposed Master of Science in Data Analytics Engineering.

Mr. Smith asked about the projected number of graduates and the reallocation of faculty for the program. Dr. Nash from the GMU School of Engineering responded that it is an interdisciplinary program. Some courses will be offered in this program but may also be offered as electives in other programs. Regarding the projected graduates, they were conservative with estimates of number of students. Mr. Lockhart asked if the courses are offered already. Dr. Nash responded that some are, but not all.

On motion by Mr. Fralin and seconded by Mr. Smith, the following resolution was approved unanimously to be forwarded to the full Council:

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 Data Analytics Engineering (CIP: 11.0802), effective Fall 2014.

Dr. John Morello, Dr. Brian Rizzo, and Dr. Richard Finkelstein were in attendance from the University of Mary Washington. Dr. DeFilippo provided an overview of the proposed Master of Science in Geospatial Analysis. He explained the provisional nature of the recommended approval. Mr. Lockhart asked for clarification regarding what happens if the institution does not receive an appropriation for the program. Dr. DeFilippo said they would write us with an explanation of how they will mount the program without the requested funds.

On motion by Mr. Smith and seconded by Mr. Fralin, the following resolution was approved unanimously to be forwarded to the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia grants conditional approval to the University of Mary Washington to initiate a Master of Science (M.S.) degree program in Geospatial Analysis (CIP: 45.0702), effective fall 2014. This approval is conditioned on the University receiving funds necessary to initiate and sustain the program from the 2014 session of the General Assembly. If such funding is not secured, UMW must submit a plan to SCHEV documenting how requisite funds will be obtained from other

sources, in time for Council to consider final unconditional approval of the program at its May 2014 meeting.

ACTION ON UNIVERSITY OF PIKEVILLE-APPALACHIAN COLLEGE OF OPTOMETRY

The item regarding the Appalachian College of Optometry was removed from the agenda. The University of Pikeville has elected to pursue other opportunities. The agenda item may come up in the future if the Appalachian College of Optometry can find another institutional partner.

DISCUSSION OF SCHEV PROGRAM APPROVAL PROCESS

Dr. DeFilippo introduced an outline of potential revisions to the program approval process. The revisions are intended to adjust the requirements to facilitate approvals while preserving SCHEV's duty in this area. The focus is on the required documentation regarding current and future state needs, student interest, employment opportunity, and duplication. Programs that are not approved typically fall short in one of these areas.

Mr. Lockhart said he feels it is important to get information about the costs. Ms. Chase said it seems reasonable that the institution has a fiduciary duty to express officially what a proposed program will cost. Mr. Fralin said if an institution is starting a program, it should have a responsibility to describe measures that will demonstrate the program's cost effectiveness. Mr. Smith said that in business, when you have a new product, you know what it will cost and what sales possibilities are, and it strikes him that the academic programs lack those projections. Mr. Fralin said that this will become more a topic of conversation as the state implements incentive funding. Mr. Lockhart said that he would want the information even if we move to a facilitated process.

Mr. Lockhart asked how we would communicate the changes to the provosts. Dr. DeFilippo said he had an upcoming meeting with IPAC, and would describe this discussion and perhaps form a working group.

Mr. Fralin asked for clarification on what SCHEV approves; for instance, did SCHEV approve the Math Emporium at VT? Dr. DeFilippo said no, Council did not approve the Math Emporium because its area of authority is centered on degree programs. Mr. Fralin said that SCHEV should be more involved in suggesting ways to deliver better education and maintain quality. Dr. DeFilippo said that staff does make suggestions and even strongly advises changes if we feel a program does not merit approval. Mr. Fralin said it is important to be an advocate because cost savings measures can be beneficial to the institutions. Mr. Smith asked what percentage of programs a facilitated approach would apply to. Dr. DeFilippo said he does not know at this point because the specific guidelines have not been developed. Dr. DeFilippo confirmed that he will be talking to IPAC in November and will make a report to Council in January.

DISCUSSION OF ACCREDITATION

Mr. Lockhart introduced a discussion on accreditation and handed out a document outlining the relations among accreditors, the state, and the federal government. Dr. DeFilippo provided further explanation regarding accreditation bodies, which may be regional or national, but must be “recognized” by the U.S. Department of Education (USED). USED regulations relate to Title IV eligibility. Those regulations ensure financial stability of institutions and the proper management of taxpayer-supported funds. Among specific requirements of the Title IV regulations are that an institution must be authorized to operate by a state and it must be accredited by a recognized accreditor. In Virginia regulation authorization is called “certification,” and is focused on assuring minimal standards of quality and student protections. Accrediting bodies are focused more on assuring programmatic quality. Approximately \$2B per year comes to Virginia students under the different Title IV programs.

To operate in Virginia, an institution must be authorized by SCHEV. In order to remain authorized, a degree-granting institution must attain accreditation within six years. States and accreditors rely on each other for different purposes. Mr. Lockhart asked if we would want to try to get accreditation reports more systematically because it seems it would improve our knowledge of what is going on in the universities. Dr. DeFilippo said he would broach that with Mr. Blake.

The meeting was adjourned at 3:28 p.m.

Gene Lockhart
Chair

Beverly Covington
Policy Analyst

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
STRATEGIC PLANNING TASK FORCE
OCTOBER 28, 2013
MINUTES**

Mr. Smith called the meeting to order at 4:05 p.m. the main conference room, 101 N. 14th Street, Richmond, Virginia.

Task force members present: Heywood Fralin, G. Gilmer Minor, Carlyle Ramsey, and Julious Smith

Task force members absent: Joann DiGennaro, Gene Lockhart, and Pamela Moran

Other Council members present: Gilbert Bland, Mary Haddad

Staff members present: Lee Andes, Peter Blake, Beverly Covington, Joe DeFilippo, Alan Edwards, Tod Massa, Kirsten Nelson, and Lee Ann Rung

CHAIR'S REMARKS

Mr. Smith indicated that the task force will act as a committee of the whole. As such, all members were encouraged to participate.

REVIEW OF EXECUTIVE DIRECTIVE NO. 6 RESPONSE

Mr. Smith reported that the Council's response to Executive Directive No. 6 has been submitted to the Secretary of Education by the October 1 deadline. Mr. Blake and Mr. Smith made a presentation to the Higher Education Advisory Committee, detailing the Council's efforts to get input from as many stakeholders as possible.

DISCUSSION OF REQUEST FOR PROPOSAL FOR STRATEGIC PLAN SERVICES

The Council will now begin the process of updating the systemwide strategic plan, including hiring a consultant. Mr. Smith reminded members that the Council has a statutory responsibility to update the systemwide strategic plan at least every six years. He reported that to assist in this effort, staff drafted a Request for Proposal (RFP) to begin the process of hiring a consultant. A copy of the draft RFP was included in the agenda book and Mr. Smith encouraged members to review the proposal and provide feedback before staff moves forward with the procurement stage. Ms. Haddad suggested that the consultant's environmental scan include a comparison between Virginia and other states with coordinating bodies. Mr. Blake said that could be stated in the procurement document before moving forward.

Mr. Fralin suggested that to better position the Commonwealth to stay ahead of the change curve, the consultant help the Council to better define areas in which the it could have an impact, particularly in certain rapidly changing areas such as online learning. Dr. Ramsey suggested that the consultant also address capacity building within a decentralized higher education system and capacity building within the Council's staff. Mr. Bland said the Council should also be addressing ways to better align with economic development, community colleges, and K12, particularly since the Council's newly appointed members represent these areas.

Members discussed the estimated cost of hiring a consultant and Mr. Blake agreed to keep the Council informed once the procurement process begins. Ms. Haddad suggested that paragraph A of the RFP specify higher education. Other notable additions to the RFP included adding a reference to online education or pedagogy to paragraph C of the document, and adding Council's involvement in research. Dr. Ramsey suggested that word "duties" in the first paragraph be changed to "trends" or "tasks" or left blank.

DISCUSSION OF TIMELINE FOR DEVELOPMENT OF STRATEGIC PLAN

Mr. Blake informed the members that he would propose finalizing the RFP as soon as possible and ask that the Council hire a consultant prior to the next legislative session, while working within state procurement requirements. He anticipates having a final strategic planning document completed by October 2014. Dr. Ramsey felt it would be desirable to have a draft document by June 2014, if feasible.

In order to keep the process moving, it was decided that two members of the Executive Committee (likely Mr. Bland and Mr. Smith) work with staff to review all proposals that are submitted. In the interim, Mr. Blake will communicate with Mr. Smith on the procurement and hiring process. Mr. Smith reminded staff to keep the members informed about how the procurement process works related to the Freedom of Information Act (FOIA) so that the Council is properly conducting open and closed sessions in this process.

The meeting adjourned at 5:05 p.m.

Julious Smith
Chair

Lee Ann Rung
Manager, Executive & Council Affairs

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
TJ21 IMPLEMENTATION COMMITTEE MEETING
OCTOBER 28, 2013
MINUTES**

Mr. Haner called the meeting to order at 2:05 p.m. in the SCHEV main conference room, 101 N. 14th Street, Richmond, Virginia. Council members present: Martin Briley, Mary Haddad, Stephen Haner, G. Gilmer Minor, Gary Nakamoto, Carlyle Ramsey.

Council member absent: none

Staff members present: Lee Andes, Peter Blake, Alan Edwards, Dan Hix, Kirsten Nelson, Lee Ann Rung, and Yan Zheng.

APPROVAL OF MINUTES

On a motion by Mr. Minor and seconded by Ms. Haddad, the minutes from the September 16, 2013, 2013, meeting was approved unanimously:

Action on 2014-16 Systemwide Operating Budget

Mr. Haner provided an overview of General Assembly actions and invited Mr. Hix to review the materials in detail. Mr. Blake stated that staff's recommendations attempted to address funding needed to address items in the TJ21 legislation, while keeping the recommendations reasonable. Mr. Hix answered questions from members.

Mr. Haner asked Mr. Lambeth for his input on the Tuition Assistance Grant (TAG) recommendation. Mr. Lambeth expressed thanks from the private institutions for SCHEV's support of TAG over the years. He hoped that SCHEV would consider recommending \$3,300 per student in both years of the biennium, while preserving the aspirational goal of \$3,700.

There was some discussion of the proposed expansion of the two-year transfer grant program and Mr. Haner reminded members that funding for this program is in addition to TAG. Ms. Ellen Davenport indicated that the Virginia Community College System (VCCS) supports the program.

On motion by Ms. Haddad and seconded by Mr. Minor, the following motion was approved unanimously with **two amendments**. First, Mr. Minor requested an amendment to increase the TAG award to \$3,250 in the first year, changing the total amount in the first year to \$3.8 million. This amendment was seconded by Mr. Nakamoto and approved on a vote of 5-1. Mr. Briley suggested a second amendment to provide more specifics and stress more public-private collaborations under the TJ21 initiatives. The second amendment was seconded by Dr. Ramsey and approved unanimously. The remainder of the resolution was unchanged. Mr.

Haner requested that staff rework the resolution to reflect the approved amendments. He also said that the resolution would reflect technical adjustments that might occur prior to transmittal to the Governor and General Assembly. As modified, the Committee adopted the following resolution:

BE IT RESOLVED that the State Council of Higher Education for Virginia recommends that additional operating budget appropriations be provided for the 2014-16 biennium for:

- **Faculty salaries, \$23.7 million from the general fund and \$24.1 million in nongeneral funds in FY2015 and \$48.2 million from the general fund and \$49.0 million in nongeneral funds in FY2016 for additional salary increases for teaching and research faculty;**
- **Operation and maintenance of new facilities, \$8.7 million from the general fund and \$8.6 million in nongeneral funds in FY2015 and \$12.7 million from the general fund and \$12.3 million in nongeneral funds in FY2016;**
- **Undergraduate student financial aid, \$12.9 million from the general fund in FY2015 and \$24.9 million from the general fund in FY2016;**
- **Graduate student financial aid, \$3.6 million from the general fund in FY2015 and \$5.3 million from the general fund in FY2016;**
- **Higher Education Equipment Trust Fund debt service, \$13.5 million from the general fund in FY2016;**
- **Access and retention, \$21.9 million from the general fund and \$16.5 million in nongeneral funds in FY2015 and \$43.8 million from the general fund and \$33.0 million in nongeneral funds in FY2016;**
- **Tuition moderation, \$9.0 million from the general fund in FY2015 and (\$9.0 million) reduction in nongeneral funds in FY2015 and \$18.0 million from the general fund and (\$18.0 million) reduction in FY2016;**
- **Completion and efficiency, \$21.9 million from the general fund in FY2015 and \$43.8 million from the general fund in FY2016.**
- **TJ21 initiatives (i.e., high-demand programs, STEM-H degrees, public-private collaborations, and serving underrepresented populations), \$11 million from the general fund and \$11 million in nongeneral funds in FY2015 and \$22 million from the general fund and \$22 million in nongeneral funds in FY2016.**
- **Virtual Library of Virginia, \$1.9 million from the general fund in FY2015 and \$2.2 million from the general fund in FY2016.**

- Tuition Assistance Grant, \$3.8 million from the general fund in FY2015 and \$6.4 million from the general fund in FY2016.
- Two Year Transfer Grant, \$8.8 million from the general fund in FY2015 and \$10.0 million from the general fund in FY2016.
- Virginia Military Survivor and Dependent Education Program, \$50,000 from the general fund in FY2015 and \$250,000 from the general fund in FY2016.
- Fund for Excellence and Innovation, \$1.0 million from the general fund in FY2015 and \$1.5 million from the general fund in FY2016.
- SCHEV initiatives, \$1.6 million from the general fund in FY2015 and \$1.2 million from the general fund in FY2016.

The Council also approved the following capital outlay budget recommendation for 2014-16:

BE IT RESOLVED that the State Council of Higher Education for Virginia recommends the appropriation of \$98,177,400 annually from the general fund to the Maintenance Reserve Program for higher education institutions in the 2014-16 Biennium.

BE IT FURTHER RESOLVED that the State Council of Higher Education for Virginia calculates a need for \$3,170,522,768 from the general fund and \$433,673,925 from nongeneral funds and debt proceeds to support the capital outlay needs of the Commonwealth's system of public higher education.

ALSO BE IT RESOLVED that the State Council of Higher Education for Virginia recommends that priority for debt authorization be provided for the Maintenance Reserve Program.

Discussion of 2014-16 Systemwide Capital Outlay Budget

1. Maintenance Reserve

Mr. Hix explained the current system for maintenance reserve and reviewed the chart on page TJ42. A motion was made by Mr. Nakamoto, seconded by Dr. Ramsey and approved unanimously to be forwarded to the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia recommends the appropriation of \$98,177,400 annually from the general fund to the Maintenance Reserve Program for higher education institutions in the 2014-16 Biennium.

2. New Capital Outlay

Mr. Haner reminded members that the Council does not recommend spending the stated amounts, but confirms that based on certain criteria; the institutions meet the priority for debt authorization. On a motion by Dr. Ramsey and seconded by Mr. Nakamoto, the following resolution was approved unanimously to be forwarded to the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia calculates a need for \$3,169,408,558 from the general fund and \$433,330,925 from nongeneral funds and debt proceeds to support the capital outlay needs of the Commonwealth's system of public higher education.

BE IT FURTHER RESOLVED that the State Council of Higher Education for Virginia recommends that priority for debt authorization be provided for the Maintenance Reserve Program.

UPDATE FROM THE HIGHER EDUCATION ADVISORY COMMITTEE (HEAC)

Mr. Blake reported on the October 24 meeting and reviewed the agenda of topics that were addressed. He also informed members that Messrs. Smith and Minor made a presentation at that meeting. Mr. Blake distributed a letter from the Secretary of Education SOE regarding the HEAC recommendations, which included a recommendation that additional funding for the 2014-16 biennium be allocated to institutions in the following manner: 50% for performance incentives related to TJ21 legislation, and 50% for student financial aid and operational support.

ADJOURNMENT

The meeting was adjourned at 3:45 p.m.

Steve Haner
Committee Chair

Lee Ann Rung
Manager for Executive and Council Affairs

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
EXECUTIVE COMMITTEE MEETING
OCTOBER 29, 2013
MINUTES**

Mr. Bland called the meeting to order at 8:20 a.m. in the 10th floor conference room, 101 N. 14th Street, Richmond, Virginia.

Committee members present: Gilbert Bland, Mary Haddad, Stephen Haner, Gene Lockhart, G. Gilmer Minor, and Julious Smith

Committee members absent: none

Other Council member present: Carlyle Ramsey

Staff members present: Peter Blake, Alan Edwards, Tod Massa, Kirsten Nelson, and Lee Ann Rung

ANNOUNCEMENT

Mr. Bland announced that he would add an executive session to the full Council agenda to discuss personnel matters.

DISCUSSION OF GOALS FOR THE YEAR

Mr. Bland expressed his gratitude to members and staff for their work over the past year in addressing the goals of the TJ21 legislation and for establishing the Council's goals. He said he was pleased with the new committees that have been established. He asked each committee chair to discuss the goals and activities that will be addressed over the next year.

Mr. Lockhart reported on the items from the October 28 Academic Affairs committee, including a new proposal for processing program approvals. The proposal would establish a facilitated approval process prior to boards of visitors' approval. Staff is working with the Instructional Programs Advisory Committee (IPAC) on how this new process would work. Mr. Lockhart indicated that the Academic Affairs Committee will add a discussion document to each meeting agenda. At the October 28 meeting, the committee discussed the relationship between SCHEV, the institutions, and accrediting agencies. The committee will discuss research at the January meeting. In response to a request from Mr. Bland about Council members' participation in the advisory committees (IPAC, GPAC, etc), Mr. Blake suggested that committee chairs were welcome to attend meetings from time to time, but should limit attendance to no more than two members at each meeting.

Mr. Haner reported on the TJ21 Implementation Committee and said that the October 28 meeting was spent reviewing the Council's proposed budget recommendations.

The committee will take an in-depth review of each of the TJ21 goals. He felt the Council remain flexible but suggested that the Council prepare a report card on the TJ21 legislation next year.

Mr. Smith reported on the work of the Strategic Planning Task Force and indicated that the process to hire a consultant is on a fast track. It was decided that Mr. Bland and Mr. Smith would work with staff to interview consultants, and that final selection would be made with the support of the full Council. Mr. Smith indicated that the process for hiring a consultant will be inclusive and he expects that the consultant will interview each Council member individually in addition to getting buy-in from other stakeholders.

DISCUSSION OF UPCOMING LEGISLATIVE SESSION

Mr. Bland asked members to consider ways in which the Council can position itself to be essential and more engaged in the legislative session. Mr. Lockhart suggested that the Council prepare a document that provides further details on the items included in the response to Executive Directive No. 6 and provide it to the new Governor as soon as possible after the election.

DISCUSSION OF SPECIAL PROJECTS

Mr. Bland expressed his interest in moving forward with Del. Landes' legislation to further develop the Boards of Visitors. He would like to create a signature leadership institute and asked for feedback on this idea. Mr. Minor and Ms. Haddad felt it was a good idea but suggested that presidents and rectors be included.

Mr. Bland expressed a desire to take advantage of the new Council members' perspectives in K12 and economic development and to include these perspectives in the strategic plan.

The meeting adjourned at 9:00 a.m.

Gilbert Bland
Chair

Lee Ann Rung
Manager, Executive & Council Affairs

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
COUNCIL MEETING
OCTOBER 29, 2013
MINUTES**

Mr. Bland called the meeting to order at 9:05 a.m. in the SCHEV main conference room, 101 N. 14th Street, Richmond, Virginia. Council members present: Gilbert Bland, Johanna Chase, Heywood Fralin, Mary Haddad, Stephen Haner, Gene Lockhart, G. Gilmer Minor, Pamela Moran, Gary Nakamoto, Carlyle Ramsey, and Julious Smith

Council members absent: Martin Briley, Joann DiGennaro

Staff members present: Lee Andes, Peter Blake, Beverly Covington, Joseph DeFilippo, Alan Edwards, Dan Hix, Tod Massa, Kirsten Nelson, Lee Ann Rung, and Yan Zheng. Noelle Shaw-Bell from the Office of the Attorney General was also in attendance.

PUBLIC COMMENT

No requests for public comment were received in advance of the meeting.

APPROVAL OF MINUTES

On a motion by Mr. Smith and seconded by Ms. Chase, the minutes from the September 10, 2013, and September 17, 2013, meetings were approved unanimously.

REMARKS BY PRESIDENT JOHN DEVER

Ms. Haddad introduced John Dever, President, Thomas Nelson Community College, and read his biographical information. President Dever spoke about the value that community colleges add to the higher education system in Virginia. He thanked the Council for its guidance in the transfer process and for giving institutions leeway to stay true to their mission while still being accountable for results. He also indicated that the guaranteed admission agreements have been an integral part of the Higher Education Restructuring Act. He felt that without SCHEV's coordinating role as an "honest broker," the efforts would have been piecemeal and fragmentary. Dr. Dever stressed the importance of the two-year transfer grant, and urged Council to continue to support funding for this program.

He discussed the importance of workforce development and of providing support for education and training at all levels of the economic spectrum, including funding for qualified non-credit training. Dr. Dever also stressed the importance of increasing

full-time faculty at Virginia's community colleges, and concluded by answering questions from members.

DIRECTOR'S REPORT

Mr. Blake reviewed the report which was included in the agenda materials. Other items highlighted from the report were:

Boards of visitors' orientation. Mr. Blake indicated that there was a good turnout of new board members and rectors at the orientation session. Survey results from the attendees will be provided at a later date. Mr. Bland expressed his gratitude to the staff and reported that the speakers at the event were outstanding.

Data on student debt. Mr. Massa provided a demonstration showing the updated information that is available on the SCHEV website and indicated that it is another tool for parents and students when making decisions about higher education. Mr. Fralin suggested that the Council determine the best way to use the data to inform members of the General Assembly about the increase in student debt and demonstrate how state funding affects student debt. Dr. Moran asked if staff could provide information comparing current debt to inflation dollars and the percentage of current students who carry debt compared to a decade ago.

JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE (JLARC) UPDATE

Mr. Blake introduced Justin Brown, from JLARC who spoke about the current study that is underway to address HJ108. Mr. Brown thanked SCHEV staff for cooperating in this effort. He reviewed the study mandate and explained the unifying theme, i.e., factors driving costs in public higher education in Virginia. There will be a series of detailed reports released in stages. He reviewed the results of the two reports that have been released and directed members to the JLARC website for more detail. Mr. Brown answered questions from members. The final three studies will be in the areas of instruction and research; administrative efficiency (yet to be defined); and strategies and options. An exposure draft of the study will be sent to SCHEV staff and others prior to its release.

The Chair called for a break at 10:30. The meeting resumed at 10:40.

COMMITTEE REPORTS

TJ21 Implementation Committee

Action on 2014-16 Systemwide Operating Budget

Mr. Haner reviewed the items from the Committee and reminded members that these recommendations will be transmitted to the Governor as he considers the release of his budget. Once the new Governor is elected, he will have opportunity to

amend the budget. Mr. Haner commended staff for developing the recommendations. He mentioned that the Committee recommended an increase to TAG over what was originally included and indicated that the revised amount was reflected in the amended resolution. He explained the recommendation for the two-year transfer grant, which would allow eligible students to complete their four-year degree at two-year college prices. Members felt that if passed by the General Assembly, this would become groundbreaking legislation that would have a major impact on higher education. Mr. Haner continued to review and discuss each line item on page TJ27.

The Committee's motion was seconded by Dr. Ramsey and the following resolution was approved unanimously:

BE IT RESOLVED that the State Council of Higher Education for Virginia recommends that additional operating budget appropriations be provided for the 2014-16 biennium for:

- **Faculty salaries, \$23.7 million from the general fund and \$24.1 million in nongeneral funds in FY2015 and \$48.2 million from the general fund and \$49.0 million in nongeneral funds in FY2016 for additional salary increases for teaching and research faculty;**
- **Operation and maintenance of new facilities, \$8.7 million from the general fund and \$8.6 million in nongeneral funds in FY2015 and \$12.7 million from the general fund and \$12.3 million in nongeneral funds in FY2016;**
- **Undergraduate student financial aid, \$12.9 million from the general fund in FY2015 and \$24.9 million from the general fund in FY2016;**
- **Graduate student financial aid, \$3.6 million from the general fund in FY2015 and \$5.3 million from the general fund in FY2016;**
- **Higher Education Equipment Trust Fund debt service, \$13.5 million from the general fund in FY2016;**
- **Access and retention, \$21.9 million from the general fund and \$16.5 million in nongeneral funds in FY2015 and \$43.8 million from the general fund and \$33.0 million in nongeneral funds in FY2016;**
- **Tuition moderation, \$9.0 million from the general fund in FY2015 and (\$9.0 million) reduction in nongeneral funds in FY2015 and \$18.0 million from the general fund and (\$18.0 million) reduction in FY2016;**
- **Completion and efficiency, \$21.9 million from the general fund in FY2015 and \$43.8 million from the general fund in FY2016.**
- **TJ21 initiatives (i.e., high-demand programs, STEM-H degrees, public-private collaborations, and serving underrepresented populations),**

\$11 million from the general fund and \$11 million in nongeneral funds in FY2015 and \$22 million from the general fund and \$22 million in nongeneral funds in FY2016.

- **Virtual Library of Virginia, \$1.9 million from the general fund in FY2015 and \$2.2 million from the general fund in FY2016.**
- **Tuition Assistance Grant, \$3.8 million from the general fund in FY2015 and \$6.4 million from the general fund in FY2016.**
- **Two Year Transfer Grant, \$8.8 million from the general fund in FY2015 and \$10.0 million from the general fund in FY2016.**
- **Virginia Military Survivor and Dependent Education Program, \$50,000 from the general fund in FY2015 and \$250,000 from the general fund in FY2016.**
- **Fund for Excellence and Innovation, \$1.0 million from the general fund in FY2015 and \$1.5 million from the general fund in FY2016.**
- **SCHEV initiatives, \$1.6 million from the general fund in FY2015 and \$1.2 million from the general fund in FY2016.**

Discussion of 2014-16 Systemwide Capital Outlay Budget

1. Maintenance Reserve

The Committee's motion was seconded by Dr. Ramsey and the following resolution was approved unanimously:

BE IT RESOLVED that the State Council of Higher Education for Virginia recommends the appropriation of \$98,177,400 annually from the general fund to the Maintenance Reserve Program for higher education institutions in the 2014-16 Biennium.

2. New Capital Outlay

The Committee's recommendation was seconded by Mr. Nakamoto and the following resolution was approved unanimously. Mr. Smith stressed the importance of exploring online learning in an effort to reduce spending on bricks and mortar:

BE IT RESOLVED that the State Council of Higher Education for Virginia calculates a need for \$3,170,522,768 from the general fund and \$433,673,925 from nongeneral funds and debt proceeds to support the capital outlay needs of the Commonwealth's system of public higher education.

BE IT FURTHER RESOLVED that the State Council of Higher Education for Virginia recommends that priority for debt authorization be provided for the Maintenance Reserve Program.

Update from the Higher Education Advisory Committee (HEAC)

Mr. Haner distributed copies of the letter from the Secretary of Education summarizing the advisory committee recommendations, which included additional funding for the 2014-16 biennium allocated to institutions in the following manner: 50% for performance incentives related to TJ21 legislation, and 50% for student financial aid and operational support.

Academic Affairs Committee

Mr. Lockhart asked Dr. DeFilippo to review the action items from the Committee. Dr. DeFilippo distributed revised versions of the action items to members. The Committee's recommendations on the following items were seconded by Mr. Minor and approved unanimously in block:

Action on Policy on the Offering of Dual Enrollment Courses

BE IT RESOLVED that the State Council of Higher Education for Virginia approves the updated "*Virginia Public Higher Education Policy on the Offering of "Dual Enrollment" Courses in Public School Districts by Four-year and Two-year Institutions of Higher Education,*" effective immediately, and staff is authorized to promulgate it as soon as feasible.

Action on Policy on Mission Statement Changes

BE IT RESOLVED that the State Council of Higher Education for Virginia approves the updated "*Policy on Mission Statement Changes at Virginia Public Higher Education Institutions,*" effective immediately, and staff is authorized to promulgate it as soon as feasible.

Action on Policy on Program Productivity Review

BE IT RESOLVED that the State Council of Higher Education for Virginia approves the updated "*Virginia Public Higher Education Policy on Program Productivity,*" effective immediately, and staff is authorized to initiate the process described therein.

Action on Programs at Public Institutions

Dr. DeFilippo provided a brief explanation of the program and the committee's recommendation was seconded by Ms. Chase and approved unanimously:

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 Data Analytics Engineering (CIP: 11.0802), effective fall 2014.

BE IT RESOLVED that the State Council of Higher Education for Virginia grants conditional approval to the University of Mary Washington to initiate a Master of Science (M.S.) degree program in Geospatial Analysis (CIP: 45.0702), effective fall 2014. This approval is conditioned on the University receiving funds necessary to initiate and sustain the program from the 2014 session of the General Assembly. If such funding is not secured, UMW must submit a plan to SCHEV documenting how requisite funds will be obtained from other sources, in time for Council to consider final unconditional approval of the program at its May 2014 meeting.

Action on Private and Out-of-State Postsecondary Education Institutional Certifications

Dr. DeFilippo explained that Pikeville College withdrew its application. Therefore, the Committee did not act on the resolution that was included in the agenda materials.

Discussion of Potential Revisions to SCHEV Program Approval Process

Mr. Lockhart said in an effort to hasten the approval process, the Committee reviewed a fast track approach for certain programs to be approved prior to boards of visitors approval if the program is within the institution's mission and meets certain criteria. He indicated that there was good discussion in the Committee and the proposal will be presented to the Instructional Programs Advisory Committee (IPAC) before it is brought to the Council in January for further discussion and/or approval.

Mr. Lockhart informed the Council that he has requested that the Academic Affairs Committee meetings include a general discussion paper on a particular topic. The topic at the October 28 meeting dealt with the relationship between accrediting agencies, institutions, and SCHEV. He agreed to continue to keep the Council informed of the Committee's discussion topics, and welcomed input from other members.

Strategic Planning Task Force

Mr. Smith said this Committee was originally established to include 5-6 members, but will now function as a Committee of the whole. As such, all members were encouraged to participate. He reminded the members that the Council's response to Executive Directive No. 6 has been completed and submitted. Mr. Smith and Mr. Bland provided a report to the Higher Education Advisory Committee on SCHEV's response to Executive Directive No. 6, which was well received. The next step is for the Council to update the systemwide strategic plan for higher education. As discussed in September, the goal is to hire a consultant by the end of this year and to have the plan completed no later than September-October 2014. Mr. Smith reported that he will work with Mr. Bland and Mr. Blake to review the proposals from prospective consultants, in consultation with the entire Council. He anticipates that

the consultant will gather input from all members before approaching other stakeholders. The process will likely involve multiple meetings over the next 7-8 months. Mr. Bland expressed his gratitude to Mr. Smith for his leadership on Executive Directive No. 6 and the strategic planning process.

ITEMS DELEGATED TO STAFF

Mr. Blake noted the categories of recent actions taken by staff as delegated by the Council. As required, a copy of these actions is attached to the minutes.

ACTION ON AMENDMENTS TO COUNCIL BYLAWS

Mr. Blake said the amendments were technical in nature and were summarized on the first page of the document. This item was presented for information at the September meeting. On motion by Dr. Ramsey and seconded by Mr. Minor the following resolution was approved unanimously:

BE IT RESOLVED that the State Council of Higher Education for Virginia, pursuant to the SCHEV Bylaws Section Eight, following presentation in writing and discussion at the September 17, 2013, Council meeting, and following a three-quarters vote of the total Council membership at the October 29, 2013, SCHEV Council meeting, adopts the amended version of the SCHEV Bylaws dated October 29, 2013.

NEW BUSINESS

Mr. Blake reported that the Research Forum planning group will meet on December 3 in Richmond. Staff will send a meeting notice to the planning group members.

Mr. Bland indicated that the Executive Committee met prior to the Council meeting and discussed the Council's goals for the next year.

CLOSED SESSION

At 11:40 a.m., Mr. Bland read the attached motion which stated that in accordance with Virginia Code § 2.2-3711(A)(1), the Council adjourned to closed session for the purposes of addressing personnel issues related to alignment and new hires. The motion was made by Mr. Haner, seconded by Ms. Haddad and approved unanimously. Noelle Shaw-Bell and Mr. Blake were asked to participate in the closed session.

The Council returned in open session at 12:00 noon and Mr. Smith read the attached Freedom of Information Act Certification. The certification forms were signed by all members present and are attached to these minutes.

ADJOURNMENT

Mr. Blake reminded members that the next meeting will be held January 13-14, 2014, at the SCHEV offices.

The meeting was adjourned at 12:01 p.m.

Mary Haddad
Secretary

Lee Ann Rung
Manager for Executive and Council 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 items were approved as delegated to staff:

Program Actions

Institution	Degree/Program/CIP	Effective Date
Old Dominion University	Certificates: Modeling and Simulation: Health Sciences (Grad) (51.9999); Occupational Safety (Grad) (51.2206); Autism (Grad) (13.1013); Applied Behavior Analysis (Grad) (13.1099); Military Children and Families (Grad) (13.9999); and Modeling and Simulation: Education and Training (Grad) (13.0501).	Immediately
Mountain Empire Community College	Change the CIP code of the Associate of Applied Science degree program in Energy Technology (15.0901) to the Associate of Applied Science degree program in Energy Technology (15.0599).	Fall 2013

State Council for Higher Education of Virginia
Closed Meeting Procedures

Personnel Matters

Motion for Closed Meeting:

I move that, pursuant to Virginia Code § 2.2-3711(A)(1), the State Council for Higher Education of Virginia convene in a closed meeting for the purposes of addressing the personnel issues:

alignment + new hires

AND

that Noëlle Shaw-Bell, legal counsel to SCHEV, as well as ^{stet.} staff members:

Peter Blakey

whose presence will aid in the Council's consideration of this matter, participate in the closed meeting.

Movant:

Stephen Haner

Second:

Mary Haddad

Date:

10/29/2013

Certification of Closed Meeting

We convened today in a Closed Meeting pursuant to a recorded vote on the motion above and in accordance with the Freedom of Information Act. Section 2.2-3711 of the Code of Virginia requires that SCHEV certify that, to the best of each members knowledge (i) only public business matters lawfully exempt from open meeting requirements under this chapter and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered.

Any member who believes there was a departure from these requirements shall so state prior to the vote, indicating the substance of the departure that, in his or her judgment, has taken place. The statement of the departure will be recorded in the minutes.

Vote of certification:

Ayes:

11

Nays:

0

***Written certification attached.

Freedom of Information Act Certification (Personnel Exception)

We, the members of the State Council for Higher Education of Virginia, do hereby certify that, to the best of our knowledge, (i) only public business matters lawfully exempted from open meeting requirements pursuant to the exception in Virginia Code § 2.2-3711 (A) (1) of the Virginia Freedom of Information Act and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the closed meeting.

Date: 10/29/2013

1. Johanna Chase
2. W. Heywood Trainor
3. Mary C. Haddock
4. Copley Kross
5. Stanley Ann
6. Jules Smith
7. Robert Beach
8. Ann Nakamoto
9. John
10. Wilmer Minor
11. Jan