



State Council of  
Higher Education for Virginia

# Agenda Book

July 15-16, 2013

Location:

SCHEV offices

Richmond, VA



State Council of Higher Education for Virginia

*Advancing Virginia through Higher Education*

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA**

**House Room 3, Capitol  
Richmond, Virginia  
July 15, 2013  
9:00 a.m. – 3:00 p.m.**

1. Call to Order
  2. Presentations by Education Leaders
- BREAK
3. Discussion of SCHEV's Roles and Responsibilities

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA**

**SCHEV Main Conference Room  
101 N. 14<sup>th</sup> St., 9<sup>th</sup> floor  
Richmond, Virginia**

**July 15, 2013  
3:30 p.m. – 5:00 p.m.**

**Academic Affairs Committee**

1. Call to Order
2. Approval of Minutes (May 20, 2013) Page A1
3. Presentation on Students with Disabilities at Virginia  
Higher Education Institutions
4. Action on Programs at Public Institutions Page A7
5. Action on Private and Out-of-State Post-secondary  
Education Institutional Certifications Page A15
6. Action on Revisions to SCHEV's Organizational  
Change Policy Page A23
7. Action on Guidelines on Award of Academic Credit for  
Military Education, Training and Experience Page A25
8. Action on the Revocation of University of Northern  
Virginia's Certification Page A30
9. Action on Guidance Document on Certification of  
Institutions Providing Instruction Through Distance  
Education Modalities Page A37
10. Liaison Report

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA  
ACADEMIC AFFAIRS COMMITTEE  
MAY 20, 2013  
MINUTES**

Mr. Bland called the meeting to order at 2:02 p.m. in the Gerard Phelan Hall, Marymount University, Arlington, Virginia.

Committee members present: Gilbert Bland, Johanna Chase, and Joann DiGennaro

Committee members absent: Mary Haddad, Gene Lockhart, and Julious Smith

Staff members present: Beverly Covington, Joseph DeFilippo, and Sylvia Rosa-Casanova.

**APPROVAL OF MINUTES**

On motion by Ms. Chase and seconded by Ms. DiGennaro, minutes from the March 18, 2013, meeting were approved unanimously.

**LIAISON REPORT**

Dr. DeFilippo suggested moving the liaison report to the end of the meeting in order to ensure enough time to address the action items on the agenda.

**ACTION ON PROGRAMS AT PUBLIC INSTITUTIONS**

Dr. Peter Stearns, Dr. Shelley Reid, Dr. Douglas Eyman, and Ms. Robin Parker were in attendance from George Mason University. Dr. DeFilippo provided a summary of the proposed Ph.D. program in Writing and Rhetoric.

Ms. DiGennaro applauded universities for teaching students to communicate, especially in oral form and commented that it seems to be a skill that is lacking. She asked if the students in the PhD program will already have had training in rhetoric/grammar. Dr. DeFilippo said students will most likely come in with Masters degrees and probably will have established their skills. Dr. Stearns affirmed that statement. Ms. DiGennaro commented that employers are frustrated at the lack of skills in this area. Dr. Stearns said that they are responding to the feedback from employers.

On motion by Ms. DiGennaro and seconded by Ms. Chase, 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 Doctor of Philosophy (Ph.D.) degree program in Writing and Rhetoric (CIP: 23.1304), effective fall 2013.**

Dr. Ken Perkins, Dr. Charles Ross, Dr. Mark Fink and Dr. Mary Lehman were in attendance from Longwood University. Dr. DeFilippo provided a summary of the proposed B.S. in Integrated Environmental Science program.

Mr. Bland asked about the levels of enrollment in similar programs at George Mason University, the University of Virginia and Virginia Tech. Dr. Perkins provided enrollment figures.

On motion by Ms. Chase and seconded by Ms. DiGennaro, 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 Longwood University to initiate a Bachelor of Science (B.S.) degree program in Integrated Environmental Sciences (CIP: 03.0104), effective fall 2013.**

Dr. Daniel Wubah, Dr. Jack Davis, Dr. Kevin Boyle, Dr. Robin Panneton, Mr. Mike Miller, and Mr. Collins Agee were in attendance on behalf of Virginia Polytechnic Institute and State University. Dr. DeFilippo provided a summary of the proposed B.S. in Real Estate program.

Ms. Chase asked how long it would take one to acquire the knowledge that students will get in this program. She questioned the need for a BS when people in real estate have not needed a degree. Dr. Wubah introduced Mr. Mike Miller, a former member of the Virginia Tech Board of Visitors who owns a real estate appraisal company in Richmond. Mr. Miller said that he feels that the program is needed because when he hires someone out of college, it takes a minimum of three to four years to train them to full productivity. With this curriculum, the employee would be productive within six to twelve months. He also testified that he is on the real estate appraisal board and the current requirement for licensure is a four-year degree. With this degree, one could meet all the requirements for licensure right out of college. Additionally, this is a graying profession in Virginia, with the average age of appraisers at 55. The number of certified appraisers is dwindling.

Mr. Bland asked if this will eliminate requirements or just speed up the process. Mr. Miller responded that it would speed it up. An employer would rather hire someone with the degree than without.

Ms. Chase asked if completion of the coursework in this degree means that the student is certified as an appraiser. The answer was no. One needs work experience before taking the exam. The program is one leg of a three-legged stool. Without education

provided by the degree program, one would have to take a minimum of 300 hours of coursework.

Ms. Chase asked whether other degrees, such as marketing, would prepare people for the certification. Mr. Collins Agee spoke, stating that he has a real estate banking firm and that he will be forced to hire students with graduate-level degrees rather than those with bachelor's degrees, at a cost to his firm.

Ms. DiGennaro said real estate is indeed multidisciplinary, but she questioned whether such a program could just be taken in another school, as VCU does with the real estate program housed in the business school. She asked Mr. Miller if he had a degree like this. He recounted his educational background and said that he had to take a lot of outside courses to learn appraising.

Dr. Wubah said the multidisciplinary and integrated approach is the future for workforce training. Cornell has a program like this at the graduate level. The lack of an undergraduate degree like this has been a deficit in this profession. They have heard from employers who said that they need individuals who understand all aspects of real estate.

Dr. Jack Davis, Dean, College of Architecture and Urban Studies, said that there is a need for communication across multiple disciplines in real estate—building, environmental studies, etc. This degree is necessary to the evolution of the commercial real estate business.

Mr. Bland said that something that intrigues him about the proposed program is the alignment with business. This is something that Governor McDonnell has stressed. Dr. Wubah said that Virginia Tech has received pledges from industry to provide funding in the amount of \$1.2 million so far, and plans to raise a total of \$10 million. If this program is made available, industry is willing to support it because there is a deficit of advanced education in their profession. Mr. Bland remarked that \$10 million would be a good sign of workforce acceptance.

Ms. DiGennaro commented that she has philosophical concerns about the proposed program. Data show that people tend to change jobs many times throughout their working lives, and a program like this may be pigeonholing students into an overly specific degree; there are courses that student could take that would provide the expertise.

Dr. DeFilippo remarked that this is a Virginia Tech bachelor's degree, and therefore students will do a substantial general education core constituting a broad-based liberal education. Job advertisements were provided to show that employers are looking for people with a bachelor's in real estate. While someone could, e.g., get an accounting degree and take some real estate courses, even a real estate minor, firms want someone who has been broadly educated in a full range of subjects related to real estate—e.g., appraisal, real estate law, civil engineering.

Mr. Bland mentioned the longitudinal study requested by the Governor to ensure that there are jobs available and the focus on alignment of programs with workforce demand. As a business major and business owner for 30 years, he feels that “business administration” really does not say anything about what the person learned. In contrast, this degree provides a very specific focus.

On motion by Ms. Chase and seconded by Mr. Bland the following resolution was approved on a 2-0 vote, with Ms. DiGennaro abstaining, to be forwarded to the full Council.

**BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to Virginia Polytechnic Institute and State University to initiate a Bachelor of Science (B.S.) degree program in Real Estate (CIP: 52.1501), effective fall 2013.**

Ms. Kim Tanzer and Dr. Kirk Martini were in attendance from the University of Virginia. Dr. DeFilippo provided a summary of a proposed PhD in Constructed Environment program.

Mr. Bland asked if all of the top-tier architecture schools have a doctoral program, and the representatives responded that they do.

Dr. DeFilippo said that the primary purpose of a PhD program is to train the professoriate and there is a need for faculty in architecture and related disciplines. Real estate was affected by the recession, but BLS data show growth and there is little reason to doubt that students will find jobs. There is a modicum of duplication in that Virginia Tech does have a doctoral program in a similar area. However, Tech’s strengths are different than UVA’s and the reviewers felt there was a real distinction between the two. Dr. McNamee of Virginia Tech was consulted and he did not fear competition and thought the programs would be complementary.

Mr. Bland asked about the level of attainment of the faculty of the school. Ms. Tanzer responded that more than half have PhD’s; others are from a past generation and do not.

On motion by Ms. DiGennaro and seconded by Ms. Chase, 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 the University of Virginia to initiate a Doctor of Philosophy (Ph.D.) degree program in Constructed Environment (CIP: 04.0401), effective fall 2013.**

## **ACTION ON PRIVATE AND OUT-OF-STATE POST-SECONDARY EDUCATION INSTITUTIONAL CERTIFICATIONS**

Dr. Gary Bredfeldt and Mr. Brian Pinzer were in attendance from Lancaster Bible College/Capital Bible Seminary. Dr. DeFilippo provided a summary of information regarding the proposed application from Lancaster Bible College/Capital Bible Seminary to be certified to operate in Virginia. He explained that it is a new certification, but in substance it is a change of ownership because the school is being acquired by Lancaster, which is located in Pennsylvania.

On motion by Ms. DiGennaro and seconded by Ms. Chase, 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 certifies Lancaster Bible College/Capital Bible Seminary to operate a postsecondary institution in the Commonwealth of Virginia, effective May 21, 2013.**

Ms. Susan Gary, Ms. Lynda Rozell, and Dr. Azar Dagher were in attendance from Tepeyac School of Sonography. Dr. DeFilippo provided a summary of information regarding the proposed application from Tepeyac School of Sonography to be certified to operate in Virginia.

Ms. Chase asked how long the program is. The response was that it is a twelve week program, five days per week, Monday through Friday. Students complete 360 hours, with 195 hours in class and 165 hours in clinical. Ms. Chase asked if one needs to take an exam to be employed. The response was that one purpose of the program is to prepare students for the ARDMS (American Registry of Diagnostic Medical Sonography) certification exam. It is a niche program for people already trained as health care professionals. There are just five students per cohort, and there are three cohorts per year.

On motion by Ms. DiGennaro and seconded by Ms. Chase, 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 certifies Tepeyac School of Sonography to operate a postsecondary institution in the Commonwealth of Virginia, effective May 21, 2013.**

Ms. Serena Lloyd was in attendance from Assist to Succeed Dental Assisting School. Dr. DeFilippo provided a summary of information regarding the proposed application from Assist to Succeed Dental Assisting School to be certified to operate in Virginia.

Ms. Chase asked how many students the school will have in the beginning and how the need for dental assistants was assessed. The response was that there would be six students initially, with potential to move to twelve. A lot of assistants come in for training on the job so that they will be better trained when they enter the field.

Ms. Chase asked about the tuition. The response was that it is \$2500 for ten Saturdays.

On motion by Ms. Chase and seconded by Ms. DiGennaro, 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 certifies Assist to Succeed Dental Assisting School to operate a postsecondary institution in the Commonwealth of Virginia, effective May 21, 2013.**

Mr. Bland consulted Dr. DeFilippo regarding how to address the schedule, since the committee had not completed the agenda, but adjournment was necessary to allow members to attend the PCAB meeting, which was scheduled to start at 3:00. Dr. DeFilippo suggested that the two policy revision items remaining on the agenda could be presented to the full Council in the morning. Mr. Bland agreed.

The meeting adjourned at 3:10 p.m.

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Gilbert Bland  
Acting Chair, Academic Affairs Committee

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Beverly Covington  
Policy Analyst

# State Council of Higher Education for Virginia Agenda Item

**Item:** Academic Affairs Committee Item # 4 – Action on Programs at Public Institutions

**Date of Meeting:** July 15, 2013

**Presenter:** Dr. Joseph G. DeFilippo  
Director of Academic Affairs & Planning  
[JoeDeFilippo@schev.edu](mailto:JoeDeFilippo@schev.edu)

**Most Recent Review/Action:**

- No previous Council review/action  
 Previous review/action

**Date:**

**Action:**

**Background Information/Summary of Major Elements:**

One public four-year institution, Virginia Polytechnic Institute & State University (VA Tech), is requesting Council action on two proposals for new academic degree programs. Staff's review of the proposals finds that they meet the criteria established by Council for program approval.

**Materials Provided:**

Virginia Polytechnic Institute and State University

- Master of Science (M.S.)/Master of Engineering (M.Eng.) in Nuclear Engineering (CIP: 14.2301)
- Doctor of Philosophy (Ph.D.) in Nuclear Engineering (CIP: 14.2301)

**Financial Impact:**

VA Tech affirms that the proposed program will be funded through internal reallocations and sponsored research, and that additional state resources will not be sought to initiate and sustain the program.

**Timetable for Further Review/Action:** N/A

**Resolutions:**

**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 Science/Master of Engineering (M.S./M.Eng.) degree program in Nuclear Engineering (CIP: 14.2301), effective spring 2014.

**BE IT RESOLVED** that the State Council of Higher Education for Virginia grants approval to Virginia Polytechnic Institute and State University to initiate a Doctor of Philosophy (Ph.D.) degree program in Nuclear Engineering (CIP: 14.2301), effective spring 2014.

**Virginia Polytechnic Institute and State University**  
**Master of Science/Master of Engineering (M.S./M.Eng.)**  
**in Nuclear Engineering**  
**(CIP: 14.2301)**

**Program Description**

Virginia Polytechnic Institute and State University (VA Tech) is proposing the creation of a Master of Science/Master of Engineering (MS/MEng) degree program in Nuclear Engineering to be initiated spring 2014. The program is located in the Department of Mechanical Engineering. The proposed program will prepare graduates to contribute to the broad areas of nuclear reactor design, nuclear safety, nuclear security and safeguards, and nuclear medicine. Students will focus on industrial applications to apply their skills and knowledge for improving the design of existing and future nuclear systems, analyzing nuclear processes, and solving nuclear-related manufacturing issues. Coursework will be provided in mechanical and nuclear reactor analysis, nuclear fuel cycle, reactor thermal hydraulics, and radiation detection and shielding. Graduates will possess knowledge and skills needed to: 1) manage and execute existing nuclear engineering computer codes; 2) correctly interpret the output of the computer codes; 3) conduct analyses on current and future systems; 4) conduct nuclear safety reviews; and 5) perform assumptions and modeling reviews.

The MS/MEng in Nuclear Engineering would require minimum of 30 credit hours of coursework. A thesis and a non-thesis option would be offered. To complete the thesis option, students will be required to complete: 15 credit hours of coursework in core courses, six credit hours of elective coursework, and six credit hours of coursework in research and thesis. To complete the non-thesis option, students will be required to complete: 15 credit hours of coursework in core courses; nine credit hours of elective coursework; and three to six credit hours of coursework in project and report.

**Justification for the Proposed Program**

VA Tech states that as a result of growing electrical energy demand, there is anticipation that more nuclear power plants will be built and operated. Moreover, “five reactors are currently under construction in the U.S. One of these applications was also submitted by Dominion Power for a third reactor at the North Anna site in Virginia.” All of the possible growth requires more nuclear engineers. In a letter of support, it was noted that “demand for M.S. and Ph.D. degree-holders in nuclear engineering will continue to be needed in the areas of power, safeguards, and the next generation of nuclear reactors.”

VA Tech contends that the proposed program is needed at VA Tech to: 1) serve as a feeder for the proposed PhD program; 2) provide the engineering expertise required to assure the safety of nuclear power; 3) to explore and refine radiological applications to advance human health; and 4) to address the important issues of nuclear safeguards, proliferation, and policy. VA Tech “has a seat on the 17 member Board of Directors” of the Virginia Nuclear Energy Consortium Authority, newly

established as “a political subdivision of the Commonwealth for the purposes of making the Commonwealth a national and global leader in nuclear energy and serving as an interdisciplinary study, research, and information resource for the Commonwealth on nuclear energy issues.”

### **Student Demand**

Student enrollment in core courses indicates student demand. In fall 2010, 16 students enrolled in the Nuclear Fuel Cycle course and in spring 2012, 11 students enrolled. In spring 2012, six students enrolled in the Nuclear Reactor Analysis course. In spring 2012, 12 students enrolled in the Reactor Thermal Hydraulics course.

In spring 2012, VA Tech surveyed undergraduate and graduate students. Of the 161 responses, 106 were current undergraduate students and 55 were graduate students. Of the 106 undergraduate students, 14 (approximately 13%) indicated they would “very likely” enroll in an advanced degree program in nuclear engineering at VA Tech at some point in the future; 57 (approximately 54%) were “likely” to enroll in an advanced degree program in nuclear engineering at VA Tech at some point in the future.

Enrollment projections for the proposed program show a full-time equated student enrollment (FTES) of 12.0 in the program’s first year (2013-14). The projections continue as follows: FTES 2014-15, 12.0; 2015-2016, 14.0; and 2016-17, 16.0. VA Tech anticipates 12 graduates per year beginning in 2017-18. If these enrollment and graduation projections are met, this program will meet Council’s productivity/viability standards within five years, as required.

### **Market/Employer Demand**

In a letter of support, one national laboratory director wrote, “We have a growing need for new graduates, especially those with advanced degrees. As a national laboratory, most of our new hires have doctoral degrees. We would welcome the opportunity to have access to a new source of M.S. and Ph.D. graduates from VA Tech.” Employment announcements show employment opportunity nationally and in Virginia. The Bureau of Labor Statistics (BLS) projects that between 2010 and 2020 employment of nuclear engineers will grow 10% (<http://www.bls.gov/ooh/architecture-and-engineering/nuclear-engineers.htm>). The Virginia Workforce Connection (VAWC) projects that between 2010 and 2020 employment of nuclear engineers is expected to increase 6.9% or 0.7% annually (Available at: [www.vawc.virginia.gov/analyzer](http://www.vawc.virginia.gov/analyzer)).

### **Issues of Duplication**

VA Tech would be the first institution in the Commonwealth to offer a Master of Science/Master of Engineering degree program in Nuclear Engineering. Although no identical program exists in Virginia, one institution (VCU) offers a related program, in Mechanical and Nuclear Engineering. VA Tech states that VCU’s program is “more general in that a student can obtain the degree by taking all mechanical engineering

courses and no nuclear engineering courses.” The proposed program differs in that students must fulfill “a minimum of 12 credit hours of core nuclear engineering courses and a thesis or project that must have a nuclear engineering topic.”

### **Resource Needs**

The proposed program will be funded primarily through reallocations in the Department of Mechanical Engineering with additional resources from federal grant awards. VA Tech affirms that the institution will not seek additional state resources to initiate and sustain the program.

### **Board Approval**

The VA Tech Board of Visitors approved the proposed program on November 7, 2011.

### **Staff Recommendation**

Based on a thorough review of the application, staff recommends that the Academic Affairs Committee adopt the following resolution and transmit it to the Council:

**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 Science/Master of Engineering (M.S./M.Eng.) degree program in Nuclear Engineering (CIP: 14.2301), effective spring 2014.**

**Virginia Polytechnic Institute and State University  
Doctor of Philosophy (Ph.D.) in Nuclear Engineering  
(CIP: 14.2301)**

**Program Description**

Virginia Polytechnic Institute and State University (VA Tech) is proposing the creation of a Doctor of Philosophy (PhD) in Nuclear Engineering to be initiated spring 2014. The program will be located in the College of Engineering, Department of Mechanical Engineering and will be offered on-campus and by distance learning. The proposed program will prepare graduates in the broad areas of designing new advanced reactors, ensuring the continued safety of existing nuclear power plants, and conducting research in the expanding areas of nuclear security and medical physics. The curriculum will require students to complete coursework consisting of Master's-level core courses and doctoral-level courses. Doctoral-level coursework would include advanced nuclear materials, Monte Carlo methods for particle transport, advanced nuclear reactor analysis and nuclear reactor safety analysis. Students would participate in a seminar program consisting of periodic presentations by on- and off-campus speakers to address technical issues, policy issues and professional growth issues. Graduates will possess skills and knowledge to conduct and direct independent research, teach courses in nuclear science and engineering, write successful grant and research proposals, and advise and mentor students or junior research personnel.

The program would require a minimum of 90 credit hours beyond the bachelor's degree and the master's degree: 15 credit hours of core coursework at the Master's level; 15 credit hours of core coursework at the doctoral-level; 30 credit-hours of coursework for enhancement/specific research topic and background of the student; and 30 credit hours of research and dissertation.

**Justification for the Proposed Program**

VA Tech states that as a result of growing electrical energy demand, there is anticipation that more nuclear power plants will be built and operated. Moreover, "five reactors are currently under construction in the U.S. One of these applications was also submitted by Dominion Power for a third reactor at the North Anna site in Virginia." All of the possible growth requires more nuclear engineers. In a letter of support, it was noted that "demand for M.S. and Ph.D. degree-holders in nuclear engineering will continue to be needed in the areas of power, safeguards, and the next generation of nuclear reactors."

VA Tech contends that the proposed program is needed at VA Tech to: 1) serve as a feeder for the proposed PhD program; 2) provide the engineering expertise required to assure the safety of nuclear power; 3) to explore and refine radiological applications to advance human health; and 4) to address the important issues of nuclear safeguards, proliferation, and policy. VA Tech "has a seat on the 17 member Board of Directors" of the Virginia Nuclear Energy Consortium Authority, newly established as "a political subdivision of the Commonwealth for the purposes of

making the Commonwealth a national and global leader in nuclear energy and serving as an interdisciplinary study, research, and information resources for the Commonwealth on nuclear energy issues.”

The program proposal was reviewed by three experts. Two of the experts who were able to travel to the campus on the review date, along with a SCHEV staff member, met with faculty and administrators during a site visit. All external reviewers reviewed the program proposal submitted to SCHEV, and each wrote an evaluation of the proposal and readiness of the institution. Opinions of the reviewers were divided on certain topics. In terms of their final judgments, one reviewer recommended approval of the PhD and MS/MEng programs as proposed, another recommended staggered approval of the MS/MEng and PhD programs, and a third recommended simultaneous approval of the two levels of programs pending satisfactory responses to issues raised in the reviewers report, most prominent of which is that VA Tech confirm the near-term addition of two faculty positions, one at the senior level. Provost McNamee has written to confirm that he “will approve the addition of these positions” to the College of Engineering’s search plan.

### **Student Demand**

Student enrollment in core courses indicates student demand. In fall 2010, 16 students enrolled in the Nuclear Fuel Cycle course and in spring 2012, 11 students enrolled. In spring 2012, six students enrolled in the Nuclear Reactor Analysis course. In spring 2012, 12 students enrolled in the Reactor Thermal Hydraulics course.

In spring 2012, VA Tech surveyed undergraduate and graduate students. Of the 102 respondents, 32 (approximately 30%) were “most interested” in pursuing a PhD in nuclear engineering.

Four emails from potential students indicate student interest in the proposed program. One student wrote, “I am looking forward to the nuclear PhD program at VT next year.” Another student wrote, “I am writing to inquire about available opportunities for PhD level research in Nuclear Engineering ... I would enjoy discussing opportunities in the field of Nuclear Engineering.”

The summary of projected enrollments for the proposed program shows a headcount (HDCT) of 11 in the program’s first year, rising to a HDCT of 30 by the target year. Enrollment projections show a full-time equated student enrollment (FTES) of 11.0 in the program’s first year (2013-14). The projections continue as follows: FTES 2014-15, 20.0; 2015-16, 30.0; and 2016-17, 30.0. VA Tech anticipates 7 graduates per year beginning in 2017-18. If projections are met, then this program will meet Council’s productivity/viability standards within five years, as required.

### **Market/Employer Demand**

In a letter of support, one laboratory director wrote, “We have a growing need for new graduates, especially those with advanced degrees. As a national laboratory, most of

our new hires have doctoral degrees. We would welcome the opportunity to have access to a new source of M.S. and Ph.D. graduates from VA Tech.” Employment announcements (nationally) for faculty, research and development staff, and postdoctoral associates indicate demand for doctoral-level trained personnel. The Bureau of Labor Statistics (BLS) BLS projects that between 2010 and 2020 employment of nuclear engineers will grow 10% (<http://www.bls.gov/ooh/architecture-and-engineering/nuclear-engineers.htm>); employment of postsecondary teachers is expected to grow 17.0% (<http://www.bls.gov/ooh/Education-Training-and-Library/Postsecondaryteachers.htm#tab-6>). The Virginia Workforce Connection (VAWC) projects that between 2010 and 2020 employment of nuclear engineers is expected to increase 6.9% or 0.7% annually (Available at: [www.vawc.virginia.gov/analyzer](http://www.vawc.virginia.gov/analyzer)).

### **Issues of Duplication**

VA Tech would be the only public institution in the Commonwealth to offer a PhD degree in Nuclear Engineering. Although no identical program exists, one institution (VCU) offers a related program, in Mechanical and Nuclear Engineering. VA Tech contends that VCU’s program is more of a hybrid between mechanical and nuclear engineering, whereas the VA Tech would have core and dissertation requirements focused on nuclear engineering.

### **Resource Needs**

The proposed program will be funded primarily through reallocations in the Department of Mechanical Engineering. VA Tech affirms that the institution will not seek additional state resources to initiate and sustain the program.

### **Board Approval**

The VA Tech Board of Visitors approved the proposed program on November 7, 2011.

### **Staff Recommendation**

Based on a thorough review of the application, staff recommends that the Academic Affairs Committee adopt the following resolution and transmit it to the Council:

**BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to Virginia Polytechnic Institute and State University to initiate a Doctor of Philosophy (Ph.D.) degree program in Nuclear Engineering (CIP: 14.2301), effective spring 2014.**

# State Council of Higher Education for Virginia Agenda Item

**Item:** Academic Affairs Committee Item #5 – Action on Private and Out-of-State Postsecondary Education Institutional Certifications

**Date of Meeting:** July 15, 2013

**Presenter:** Dr. Joseph G. DeFilippo  
Director of Academic Affairs & Planning  
[JoeDeFilippo@schev.edu](mailto:JoeDeFilippo@schev.edu)

Ms. Sylvia Rosa-Casanova  
Director, Private and Out-of-State Postsecondary Education  
[SylviaRosaCasanova@schev.edu](mailto:SylviaRosaCasanova@schev.edu)

**Most Recent Review/Action:**

- No previous Council review/action  
 Previous review/action

**Date:**

**Action:**

**Background Information/Summary of Major Elements:**

Three postsecondary institutions are seeking certification to operate in Virginia.

**Materials Provided:**

- University of Fairfax application summary – Page A17
- Arclabs Welding School application summary – Page A19
- Sylvain Melloul International Hair Academy application summary – Page A21

**Financial Impact:**

The institutions have submitted the required certification fee to operate a postsecondary educational institution in Virginia.

**Timetable for Further Review/Action:** N/A

**Resolutions:**

**BE IT RESOLVED** that the State Council of Higher Education for Virginia certifies University of Fairfax to operate a postsecondary institution in the Commonwealth of Virginia, effective July 16, 2013.

**BE IT RESOLVED** that the State Council of Higher Education for Virginia certifies Arclabs Welding School to operate a postsecondary institution in the Commonwealth of Virginia, effective July 16, 2013.

**BE IT RESOLVED** that the State Council of Higher Education for Virginia certifies Sylvain Melloul International Hair Academy to operate a postsecondary institution in the Commonwealth of Virginia, effective July 16, 2013.

## **University of Fairfax** **Application Summary**

### **Institution Overview**

University of Fairfax is an in-state, private, postsecondary institution that offers degree and certificate programs that focus on cybersecurity. University of Fairfax is an existing institution that was initially certified by SCHEV in 2002. The institution was acquired by National College in January 2013 and must certify now as a new institution due to the change in ownership. The programs offered by University of Fairfax are on-line. It is accredited by the Distance Education and Training Council (DETC), an accrediting agency recognized by the U.S Department of Education.

### **Institutional Officer**

President - Dr. Christopher Feudo.

### **Mission Statement**

The Institution's mission statement is as follows:

*The mission of the University of Fairfax is to support the cybersecurity community by providing adult learners with quality, accessible distance education. The practitioner-oriented graduate programs offered produce applied research in Enterprise Management, focusing in Information Assurance and Information Security.*

### **Proposed Educational Programs and Credentials Conferred**

Doctorate of Science (DSc)-Information Assurance  
Master of Science (MS)-Information Security Management  
Master of Science (MS)-Enterprise Management  
Certificate-Cybersecurity Best Practices  
Certificate-Information Security Professional Practices  
Certificate-Information Security Analysis  
Certificate-Information Security Auditing  
Certificate-Information Security Certification  
Certificate-Information Security Engineering  
Certificate-Information Security for the Enterprise

### **Proposed Location**

University of Fairfax operates from the following address:

1980 Gallows Road, Suite 220  
Vienna, VA 22182

### **Financial Stability Indicator**

University of Fairfax submitted the Projected Accounting Budget developed by SCHEV staff. Using the information provided by the school, SCHEV staff calculated the school's financial composite score as 1.8 out of a possible 3.0, which indicates

that the institution demonstrates overall financial health, as defined by the U.S. Department of Education.

**Guaranty Instrument**

University of Fairfax submitted a \$125,000 surety instrument, which is adequate to provide refunds to students for the unearned non-Title IV portion of tuition and fees for any given enrollment period in the event of the school closure, pursuant to 8 VAC 40-31-160 (I).

**Evidence of Compliance**

University of Fairfax provided the appropriate evidence to demonstrate compliance with each of the following requirements of the *Virginia Administrative Code*.

<u>Virginia Administrative Code Citation</u>	<u>Area of Compliance</u>
8 VAC 40-31-30	Advertising/Publications
8 VAC 40-31-160 (E) (5)	Maintenance of Student Records
8 VAC 40-31-140 and 150	Faculty Qualifications
8 VAC 40-31-160	Student Services
8 VAC 40-31-160 (M)	Library Resources and Services
8 VAC 40-31-160 (E)	Student Admissions Standards

**Staff Recommendations**

University of Fairfax has demonstrated compliance with § 23-276.3 (B) of the *Code of Virginia*, which outlines the minimal standards for operating a postsecondary institution in the Commonwealth of Virginia. Accordingly, staff recommends that the Academic Affairs Committee adopt the following resolution and transmit it to the full Council:

**BE IT RESOLVED that the State Council of Higher Education for Virginia certifies University of Fairfax to operate a postsecondary institution in the Commonwealth of Virginia, effective July 16, 2013.**

## **Arclabs Welding School** **Application Summary**

### **Institution Overview**

Arclabs Welding School is an out-of-state, career-technical institution that offers certificate programs in welding. It is accredited by the Accrediting Council for Continuing Education and Training (ACCET), an accrediting agency recognized by the U.S Department of Education.

### **Institutional Officer**

President and Owner - Eugene Crook

Director of Education - Heidi Bray

### **Mission Statement**

The Institution's mission statement is as follows:

*Intentionally train and test students in welding, pipe fitting and inspection for employment by the clients we serve."*

### **Proposed Educational Programs and Credentials Conferred**

Certificate-Pipe Welding

Certificate-SMAW Welding

Certificate-GMAW/FCAW Welding

Certificate-Welding

Certificate-Advanced Welding

### **Proposed Location**

Arclabs Welding School will operate at the following address:

807 Florida Avenue

Portsmouth, VA 23707

### **Financial Stability Indicator**

Arclabs Welding School submitted the Projected Accounting Budget developed by SCHEV staff. Using the information provided by the school, SCHEV staff calculated the school's financial composite score as 1.8 out of a possible 3.0, which indicates that the institution demonstrates overall financial health, as defined by the U.S. Department of Education.

### **Guaranty Instrument**

Arclabs Welding School has submitted a \$5,000 surety instrument, which is adequate to provide refunds to students for the unearned non-Title IV portion of tuition and fees for any given enrollment period in the event of the institution's closure, pursuant to 8 VAC 40-31-160 (I).

**Evidence of Compliance**

Arclabs Welding School provided the appropriate evidence to demonstrate compliance with each of the following requirements of the *Virginia Administrative Code*.

<u>Virginia Administrative Code Citation</u>	<u>Area of Compliance</u>
8 VAC 40-31-30	Advertising/Publications
8 VAC 40-31-160 (E) (5)	Maintenance of Student Records
8 VAC 40-31-140 and 150	Faculty Qualifications
8 VAC 40-31-160	Student Services
8 VAC 40-31-160 (M)	Library Resources and Services
8 VAC 40-31-160 (E)	Student Admissions Standards

**Staff Recommendations**

Arclabs Welding School has demonstrated compliance with § 23-276.3 (B) of the *Code of Virginia*, which outlines the minimal standards for operating a postsecondary institution in the Commonwealth of Virginia. Accordingly, staff recommends that the Academic Affairs Committee adopt the following resolution and transmit it to the full Council:

**BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Arclabs Welding School to operate a postsecondary institution in the Commonwealth of Virginia, effective July 16, 2013.**

## **Sylvain Melloul International Hair Academy** **Application Summary**

### **Institution Overview**

Sylvain Melloul International Hair Academy is an in-state, career-technical, postsecondary institution that teaches cosmetology. It is accredited by the National Accrediting Commission of Career Arts and Sciences (NACCAS), an accrediting agency recognized by the U.S Department of Education.

### **Institutional Officer**

CEO/President - Sylvain Melloul  
Chief Operating Officer –Jonathan Melloul

### **Mission Statement**

The Institution's mission statement is as follows:

*Sylvain Melloul International Hair Academy's mission is to educate, train and inspire students to complete the program with a high level of professionalism and skill that will foster employment opportunities in the beauty industry."*

### **Proposed Educational Programs and Credentials Conferred**

Certificate-Cosmetology

### **Proposed Location**

Sylvain Melloul International Hair Academy operates at the following address:

3405 Candler's Mountain Road  
Lynchburg, VA 24502

### **Financial Stability Indicator**

Sylvain Melloul International Hair Academy submitted the Projected Accounting Budget developed by SCHEV staff. Using the information provided by the institution, SCHEV staff calculated the institution's financial composite score as 2.3 out of a possible 3.0, which indicates that the institution demonstrates overall financial health, as defined by the U.S. Department of Education.

### **Guaranty Instrument**

Sylvain Melloul International Hair Academy has submitted a \$68,225 surety instrument, which is adequate to provide refunds to students for the unearned non-Title IV portion of tuition and fees for any given enrollment period in the event of the institution's closure, pursuant to 8 VAC 40-31-160 (I).

**Evidence of Compliance**

Sylvain Melloul International Hair Academy provided the appropriate evidence to demonstrate compliance with each of the following requirements of the *Virginia Administrative Code*.

<u>Virginia Administrative Code Citation</u>	<u>Area of Compliance</u>
8 VAC 40-31-30	Advertising/Publications
8 VAC 40-31-160 (E) (5)	Maintenance of Student Records
8 VAC 40-31-140 and 150	Faculty Qualifications
8 VAC 40-31-160	Student Services
8 VAC 40-31-160 (M)	Library Resources and Services
8 VAC 40-31-160 (E)	Student Admissions Standards

**Staff Recommendations**

Sylvain Melloul International Hair Academy has demonstrated compliance with § 23-276.3 (B) of the *Code of Virginia*, which outlines the minimal standards for operating a postsecondary institution in the Commonwealth of Virginia. Accordingly, staff recommends that the Academic Affairs Committee adopt the following resolution and transmit it to the full Council:

**BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Sylvain Melloul International Hair Academy to operate a postsecondary institution in the Commonwealth of Virginia, effective July 16, 2013.**

# State Council of Higher Education for Virginia Agenda Item

**Item:** Academic Affairs Committee, Item #6 – Action on Revisions to SCHEV’s Organizational Change Policy

**Date of Meeting:** July 15, 2013

**Presenter:** Dr. Joseph G. DeFilippo  
Director of Academic Affairs & Planning  
[JoeDeFilippo@schev.edu](mailto:JoeDeFilippo@schev.edu)

**Most Recent Review/Action:**

- No previous Council review/action
- Previous review/action

**Date:** July 16, 2012

**Action:** Approval of minor revisions to the policy, “Organizational Changes at Public Institutions: Policies and Procedures for Internal and Off-campus Organizational Changes”

**Background Information/Summary of Major Elements:** The Code of Virginia charges Council with responsibility to oversee “organizational changes” at Virginia public institutions of higher education. It specifies, in part, that Council shall:

Review and approve or disapprove the creation and establishment of any department, school, college, branch, division or extension of any public institution of higher education that such institution proposes to create and establish. This duty and responsibility shall be applicable to the proposed creation and establishment of departments, schools, colleges, branches, divisions and extensions, whether located on or off the main campus of the institution in question. Nothing in this provision shall be construed to authorize the Council to disapprove the creation and establishment of any department, school, college, branch, division or extension of any institution which has been created and established by the General Assembly. (§ 23-9.6:1.7)

As a result of a recent review of SCHEV’s policy—*Organizational Changes at Public Institutions: Policies and Procedures for Internal and Off-campus Organizational Changes*—staff has determined that revisions are needed to address the reporting of “fully exempt” off campus sites. The main reason for requiring such notification from institutions is to ensure that SCHEV has a record of the site and its intended purpose. The proposed revisions do not seek to assert a new approval authority.

The proposed revisions are “tracked” in the appended copy of the policy, with deletions indicated by “strike-through” text and notations via comments in the margin. In substance, the revisions are minor and clarifying in nature, and are intended to facilitate the reporting and approval process for both SCHEV and the institutions.

Proposed revisions include the following:

1. Notification of the establishment of fully-exempt organizational sites;
2. Clarification of components of paperwork that must be submitted to SCHEV.

**Materials Provided:** The SCHEV policy, *Organizational Changes at Public Institutions: Policies and Procedures for Internal and Off-campus Organizational Changes*.

**Financial Impact:** N/A

**Timetable for Further Review/Action:** N/A

**Resolution:**

**BE IT RESOLVED** that the State Council of Higher Education for Virginia adopts proposed revisions to the policy, *Organizational Changes at Public Institutions: Policies and Procedures for Internal and Off-campus Organizational Changes*, to take effect August 1, 2013.

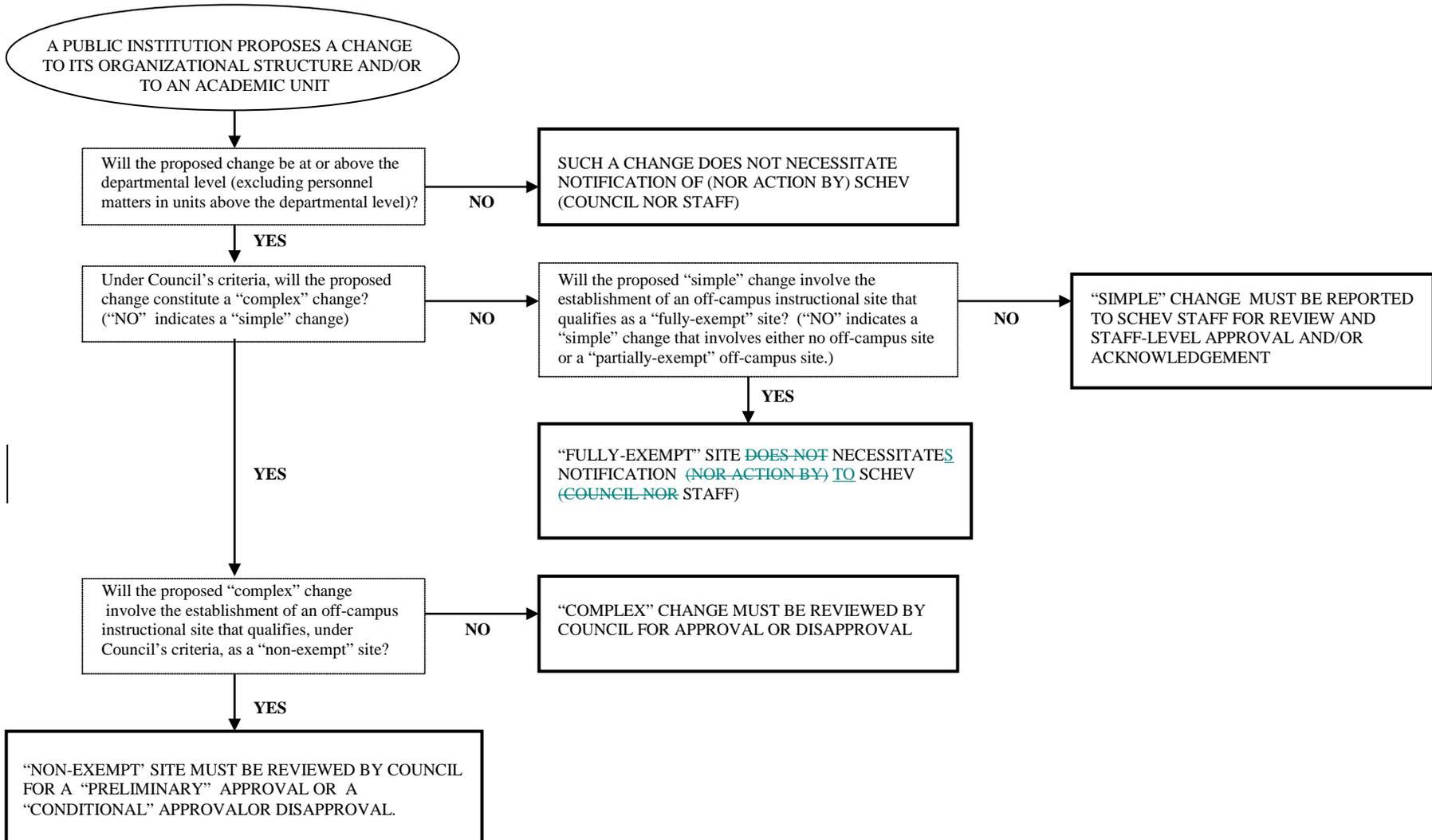
**State Council of Higher Education for Virginia**  
**LEVELS OF REQUIRED STATE ACTION**  
**FOR VARIOUS TYPES OF ORGANIZATIONAL CHANGES**  
**AT PUBLIC INSTITUTIONS**

This process chart was developed by SCHEV staff as a reference guide for public institutions seeking state action on organizational changes to academic structures. The Council’s “Policies and Procedures for Internal and External Organizational Changes” contains definitions of these terms, specific policy statements, detailed procedures and instructions, and requisite forms.

LEVEL OF REQUIRED STATE ACTION	TYPE OF ORGANIZATIONAL CHANGE	
	“SIMPLE” ACADEMIC-STRUCTURE CHANGE	“COMPLEX” ACADEMIC-STRUCTURE CHANGE
<b>NO <del>STATE</del> SCHEV ACTION REQUIRED</b>	Any organizational change made below the departmental level or involving only personnel matters within existing organizational units above the departmental level, <u>or any “fully exempt” site specifically approved by the State Board for Community Colleges for one of its colleges; including the establishment of a “fully exempt” off-campus site</u>	
<b>SCHEV STAFF MUST BE NOTIFIED IN WRITING</b>	Any organizational change at or above the departmental level (excluding personnel matters in units above the departmental level) that is to be made solely for the purposes of internal management, including the establishment of a “partially-exempt” <u>or “fully-exempt”</u> off-campus instructional site	
<b>COUNCIL MUST REVIEW AND APPROVE OR DISAPPROVE</b>		Any organizational change at or above the departmental level (excluding personnel matters in units above the departmental level) that is to be made for reasons other than simple internal management, including the establishment of a “non-exempt” off-campus instructional site



**State Council of Higher Education for Virginia**  
**DECISION POINTS IN THE**  
**ORGANIZATIONAL-CHANGE APPROVAL PROCESS**



*State Council of Higher Education for Virginia*  
**ORGANIZATIONAL CHANGES AT PUBLIC INSTITUTIONS:  
POLICIES AND PROCEDURES FOR INTERNAL AND OFF-CAMPUS  
ORGANIZATIONAL CHANGES**

**Effective: August 1, 2012**

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*State Council of Higher Education for Virginia*  
**ORGANIZATIONAL CHANGES AT PUBLIC INSTITUTIONS:  
POLICIES AND PROCEDURES FOR INTERNAL AND OFF-CAMPUS  
ORGANIZATIONAL CHANGES**

**Effective: August 1, 2012**

**I. Statutory Obligations Related to Organizational Changes at Public Institutions**

**A. The Council of Higher Education’s Responsibility, Authority and Duty**

1. Responsibility

“To review and approve or disapprove the creation and establishment of any department, school, college, branch, division or extension of any public institution of higher education which such institution proposes to create and establish. This duty and responsibility shall be applicable to the proposed creation and establishment of departments, schools, colleges, branches, divisions and extensions whether located on or off the main campus of the institution in question; provided, however, that if any organizational change is determined by the Council to be proposed solely for the purpose of internal management and the institution’s curricula offerings remain constant, the Council shall approve the proposed change. Nothing in this provision shall be construed to authorize the Council to disapprove the creation and establishment of any department, school, college, branch, division or extension of any institution which has been created and established by the General Assembly.” (Code of Virginia, §23-9.6:1.7)

2. Authority

“To adopt such rules and regulations as the Council believes necessary to implement all of the Council’s duties and responsibilities as set forth in this Code. The various public institutions of higher education shall comply with such rules and regulations.” (Code of Virginia, §23-9.6:1.15)

3. Duty

“The Council, insofar as possible, shall preserve the individuality, traditions and sense of responsibility of the respective institutions. The Council, insofar as practicable, shall seek the assistance and advice of the respective institutions in fulfilling all of its duties and responsibilities.” (Code of Virginia, §23-9.6:1)

**B. Public Institutions’ Responsibility and Duty**

1. Responsibility

“1. A public college or university seeking to create, establish, or operate an off-campus instructional site, funded directly or indirectly from the general fund or with revenue from tuition and mandatory educational and general fees generated

from credit course offerings, shall first refer the matter to the State Council of Higher Education for Virginia for its consideration and approval. The State Council of Higher Education for Virginia may provide institutions with conditional approval to operate the site for up to one year, after which time the college or university must receive approval from the Governor and General Assembly, through legislation or appropriation, to continue operating the site.

2. For the colleges of the Virginia Community College System, the State Board of Community Colleges shall be responsible for approving off-campus locations. Sites governed by this requirement are those at any locations not contiguous to the main campus of the institution, including locations outside Virginia.

3. a. The provisions of this language shall not apply to credit offerings on the site of a public or private entity if the offerings are supported entirely with private, local, or federal funds or revenue from tuition and mandatory educational and general fees generated entirely by course offerings at the site.

b. Offerings at previously approved off-campus locations shall also not be subject to these provisions.

c. Further, the provisions of this language do not govern the establishment and operations of campus sites with a primary function of carrying out grant and contract research where direct and indirect costs from such research are covered through external funding sources. Such locations may offer limited graduate education as appropriate to support the research mission of the site.

d. Nothing in this language shall prohibit an institution from offering non-credit continuing education programs at sites away from the main campus of a college or university.

4. The State Council of Higher Education shall establish guidelines to implement this provision.” (2003 Revision to the Appropriation Act of 2002-04, Section 4-5.05c)

## 2. Duty

“The various public institutions of higher education shall comply with such rules and regulations [as the Council believes necessary to implement all of the Council’s duties and responsibilities as set forth in this Code ].” (Code of Virginia, §23-9.6:1.15)

The Council has established the following policies and procedures related to organizational changes at public institutions as part of its obligation “to promote the development and operation of an educationally and economically sound, vigorous, progressive, and coordinated system of higher education in the State of Virginia.” (Code of Virginia, §23-9.3[a])

## II. Policy Statements on Organizational Changes at Public Institutions

### A. Overview

To ensure that the Council is duly apprised of organizational changes in or to academic structures/units at public institutions, and that institutions are not unnecessarily burdened with complex and lengthy procedures, the Council recognizes the following distinctions.

**Note:** The following distinctions are applicable to establishment, reorganization, and closure/termination of academic structures/units:

#### 1. Types of Organizational Changes

- a. *“Simple” Organizational Change:* a structural alteration (establishment, reorganization, or termination), proposed solely for the purpose of internal management, that would not alter the institution’s mission or curricular offerings and would be executable within currently-authorized funds (e.g., re-naming an academic department or establishing a “fully-exempt” or “partially-exempt” off-campus instructional site—see **Operational Definitions** below).
- b. *“Complex” Organizational Change:* a structural alteration (establishment, reorganization, or termination), not proposed solely for the purpose of internal management, that may alter the institution’s mission or curricular offerings and/or may not be executable within currently authorized funds (e.g., establishing a new unit—college, school, department—or a “non-exempt” off-campus site—see **Operational Definitions** below).

#### 2. Levels of Required State Action

- a. *No Required State Action:* any “simple” organizational change made below the departmental level or involving only personnel matters within existing organizational units above the departmental level, ~~including the establishment of a “fully-exempt” off-campus site.~~
- b. *SCHEV Staff Must be Notified in Writing:* any “simple” organizational change that involves the establishment, reorganization, or termination of a subdivision of an institution at or above the departmental level (excluding personnel matters in units above the departmental level), including the establishment of a “fully-exempt” or “partially-exempt” off-campus site (see **Operational Definitions** below).
- c. *Council Must Review and Approve or Disapprove:* any “complex” organizational change that involves the establishment, reorganization, or termination of a subdivision of an institution at or above the departmental level (excluding personnel matters in units above the departmental level), including the establishment of a “non-exempt” off-campus instructional site (see **Operational Definitions** below). For “complex” changes involving “non-exempt” sites, Council review and “preliminary” and/or “conditional” approval is required (see **Operational Definitions** below). “Preliminary” approval is an optional pre-approval step. “Conditional” approval is a mandatory step and is granted for a period of no more than one year. During the conditional period, the institution must seek and receive approval for long-term operation of the site from the Governor and General Assembly.

## B. Operational Definitions of Key Terms

Organizational Change: an alteration—**establishment, reorganization, or closure/termination**—in the organization and/or structure of one or more of an institution’s academic units.

“Simple” Organizational Change: a structural alteration (establishment, reorganization, or closure/termination), proposed solely for the purpose of internal management, that would not alter the institution’s mission or curricular offerings and would be executable within currently authorized funds (e.g., re-naming an academic department or establishing a “fully-exempt” or “partially-exempt” off-campus instructional site).

“Complex” Organizational Change: a structural alteration (establishment, reorganization, or closure/termination), not proposed solely for the purpose of internal management, that may alter the institution’s mission or curricular offerings and/or may not be executable within currently authorized funds (e.g., establishing a new unit—college, school, or department—or a “non-exempt” off-campus instructional site.)

Off-Campus Site: any location not contiguous to the approved, main campus(es) of an institution. These policies and procedures apply to **instructional** sites only.

“Fully-Exempt” Off-Campus Instructional Site: an instructional location, not contiguous to an institution’s approved, main campus(es), that is ~~not subject to Council review and is not~~ subject to Council approval or disapproval. As such, an “exempt” off-campus site is one for which either:

- the State Board of Community Colleges provides specific approval to a college of the Virginia Community College System; or
- the General Assembly, the State Board of Community Colleges, or the State Council of Higher Education has previously granted approval; or
- the primary function is the execution of grant and contract research where direct and indirect costs from such research are covered through external funding sources (and where limited graduate-level instruction may be offered); or
- the sole function is the provision of non-credit continuing education instruction.

The establishment of a “fully-exempt” off-campus site constitutes a “simple” organizational change. Council staff **must** be informed using the procedures for such changes (see below). ~~of which Council staff need **not** be informed.~~

“Partially-Exempt” Off-Campus Instructional Site: an instructional location, not contiguous to an institution’s approved main campus, that *is* subject to Council staff review but is **not** subject to Council approval or disapproval. Such locations include all sites where the for-credit courses/programs to be offered are supported *entirely* with private, local, or federal funds **or** with revenue from tuition and mandatory educational and general fees generated *entirely* by course offerings at the site. The establishment of a “partially-exempt” off-campus site constitutes a “simple” organizational change of which Council staff **must** be informed using the procedures for such changes (see below). Final

authority for determining whether a proposed off-campus instructional site is “partially-exempt” rests with the Council.

“Non-Exempt” Off-Campus Instructional Site: an instructional location, not contiguous to an institution’s approved, main campus, that *is* subject to Council approval. Such locations include all sites to be funded directly or indirectly from the general fund *or* with revenue from tuition and mandatory educational and general fees generated from credit course offerings provided at locations (including the main campus and other approved off-campus sites) beyond the sites in question.

“Preliminary” Approval: an action by the Council authorizing a public, four-year institution to continue development of plans for an off-campus instructional site that will ultimately require either the purchase, construction or receipt (as donation) of one or more buildings. A request for such an approval is an *optional* step that allows an institution to seek state (Council) scrutiny, input and permission to continue planning before it expends significant resources or enters into binding contracts/agreements. A request for a “conditional” approval (see below) must follow within one year of the State Council’s granting of a preliminary approval; all requests for extensions of preliminary approvals will be considered at the Council’s discretion. A request for a preliminary approval must address, clearly and completely, *issues of need* and, in at least a general way, *issues of cost*; the required documentation is detailed in Part III of Council’s “Proposal for Organizational Change” form, which appears at the end of this document.

“Conditional” Approval: an action by the Council authorizing a public, four-year institution to operate a non-exempt off-campus instructional site for up to one year, during which time the institution must receive final approval from the Governor and General Assembly—via legislation and/or appropriation—to continue to operate the site. A request for a conditional approval is *mandatory* regardless of whether the institution previously requested a “preliminary” approval (see above). A request for a conditional approval is required to include specific, detailed and/or finalized documentation; the required documentation is detailed in Part III of Council’s “Proposal for Organizational Change” form, which appears at the end of this document.

## C. “Simple” and “Complex” Organizational Changes

### 1. Background

The Council recognizes distinctions between “simple” and “complex” organizational changes (see **Operational Definitions** above). This distinction is intended to clarify and streamline the approval process for public institutions’ organizational changes. As a result, while the Council will continue to formally approve all institutional organizational changes at or above the departmental level, SCHEV staff have been delegated the responsibility and authority to approve “simple” organizational changes that meet the criteria specified in these policies and procedures. “Simple” and “complex” organizational changes must be submitted to SCHEV staff using the guidelines, instructions and forms contained herein.

2. “Simple” Organizational Changes

If SCHEV staff concurs with a public institution’s determination that a proposed organizational change fits the definition of a “simple” change (i.e., would be solely for the purpose of internal management, would not alter the institution’s mission and curricular offerings and would be executable within currently-approved funds), the Council delegates responsibility for the review and approval of such a change to SCHEV staff. Activities subject to such review and approval include institutional changes related to academic units/structures that are solely for the purpose of internal management in or out of Virginia, as well as the establishment of “partially-exempt” off-campus sites (see **Operational Definitions** above). SCHEV staff will respond within 30 calendar days of receipt of written notification of the proposed “simple” organizational change.

3. “Complex” Organizational Changes

If SCHEV staff and/or a public institution determine(s) that a proposed organizational change fits the definition of a “complex” change (see **Operational Definitions** above), the institution shall seek Council approval of the proposed change in accordance with these policies and procedures.

- a. For the purposes of these policies and procedures, “non-exempt” off-campus sites (see **Operational Definitions** above) shall be considered “complex” organizational changes.
- b. Within 60 calendar days of receipt of a proposed “complex” change, SCHEV staff shall prepare a report and recommendation for Council action on the proposed organizational change. The report shall be placed on the Council’s agenda as promptly as possible.
- c. When a proposed “complex” organizational change involves a “non-exempt” off-campus site, Council shall consider the proposal for “preliminary” approval (a pre-approval option for institutions) or “conditional” (required) approval. The granting of preliminary approval shall allow the institution to continue its development of plans for the site for up to one year, during which time the institution must finalize its request for a conditional approval. The granting of conditional approval shall allow the institution to operate the site for up to one year, during which time the institution must receive final approval from the Governor and General Assembly—via legislation and/or appropriation—to continue to operate the site.

**D. Policies Relevant to All Organizational Changes**

1. Public institutions shall inform SCHEV staff in writing at least 60 days prior to initiation of any proposed organizational changes at or above the departmental level, including the establishment of a school, college, branch, division, or extension, and the proposed creation of an institute or center if such institute or center is at or above the departmental level. **All organizational changes (excluding “fully-exempt” off-campus sites) <sup>[M1]</sup> must be submitted for Council consideration and approval prior to initiation.**

2. Public institutions must notify SCHEV staff of the establishment of a "fully-exempt" off-campus site. Institutions must inform SCHEV in writing upon approval from an authorizing agent (see **Operational Definitions** above).<sup>[M2]</sup>
3. Public institutions shall ~~also~~ inform SCHEV staff in writing of any plans to offer a significant level of instruction or services out of the state through electronic delivery or physical presence in another state or country.
4. The Council does not possess the authority to disapprove an organizational change authorized by the General Assembly or an off-campus site authorized by the State Board of Community Colleges.
5. Approval of an organizational change does not obligate the Council to support capital or operating requests in excess of the amounts provided in the institution's current appropriation.
6. Public institutions are prohibited from transforming "simple" organizational changes into "complex" changes and/or transforming "fully-exempt" or "partially-exempt" sites into "non-exempt" sites subsequent to SCHEV staff notification and/or approval. Any and all subsequent organizational changes and sites must be submitted for Council consideration and approval prior to initiation.
7. If an organizational change is intended or implied in a request for a new academic degree program, the Council or its staff must approve the organizational change prior to initiation of the program.
8. In accordance with the criteria of the Commission on Colleges of the Southern Association of Colleges and Schools (SACS) as well as specialized and/or professional accrediting bodies, an organizational change may constitute a "substantive change" of which an institution must inform its accreditor(s).

### III. Procedures for Submission of Proposals for Organizational Changes<sup>[g3]</sup>

#### A. General Guidelines for Organizational Changes (Establishment, Reorganization, Closure/Termination)

1. Proposals for "simple" organizational changes requiring staff approval must be submitted 60 days prior to the date the change is sought. SCHEV staff will respond within 30 days of receipt of notification of the change. Proposals for "complex" organizational changes must be submitted at least 60 days prior to the Council meeting at which Council action is sought. It is recommended that proposals for "complex" organizational changes be submitted at least 90 days prior to the Council meeting to ensure a timely processing.
2. Proposals for "simple" and "complex" changes must be submitted via the attached forms. Proposals for "complex" changes must include Part II and III.

3. Regardless of its form, the proposal must include sufficient information, in sufficient detail and quantity, to permit SCHEV staff to readily and adequately determine that the proposed change fits the definition of a “simple” change and, thus, can be certified or approved at the staff level. SCHEV staff reserves the right to request additional information to determine adequate resources are available to support a proposed change.

## **B. Specific Instructions for Organizational-Change Proposals (Establishment, Reorganization, Closure/Termination)**

### **1. Proposal Format**

- Provide a table of contents, number all pages of the proposal, and print one-sided.
- Use Microsoft Word Times New Roman or Arial 12 Font.
- Use a clip or rubber band—please do not bind materials.
- Use only SCHEV official forms (edited forms will not be accepted).
- Include documentation for contracts and leases with external resources, if appropriate.
- Insert any forms or attachments in a labeled appendix. For Complex Organizational Change request, please scan attachments and insert them electronically in an appendix.
- Address all proposal correspondence to the Director of Academic Affairs and Planning. For a “simple” change, submit two hard copies of the complete proposal. For a “complex” change, submit two hard copies and one electronic copy on CD. For all submissions, one document must have an original signature.

### **2. Proposal Requirements, Components, and Forms**

- Proposals for organizational changes must include the following components: (i) a letter from the president or chief academic officer; (ii) an “Organizational Change Cover Sheet”; (iii) a table of contents; (iv) a narrative to explain the proposed change; and (v) organizational charts.
- Complete all relevant parts of the “Proposal for Organizational Change” form and attach any necessary documents, narratives and/or supplemental information in the order requested on the form.
- Provide a cover letter from the president or chief academic officer that summarizes the proposed organizational change.

- Complete the SCHEV Cover Sheet. The cover sheet must be signed and dated by the president or chief academic officer.
- Provide a detailed table of contents. The table of contents should reflect the page numbers of all attached forms, documents, narratives and supplemental information.
- A narrative explaining the organizational change to include purpose, location, curriculum changes (e.g., relocating degree programs), if applicable, proposed closures or consolidation of existing units (at or above the department level) and, resources needed to support the proposed change.
- Organizational charts of existing and proposed organization within the unit and/or institution.
- For a “fully-exempt” off-campus site, provide documentation of General Assembly action authorizing the site and purpose for the site.
- Additional supplemental documentation as needed.

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#### **Letter from Chief Academic Officer**

A letter from the president or chief academic officer must accompany the program proposal for organizational changes.

The letter must:

- describe the institution’s commitment to the change (in terms of faculty, financial, and physical resources);
- explain how the change will fit with the institution’s mission and strategic plan; and
- describe funding plans for the change, including a description of what the institution will stop doing or do differently in order to fund the change.

**Note:** If the organizational change will be offered jointly or in collaboration with one or more additional institutions (public or private), the chief academic officer(s) of the collaborating institution(s) must also submit an organizational change request.

*STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA*  
**PROPOSAL FOR ORGANIZATIONAL CHANGE COVER SHEET**

**Part I: General Information**

**1. Institution:**

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**2. Nature of Proposed Change** (i.e., to establish, reorganize, or terminate/close an institutional unit). Please summarize the change here and attach a detailed description of the change on a separate page, as well as copies of the institution's current and resultant organizational charts.

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**3. Purpose of Proposed Change.** Please summarize the reason(s) for the change here and attach a detailed description of the purpose for the change on a separate page.

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**4. Type of Proposed Change** (check one).

**SIMPLE** \_\_\_\_\_

**COMPLEX** \_\_\_\_\_

If simple, please explain how the change fits with the institution's mission, curriculum, and funding on a separate page. ~~Part II is optional.~~

If complex, please complete and submit Part II and Part III of this form.

**5. Does this proposed change involve the establishment of an off-campus instructional site?**

**NO** \_\_\_\_\_ **YES** \_\_\_\_\_

If yes, does the proposal fit the criteria for a partially-exempt, non-exempt site, or fully-exempt?

**PARTIALLY-EXEMPT** \_\_\_\_\_

**NON-EXEMPT** \_\_\_\_\_

**FULLY-EXEMPT**

If partially-exempt, please attach documentation to support this status.

If non-exempt, please complete and submit Part II and Part III of this form.

If fully-exempt, please attach documentation to support this status<sup>[m4]</sup>.

**6. Date of Approval by Board of Visitors.**

Check box if BOV approval is not needed.

**7. Proposed Effective-Date of Organizational Change.**

Signed: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_  
Phone: \_\_\_\_\_

## Part II: Supplemental Information

1. If a study was conducted to determine the feasibility of the proposed organizational change, please summarize its findings here and attach a copy of the full report. If no such feasibility study was conducted, please summarize a needs assessment (the institution's need for the change, and/or the needs of students, citizens, employers, the local area, the region, the Commonwealth) here and attach a detailed description of the necessity for the proposed organizational change.

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2. Summarize here and attach a detailed description of the anticipated effect(s) of the proposed change on the institution's mission, scope, curriculum and budget.

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3. If the proposed organizational change will involve the **reorganization** of an existing academic unit, or the **merger** of two or more currently-separate units, please summarize here and attach a detailed description of the impact of this change on operating costs (including salaries, facilities, equipment and supplies).

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4. If the proposed change will involve the **establishment of a new academic unit or units**, please summarize here and attach a detailed description of the anticipated operating costs, including costs of and number of FTE personnel in each of the following categories: administrative salaries, faculty salaries, clerical/support salaries, supplies, library, travel, equipment, other (itemized). Please also indicate for which, if any, of the categories above the institution will be requesting new state appropriations.

If the new organizational unit(s) will be funded in part by a source or sources other than state appropriations, please summarize here and attach a detailed description of these anticipated private funds (source, amount, duration, planned use).

**Part III: For Non-Exempt Off-Campus Instructional Sites**

**1. Type of Council Action Sought at this Time (check one):**

**PRELIMINARY APPROVAL** \_\_\_\_\_

**CONDITIONAL APPROVAL** \_\_\_\_\_

If “preliminary”, please provide the information requested in Section A. Then, complete Section C.

If “conditional”, please provide the information requested in Section B. Then, complete Section C.

**A. Preliminary Approval**

(i) A request for a Preliminary Approval **must** address, clearly and completely, **ISSUES OF “NEED”**, such as:

-- How will the site fit with the institution’s mission; ~~with the institution’s~~ strategic plan, six-year plan, and other state priorities? (is it discussed in the current plan); and with SCHEV’s Institutional Performance Standards (will it help the institution meet at least one standard, such as the Academic Offerings standard)? ||JGD5| How might other public institutions be impacted?

-- Why does this institution need this type of site at this time? Why does the state, region and/or locale need this type of site at this time?

-- What will the site do? What type(s) of academic offerings/programs—generally or specifically—will be available at the site? How many students will be served? How will these students be served? How innovative will the site and its offerings be, in terms of technology, scheduling, space utilization, etc.?

(ii) A request for a Preliminary Approval **must** address, in at least a general way, **ISSUES OF “COST”**, such as:

-- What is the anticipated scope of the project (one building; more? What size, scale, design, infrastructure—basic vs. innovative?)?

-- Based on all of the above information, what is the institution’s general estimate of site development/purchase/construction costs; annual operating costs?

-- How were these determinations made? On what are they based?

(iii) In a request for Preliminary Approval, **“SITE-SPECIFIC” ISSUES** are optional. At its discretion, a public institution may elect to discuss:

-- What specific building(s), for purchases? What specific locations (parcels/tracts, towns, cities, counties)? What specific contractors, terms, agreements?

-- Status of preliminary site plans and/or site analyses.

*(REMAINDER OF PAGE LEFT BLANK INTENTIONALLY FOR FORMATTING PURPOSES)*

**B. Conditional Approval**

(i) Nature of the Proposed Site.

Leased Property or Space ____	Donated Property or Space ____	Purchased Property or Space ____	New Construction ____	New Campus ____
<p>If the property or space is to be used for a specified time period, please attach detailed descriptions of:</p> <ul style="list-style-type: none"> <li>a. the location;</li> <li>b. the lease or use agreement;</li> <li>c. the length of the lease or use period;</li> <li>d. an estimate of FTE students to be served during the use period;</li> <li>e. any support services to be supplied at the site.</li> </ul>	<p>If the property or space is to be donated or purchased, please attach detailed descriptions of:</p> <ul style="list-style-type: none"> <li>a. the location;</li> <li>b. the donation or purchase agreement</li> <li>c. an estimate of FTE students to be served;</li> <li>d. support services to be supplied onsite;</li> <li>e. projected enrollments for five years, including enrollment source(s);</li> <li>f. estimated operating costs, including staffing and separate listings of ongoing and incremental resource requirements when fully operational;</li> <li>g. impact of site on other campuses' / institutions' enrollment(s).</li> </ul>	<p>If the site is to involve construction of a building, complex or campus, please attach detailed descriptions of:</p> <ul style="list-style-type: none"> <li>a. the site analysis (include maps)</li> <li>b. the site plan, including topography, roads, building location(s), traffic &amp; pedestrian circulation/flow, expansion potential, and adjacent land development;</li> <li>c. student support services to be supplied onsite;</li> <li>d. an academic plan (for new campus only);</li> <li>e. projected enrollments for five years, including enrollment source(s);</li> <li>f. preliminary estimates of costs for site development and construction;</li> <li>g. preliminary space requirements by function and room type;</li> <li>h. estimated operating costs, including staffing &amp; separate listings of ongoing and incremental resource requirements when fully operational;</li> <li>i. impact on other campuses' / institutions' enrollment(s);</li> <li>j. projected calendar for development of site &amp; capital projects, implementation, &amp; operating expenditures;</li> <li>k. summary of planning process and board actions.</li> </ul>		

*{form continues on following page}*

(ii) Nature of the Use of the Proposed Site (check all that apply).

Undergraduate Education

Graduate Education

Traditional-Aged Students

Adult Students

Day Classes

Evening/Week-End Classes

Synchronous Instruction

Asynchronous Instruction

Non-Credit Instruction

Credit Instruction

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**C. Contact Information**

(i) Name(s), title(s), and contact information for institutional personnel who may be contacted to answer questions and/or supply additional information regarding this proposal.

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(ii) Printed names(s) and dated signature(s) of person(s) who completed this form.

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(iii) Printed name and dated signature of institutional president.

# State Council of Higher Education for Virginia Agenda Item

**Item:** Academic Affairs Item #7 - Action on Guidelines on Award of Academic Credit for Military Education, Training and Experience

**Date of Meeting:** July 15, 2013

**Presenter:** Dr. Joseph G. DeFilippo  
Director of Academic Affairs & Planning  
[JoeDeFilippo@schev.edu](mailto:JoeDeFilippo@schev.edu)

**Most Recent Review/Action:**

- No previous Council review/action  
 Previous review/action

**Date:**

**Action:**

**Background Information/Summary of Major Elements:**

Virginia Code § 23-9.2:3.7 B, established by the 2012 General Assembly, states:

The governing boards of each public institution of higher education shall, in accordance with guidelines developed by the State Council of Higher Education for Virginia, implement policies for the purpose of awarding academic credit to students for educational experience gained from service in the armed forces of the United States.

SCHEV staff worked with the Military Education Advisory Committee (MEAC) through the 2012-13 academic year to develop the attached *Guidelines on Award of Academic Credit for Military Education, Training and Experience by Virginia Public Higher Education Institutions*. The *Guidelines* were presented to the Instructional Programs Advisory Committee (IPAC), and IPAC feedback has been incorporated into the final version presented for Council consideration.

**Materials Provided:**

- *Guidelines on Award of Academic Credit for Military Education, Training and Experience by Virginia Public Higher Education Institutions*

**Financial Impact:** N/A

**Timetable for Further Review/Action:** N/A

**Resolution:**

**BE IT RESOLVED** that the State Council of Higher Education for Virginia (SCHEV) approves the attached *Guidelines on Award of Academic Credit for Military Education, Training and Experience by Virginia Public Higher Education Institutions*. The *Guidelines* shall become effective immediately and the policies of the public institutions of higher education shall reflect conformity with the *Guidelines* no later than June 30, 2014. Staff is authorized to institute a process for collecting institutional policies for review.



## State Council of Higher Education for Virginia

### ***Guidelines on Award of Academic Credit for Military Education, Training and Experience by Virginia Public Higher Education Institutions***

The Commonwealth of Virginia is committed to fostering an educated and skilled workforce, which is essential for economic prosperity and meaningful work for its citizens. Increased enrollment in – and successful completion of – postsecondary education programs is critical to achieving that goal. The Commonwealth of Virginia is also committed to serving the needs of its military and veteran population. Virginia’s public institutions of higher education are subject to an Executive Order from the Governor to expand services to meet the educational needs of veterans. In addition, Virginia Code § 23-9.2:3.7 B, established by the 2012 General Assembly, states:

*The governing boards of each public institution of higher education shall, in accordance with guidelines developed by the State Council of Higher Education for Virginia, implement policies for the purpose of awarding academic credit to students for educational experience gained from service in the armed forces of the United States.*

This guideline document has been developed in fulfillment of the General Assembly’s charge to SCHEV and the public institutions of higher education. It is intended to promote the goal of having a military-friendly system of higher education while preserving the unique missions and autonomy of the institutions.

### **Statement of Principles**

The following principles form the foundation of these guidelines:

1. The Virginia Higher Education Opportunity Act of 2011 or Top Jobs 21 (Virginia Code, Chapter 4.9:1) established a goal for statewide college completion, providing that Virginia’s public institutions are committed to “conferring approximately 100,000 cumulative additional undergraduate degrees on Virginians” by 2025. (Virginia Code § 23-38.87:10). An important strategy in meeting this goal is to increase completion by non-traditional students, a category that includes military-related students.
2. Executive Order No. 29, “Serving Virginia’s Veterans,” issued by Governor McDonnell in 2010, articulated a goal of “making Virginia our nation’s most veteran-friendly state.” EO 29 directed all state agencies “to identify new, expanded, or customized

services that meet the educational, health care, and social services needs of Virginia's veterans." As state agencies, Virginia's public two- and four-year institutions of higher education should ensure that academic policies help Virginia's veterans to achieve their educational goals.

3. In December 2011, the Governor's Commission on Higher Education Reform, Innovation and Investment endorsed the Virginia Higher Education Military-Friendly Policy, calling for the public institutions of higher education to incorporate certain practices into their operating plans to ensure that they are providing a high-level of service to military-related students.
4. The implementation of policies that provide flexibility and clarity to students in regard to the award of credit for military education and training will help to increase degree and certification completion among this population.
5. Students who have served in the armed forces, or who continue to serve while enrolled in a higher education program, are particularly reliant upon the flexible transfer of credits, because many of those completing a degree or certificate do not do so at the institution at which they first enrolled. Such students are entitled to transparency, consistency, and clarity with regard to institutions' program requirements and the availability of credit for prior learning and experience.
6. Virginia's system of public higher education has a duty to ensure that military-related students are able to access the full range of federal and state educational benefits to which they are entitled according to their military status. Institutions should preserve their overall eligibility for participation in federal programs. Institutional credit transfer policies should not cause students to repeat coursework unnecessarily and thus jeopardize their ability to complete a program prior to the expiration of their individual eligibility for military education benefits.

### **Guidelines for Institutional Policies**

#### **A. Elements of Guidelines:**

Each two- and four-year public institution of higher education shall develop and implement processes for awarding credit to students for military education and training through prior learning assessment (the award of credit for learning that occurs outside of the academic setting).

1. Each institution shall exercise care in evaluating and determining its acceptance or rejection of each of the following methods as elements of these processes:
  - a. Awarding credit for appropriate learning acquired in military service at levels consistent with the American Council on Education (ACE) Guide to the Evaluation of Educational Experiences in the Armed Services and/or those transcribed by the Community College of the Air Force (CCAF).

- b. Awarding credit for successful performance on national for-credit examination programs such as The College Board College Level Examination Program (CLEP), DSST exams, or the Excelsior College examination.
- c. Awarding credit based upon individualized portfolio evaluation, which may be conducted by faculty at the individual colleges or by using the Council for Adult and Experiential Learning (CAEL) guidelines or CAEL's LearningCounts.org, a national online prior learning assessment service.

Nothing in these guidelines shall be construed to require institutions to award credit for coursework that is not offered, or is not reasonably comparable to coursework offered, by the institution. Neither should these guidelines be construed to limit awarding of credit solely to the three methods referenced above.

2. Institutional policies shall provide for disclosure to students of any academic residency requirements pertaining to the student's program of study, including total and any final year or final semester residency requirement, at or before the time the student enrolls in the program. The policies of an institution with a residency requirement that exceeds the minimum required by SACS-COC should establish a process for waiver, on a case-by-case basis - e.g., when that policy compels a student to continue enrollment past the expiration of his or her military education benefits.
3. Awarding of credit is ultimately the purview of each individual institution. Institutional policies should (i) respect credit awarded by other accredited institutions to the greatest extent possible; (ii) describe the process by which the institution evaluates such credit; and (iii) provide that any denials of credit will include documentation of an educationally grounded rationale.

**B. Implementation:**

1. Following adoption of policies addressing the guidelines listed above, each institution shall provide a transparent method of disclosing its policies to current and prospective students, including posting on its website whether methods of prior learning assessment listed in Guideline 1 are or are not utilized by the institution.
2. Each institution shall designate a staff member or office who will serve as the responsible party in matters regarding transfer credit for military education and training. The contact information for this function shall be made available to students, preferably through posting on an appropriate page on the institution's website.
3. Following adoption by its governing board, each institution shall submit its policies to SCHEV, using a form developed by SCHEV staff, by June 30, 2014.
4. In the future, institutions shall notify SCHEV of any amendments to policies enacted pursuant to these guidelines. SCHEV staff will perform a periodic review of these guidelines and of institutional compliance with the assistance of the Military Education Advisory Committee.

## State Council of Higher Education for Virginia Agenda Item

**Item:** Academic Affairs Committee Item #8 – Action on the Revocation of University of Northern Virginia’s Certificate to Operate

**Date of Meeting:** July 15, 2013

**Presenter:** Dr. Joseph G. DeFilippo  
Director of Academic Affairs & Planning  
[JoeDeFilippo@schev.edu](mailto:JoeDeFilippo@schev.edu)

Ms. Sylvia Rosa-Casanova  
Director, Private and Out-of-State Postsecondary Education  
[SylviaRosaCasanova@schev.edu](mailto:SylviaRosaCasanova@schev.edu)

**Most Recent Review/Action:**

- No previous Council review/action  
 Previous review/action

**Date:**

**Action:**

**Background Information/Summary of Major Elements:**

- I. The University of Northern Virginia (UNVA) was established in Virginia in 1998 and achieved full accreditation with the Accrediting Council for Independent Colleges and Schools (ACICS) in 2003. In August 2007, ACICS denied UNVA’s reaccreditation and formally revoked its accreditation in 2008, at which time the institution was notified by SCHEV that it would, as per 8 VAC 40-31-180 (B)(2)(c) have to become a candidate for accreditation with an accrediting body recognized by the U.S. Department of Education (USED) within three years (by 2011), and fully accredited within six years (by 2014). Having failed to achieve candidacy by 2011, and following months of interaction between UNVA and SCHEV, UNVA entered into a consent agreement with SCHEV in March 2012, whereby the institution was afforded a two-year extension—to June 1, 2013—of the candidacy requirement, which it has now failed to meet. The referenced consent agreement provides, among other things, that

UNVA waive(s) its rights under the Administrative Process Act (APA), in that if UNVA fails to obtain candidacy status toward accreditation by June 1, 2013, SCHEV will proceed with the revocation of the

institution's Certificate to Operate immediately and UNVA may not invoke its rights under the Virginia Administrative Code or the APA for an informal hearing or formal conference.

In the five years since 2008, UNVA has both (i) failed to achieve candidacy with a USED-recognized accreditor, and (ii) been cited for numerous and repeated instances of non-compliance with Virginia regulation. UNVA's inability to establish a viable pathway toward achieving accreditation is in itself an ongoing violation of the standards of quality established by Virginia statute and regulation, and puts students at a continuing risk of receiving a substandard education.

II. According to Code of Virginia § 23-276.8 A:

In the event of school closure or revocation of its approval or certification, the school shall (i) make arrangements for the transfer of the academic and financial records of all students to the Council within 30 days of the closure or (ii) with the approval of the Council, ensure preservation of the academic and financial records of all students by entering an agreement with another school.

**Materials Provided:**

- University of Northern Virginia (UNVA), Timeline: 1998-2013
- Consent agreement between SCHEV and the University of Northern Virginia

**Financial Impact:** The University of Northern Virginia currently has a surety instrument in the form of a letter of credit in the amount of \$915,380.00, which would be used to reimburse students who file a claim for unearned tuition.

**Timetable for Further Review/Action:** N/A

**Resolution:**

**WHEREAS, the University of Northern Virginia (UNVA) has now gone five (5) years without achieving candidacy status with an accrediting body recognized by the U.S. Department of Education (USED), in violation of 8 VAC 40-31-180 (B)(2)(c); and**

**WHEREAS, in March 2012 UNVA voluntarily entered into a consent agreement with the State Council of Higher Education for Virginia (SCHEV) that extended the period allowed to achieve candidacy to June 1, 2013, which deadline UNVA has failed to meet; and**

**WHEREAS, the referenced consent agreement includes provisions (1) that if the June 1, 2013 deadline is not met, then SCHEV would proceed immediately to revoke UNVA's *Certificate to Operate*, and (2) that UNVA has waived its right to any appeals of such revocation; and**

**AND WHEREAS, Code of Virginia § 23-276.8 obligates institutions that close as a result of having their certification revoked to facilitate the preservation of student records either by transferral to SCHEV or by arrangement with another institution of postsecondary education;**

**THEREFORE, BE IT RESOLVED**

- (i) that the State Council of Higher Education for Virginia (SCHEV) revokes the University of Northern Virginia's (UNVA) *Certificate to Operate* in the Commonwealth of Virginia, effective immediately; and**
- (ii) that the proprietors of UNVA—including but not necessarily limited to the owner, board, and senior administrators—shall, as required by Code of Virginia § 23-276.8, make arrangements immediately for the transfer of student records either (1) to SCHEV in a manner and form that will facilitate storage with the Library of Virginia; or (2) to another institution of postsecondary education; and**
- (iii) that SCHEV staff is authorized to review and approve any plan proposed by UNVA for the transfer of student records, and shall report to Council and the Attorney General on the status of such transfer regularly until it has been completed.**



## State Council of Higher Education for Virginia

*University of Northern Virginia (UNVA), Timeline: 1998-2013*

**May 1998** - UNVA established in Virginia.

**April 2003** - UNVA attains accreditation from the Accrediting Council for Independent Colleges and Schools (ACICS).

**January 2007** - SCHEV conducts first audit of UNVA and finds three items of non-compliance.

**August 2007** - ACICS denies UNVA reaccreditation. Among the reasons cited in the letter for the denial of reaccreditation:

- Insufficient evidence that the distance education faculty is reviewed by the administration.
- Insufficient evidence that the administration evaluates all staff members.
- Insufficient documentation that the institution follows its Satisfactory Academic Progress policy.
- Prerequisites are not being followed on three computer programs.
- The institution does not maintain student records which reflect the requirements for admission of all students.
- Official transcripts are not on file for all faculty.

**November 2007**- UNVA is granted a preliminary injunction requiring ACICS to reinstate UNVA's accreditation until a final decision in the case is made.

**February 2008** - SCHEV conducts second audit of UNVA and finds five items of non-compliance.

**April-May 2008** - Ownership of UNVA is disputed. Daniel Ho claims ownership of school and moves school location to Little River Turnpike. Daniel Ho sues the U.S. Immigration and Customs Enforcement's Student and Exchange Visitor Program (SEVIS) for removing him as Principal Designated School Official (PDSO) of the UNVA. Five other court cases are filed in the dispute over ownership.

**June 2008** - James H. Dillard is appointed by the court as acting chancellor of UNVA until the dispute regarding ownership can be settled.

**July 2008** - SCHEV receives a letter from James H. Dillard advising that "pursuant to a settlement agreement... all equitable and controlling interests in the University of Northern Virginia, Inc. has been transferred to Daniel Ho." (sic)

**August 8, 2008** - ACICS formally revokes UNVA's accreditation. The decision cannot be appealed or challenged.

**August 19, 2008** - David Lee (Chancellor) requests that SCHEV allow UNVA the same amount of time to achieve candidacy and accreditation as it would a new school.

**August 20, 2008** - David Lee submits a preliminary accreditation plan to SCHEV stating it will seek accreditation with SACS. The plan is to make a formal application in October 2008.

**September 12, 2008** - UNVA submits new accreditation plan to SCHEV. The stated goals are to achieve candidacy with SACS by June 2009 and full accreditation by December 2010. Neither goal is achieved.

**April 2011** - SCHEV conducts a third audit of UNVA and finds three items of non-compliance and two items of concern.

**June 2011** - Dr. Habib Khan joins UNVA as provost.

**July 2011** - Immigration and Customs Enforcement (ICE) agents raid UNVA and seize records for an investigation regarding F1 students (F1 status is a visa classification for foreign students studying at US colleges and universities). The Student Exchange and Visitor Program (SEVP) to . UNVA SEVP violations include:

- Failure to report when F1 students do not maintain full course of study.
- Issuing I-20's to F1 students for Curricular Practical Training (CPT) experiences at remote locations not within commutable distance from the school.
- School facilities inadequate to provide instruction to the number of students UNVA reports as enrolled.
- Offering programs to F1 students for which UNVA had not previously obtained authorization from SEVP, and at locations not previously approved by SEVP.

**August 19, 2011** - Chancellor David V. Lee resigns abruptly from UNVA.

**August 29, 2011** - Dr. Habib Khan (Acting Chancellor) notifies SCHEV of UNVA's plan to obtain accreditation through ACICS. (Note: ACICS is UNVA's former accrediting agency.)

**September 2011** - Albert Gray, Executive Director of ACICS informs Dr. Khan that "ACICS will not consider any new application from UNVA."

**November 2011** - SCHEV notifies UNVA of its intent to revoke UNVA's certificate to operate because the institution has not obtained candidacy for accreditation in the time allotted for unaccredited new schools. UNVA is advised that it is entitled to an informal fact finding conference (IFFC). UNVA requests a conference.

Whittaker and Associates, legal counsel for UNVA sends SCHEV a letter detailing changes at UNVA. The letter claims "...Dr. Ho is not on the board and he has relinquished all of his ownership in UNVA."

**January 17, 2012** - SCHEV holds the IFCC. The bylaws of the University of Virginia (revised December 30, 2011) are submitted to SCHEV. It is noted that Julie Rao is the trustee for the Daniel Ho Revocable Blind trust dated October 25, 2011.

**March 2012** - SCHEV reports the results of the IFFC and notifies UNVA that there is sufficient evidence to revoke its certification. UNVA is given the choice to enter into a consent agreement or to request a formal hearing.

The board approves entering into the consent agreement. The terms are:

- UNVA must obtain candidacy with an accrediting body by June 1, 2013.
- UNVA waives its right to Administrative Process Act appeals in the event it does not achieve candidacy by the required date.
- UNVA agrees to extinguish Dr. Ho's financial interest in the institution prior to the expiration of the blind trust.
- UNVA agrees to ensure Dr. Ho relinquishes ownership and involvement in the administration.

**August 2012** - Julie Rao resigns as trustee. Robert Jones resigns as Chair of the Board of Directors; all the remaining board members resign their positions, and Dr. Habib Khan resigns as Chancellor.

**August 10, 2012** - Dr. Ali Dastmalchi is appointed Chancellor and Chief Academic Officer by a new board. The process by which the new board has been constituted is unclear to SCHEV.

**August 14, 2012** - SCHEV sends letter recognizing Dr. Dastmalchi as the new chancellor of UNVA and noting that the purpose of the communication is to ensure he is "aware of the Consent Agreement that the University of Northern Virginia entered into with SCHEV in order to retain its *Certificate to Operate* in Virginia." Dr. Dastmalchi is informed of the requirement for UNVA to obtain accreditation candidacy by June 2013 and be fully accredited by June 2014.

**October 9-10, 2012** - SCHEV conducts fourth audit of UNVA. Some items are missing from files and Dr. Dastmalchi explains it is due to the Immigration and Customs Enforcement (ICE) raid of UNVA in 2011. When asked about the accreditation status of UNVA, Dr. Dastmalchi says UNVA is seeking accreditation with Distance Education and Training Council (DETC). SCHEV informs Dr. Dastmalchi that it questions the appropriateness of this accrediting agency since DETC institutions must have a minimum of 51% of academic offerings in a distance education format. As most of UNVA's students are F1 students requiring a brick and mortar location, SCHEV concludes it is unlikely for UNVA to meet the requirement.

**October 17, 2012** - SCHEV requests additional information from Dr. Dastmalchi to complete the audit. One item says: "Please provide additional information on the blind trust which is referred to in the *Consent Agreement* between SCHEV and the University of Northern Virginia."

**January 2, 2013** - SCHEV sends UNVA the results of the audit conducted on October 9-10, 2013. Based on the audit results, SCHEV notifies UNVA that it will seek to revoke UNVA's Certificate to Operate on the basis of the school's failure to maintain compliance with the Council's regulations. The eleven page audit report summarizing the violations discovered during the audit ends with the following paragraph:

Based on the items of non-compliance found at the time of this audit, SCHEV staff finds University of Northern Virginia has continued to violate Virginia regulation even after being warned during three prior audits and in a letter to the institution in June 2010. UNVA has been given multiple chances to correct non-compliant issues regarding minimal standards of quality and student protections. As has been shown through its repeat violations, University of Northern Virginia deliberately and continuously demonstrates its disregard for the requirements of Virginia law and regulation. The violations identified above are not merely technical in nature. They touch on the most fundamental provisions in the *Code of Virginia* and the *Virginia Administrative Code* related to minimal standards of academic quality and fair treatment of students. SCHEV staff recommends that Council revoke its certificate to operate.

**January 15, 2013** - UNVA requests an informal fact finding conference.

**February 8, 2013** - DETC informs UNVA that it will not entertain an application for the institution because it does not meet the eligibility criteria. Specifically, DETC rules UNVA is not primarily a distance education institution, an observation SCHEV staff made to Dr. Dastmalchi in October, 2012.

**February 14, 2013** - An informal fact finding conference (IFFC) is held at the SCHEV offices.

**April 8, 2013** - SCHEV sends UNVA the results of the February 14 IFFC. SCHEV notifies UNVA that it has determined that sufficient evidence exists to continue with the revocation process.

**May 23, 2013** - UNVA requests SCHEV allow the institution yet more time to obtain candidacy for accreditation, citing that the institution is now seeking accreditation with the Accrediting Commission of Career Schools and Colleges (ACCSC). UNVA states in its letter to SCHEV that ACCSC is a good accreditation match for the institution. SCHEV determines that UNVA is again preparing to pursue accreditation from an agency for which it does not appear to meet the eligibility criteria.

**July 2013** - SCHEV notifies UNVA of its intent to recommend revocation of its certificate to operate at the July Council meeting. In addition to the failure of the institution to obtain candidacy status with a recognized accreditor, SCHEV states the following reason for the recommendation to revoke certification:

(T)he *Report of Audit* submitted after the October 2012 audit indicates an institution that has been given multiple opportunities to correct items of non-compliance regarding student protections and minimal standards of quality and has neglected to do so. University of Northern Virginia has failed consistently to remain in compliance with such items as the hiring of qualified faculty, appropriate curriculum content and student disclosures regarding transferability of credits to other institutions. These are serious violations indicative of an institution that will likely be unable to obtain accreditation. Accordingly, SCHEV staff will present a resolution to Council at its July 2013 meeting recommending revocation of UNVA's *Certificate to Operate*.

University of Northern Virginia, Inc.  
Board of Directors  
7535 Little River Turnpike  
Annandale, VA 22003

9 March 2012

Dr. K. Habib Khan  
President and CEO  
University of Northern Virginia (UNVA), Inc.  
7535 Little River Turnpike  
Annandale, VA 22003

Dear Dr. Khan:

The Board of Directors of UNVA, Inc., having reviewed the proposed SCHEV Consent Agreement received 6 March 2012, unanimously voted on 9 March 2012 to authorize you to sign the SCHEV Consent Agreement.

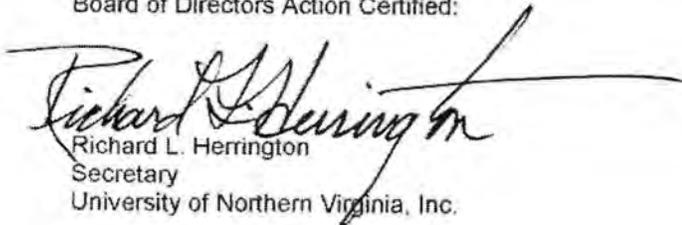
Further, the UNVA, Inc. Board of Directors is unanimously resolved to pursuing all necessary legal action to meet requirements 2. and 3. of the SCHEV Consent Agreement prior to the expiration date (Sept. 30, 2016) of the Daniel Ho Blind Trust. The Board of Directors will work in close consultation, support, consent, and collaboration with Dr. Julie Rao, Sole Trustee of the Daniel Ho Blind Trust.

The Board of Directors fully expects you to meet requirement 1. of the SCHEV Consent Agreement by providing strong leadership, expert advice, commitment and motivation to the academic and management team of UNVA, Inc. to meet the deadline of June 30, 2013 to attain candidacy status and to obtain full accreditation by June 30, 2014 with one of the following accreditation agencies:

1. Southern Association of Colleges and Schools Commission on Colleges (SACS COC)
2. Accrediting Council of Independent Colleges and Schools (ACICS)

The Board of Directors of UNVA, Inc. thanks you for your willingness to accept this responsibility and your unfailing dedication to UNVA, Inc.

Board of Directors Action Certified:

  
Richard L. Herrington  
Secretary  
University of Northern Virginia, Inc.



Peter Blake  
Director

*COMMONWEALTH of VIRGINIA*  
*STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA*  
*James Monroe Building, 101 North Fourteenth Street, Richmond, VA 23219*

(804) 225-2600  
FAX (804) 225-2604  
www.schev.edu

In re: University of Northern Virginia (UNVA)

Pursuant to 8 VAC 40-31-220(B)(1), this Agreement is made by and between the Commonwealth of Virginia, through the State Council of Higher Education ("SCHEV"), and the University of Northern Virginia.

WHEREAS, SCHEV is the Commonwealth's coordinating body for higher education and pursuant to Chapter 21.1 of Title 23 of the *Code of Virginia* is required to oversee all aspects of the certification of private and out-of-state postsecondary institutions operating in Virginia; and

WHEREAS, UNVA is currently certified by SCHEV to confer degrees and offer certain programs to its students in accordance with Virginia law, specifically pursuant to Chapter 21.1 of Title 23 of the *Code of Virginia*; and

WHEREAS, UNVA's accreditation status was revoked by the Accrediting Council for Independent Colleges and Schools (ACICS) as of August 6, 2008, and the institution was permitted to continue operating under a provisional certification that required it to obtain candidacy status towards accreditation from an accrediting agency recognized by the U.S. Department of Education within three (3) years of the ACICS revocation; and

WHEREAS, UNVA has failed to obtain candidacy status towards accreditation with an accrediting agency recognized by the U.S. Department of Education within the required time period, the school is out of compliance with Chapter 21.1 of the Title 23 of the Code of Virginia and SCHEV is seeking the revocation of the institution's Certificate to Operate;

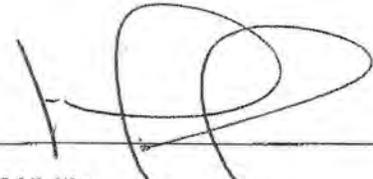
WHEREAS, the parties recognize that SCHEV has a sufficient basis for revoking UNVA's certification, and UNVA wishes to enter into this agreement in lieu of further action by SCHEV in pursuing this case in a formal hearing;

*Advancing Virginia Through Higher Education*

In re: University of Northern Virginia (UNVA)  
Page 2

THHEREFORE, SCHEV shall permit the institution to continue operating until June 1, 2013, by which time the institution must have secured, at a minimum, candidacy status towards accreditation by an accrediting agency recognized by the U.S. Department of Education. The agreement requires that:

1. UNVA waive its rights under the Administrative Process Act (APA), in that if UNVA fails to obtain candidacy status toward accreditation by June 1, 2013, SCHEV will proceed with the revocation of the institution's Certificate to Operate immediately and UNVA may not invoke its rights under the Virginia Administrative Code or the APA for an informal hearing or formal conference.
2. UNVA agrees to extinguish Dr. Daniel Ho's financial interest in the institution before the expiration of the blind trust.
3. UNVA must ensure that Dr. Daniel Ho relinquishes ownership of and involvement in the administration of the institution permanently.




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Dr. K. Habib Khan  
President/Chancellor, University of Northern Virginia

3/11/2012  
Date




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Dr. Joseph G. DeFilippo  
Director, Academic Affairs and Planning, SCHEV

3/12/12  
Date

# State Council of Higher Education for Virginia Agenda Item

**Item:** Academic Affairs Committee Item #9 – Action on Guidance Document on Certification of Institutions Providing Instruction Through Distance Education Modalities

**Date of Meeting:** July 15, 2013

**Presenter:** Ms. Sylvia Rosa-Casanova  
Director, Private and Out-of-State Postsecondary Education  
[SylviaRosaCasanova@schev.edu](mailto:SylviaRosaCasanova@schev.edu)

**Most Recent Review/Action:**

- No previous Council review/action  
 Previous review/action

**Date:** March 18, 2013

**Action:** A temporary moratorium on certifying institutions providing instruction solely via distance education modalities was established to allow staff to develop a guidance document on the certification of distance education institutions.

**Background Information/Summary of Major Elements:**

Institutions providing instruction via distance education modalities have become more common in the seven years since the POPE regulations were last revised. SCHEV staff has observed an increase in inquiries from institutions intending to provide all, or nearly all, their instruction via distance education. Staff had some concerns regarding the clarity of operational criteria for certifying such institutions and requested a temporary moratorium until a thorough review could be conducted. That review is complete and a guidance document has been created. This guidance document does not establish or propose any new regulations. Rather, it sets out how existing regulation will apply operationally to assure quality and a legitimate in-state presence for institutions seeking authorization to operate in Virginia as predominantly online entities.

**Materials Provided:**

- *Guidance for Institutions Providing Instruction Through Distance Education Modalities*

**Financial Impact:** The financial consequence of the closure of a predominantly on-line institution could be significant. By clarifying the criteria for certification of such institutions, SCHEV will help to ensure the quality and stability of institutions certified to operate from the Commonwealth of Virginia.

**Timetable for Further Review/Action:** N/A

**Resolution:**

**BE IT RESOLVED** that the State Council of Higher Education for Virginia approves the *Guidance for Institutions Providing Instruction Through Distance Education Modalities* and authorizes staff to implement its provisions in the review of institutions applying for certification to operate in Virginia.



## State Council of Higher Education for Virginia

### ***Guidance for Institutions Providing Instruction Through Distance Education Modalities***

The State Council of Higher Education for Virginia (SCHEV) is entrusted with oversight of private and out-of-state degree and non-degree postsecondary institutions. According to 8 VAC 40-31-130 (A) (ii) of the Virginia Administrative Code, SCHEV shall ensure that all postsecondary schools subject to certification meet minimal academic or career-technical standards. This document clarifies the certification requirements for institutions providing educational offerings predominantly through telecommunications or other distance learning modalities.

An out-of-state institution that provides educational offerings to Virginia residents via distance learning (i.e., computer, other telecommunications devices or mail correspondence courses) is not currently required to obtain a Certificate to Operate so long as it does not have physical presence in Virginia.

An in-state institution that provides its educational offerings predominantly via distance learning modalities (i.e., computer, other telecommunications devices or mail correspondence courses) must demonstrate it is a genuine in-state, Virginia institution in order to be eligible for certification by SCHEV. “Shadow institutions,” defined broadly as those wishing to offer online/distance education without having a permanent physical location with substantial administrative capability in Virginia, are not eligible for certification in the Commonwealth of Virginia. Criteria for determining whether a potential applicant institution is eligible for certification include—but are not necessarily limited to—the following:

1. The institution’s main base of operations is at a permanent physical location in Virginia with regular business hours of operation.
2. The Virginia physical location has the administrative capability to perform student services. (e.g., admissions, financial aid, advising) required for the kind and extent of educational offerings provided. Essential administrative and management functions of the institution are performed at the location in Virginia.
3. Administrative and support staff assigned to the Virginia location are sufficient in number and expertise to support the kind and extent of operations necessary given the size of the institution’s planned enrollment.
4. The institution’s programs are comparable in content, faculty and resources to similar programs offered in person and include regular student-faculty interaction by computer, telephone, mail, etc. The platform/delivery method to

- be employed provides adequate defense against fraudulent activities and preserves the integrity of the programs delivered.
5. Senior officials of the institution demonstrate understanding of the state approval process for all states in which it intends to offer distance education.
  6. The institution provides evidence that it will be eligible for accreditation by an agency recognized by the United States Department of Education.
  7. The institution's educational offerings will be limited to the United States and its territories until such time as it has achieved accreditation by an agency recognized by the United States Department of Education.

An applicant in-state institution that intends to provide its educational offerings predominantly via distance learning modalities shall notify SCHEV at the time it requests name acknowledgement and shall submit evidence to confirm it meets the above criteria.

SCHEV reserves the right to require the submission of additional specific information to support the review of institutions according to the above criteria and/or to require an external review of an applicant institution by an expert or team of experts in distance education.

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA**

**SCHEV 10<sup>th</sup> Floor Conference Room  
101 N. 14<sup>th</sup> St., 10<sup>th</sup> floor  
Richmond, Virginia**

**July 15, 2013  
3:30 p.m. – 5:00 p.m.**

**TJ21 Implementation Task Force**

1. Call to Order and Announcements
2. Approval of Task Force Minutes:  
May 20, 2013 Page TF1
3. Action on 2013-14 Full Cost Report Page TF4
4. Update on the Student Financial Aid Reporting Study Page TF9
5. Discussion of Enrollment Projection and Degree  
Estimates Process for 2014-2020 Page TF15
6. Update from the Higher Education Advisory Committee Page TF18

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA  
TJ 21 IMPLEMENTATION TASK FORCE MEETING  
MAY 20, 2013  
MINUTES**

Mr. Haner called the meeting to order at 1:35 p.m. in Gerard Phelan Hall, Marymount University, Arlington, Virginia. Council members present: Whittington Clement, Stephen Haner, G. Gilmer Minor, and Katharine Webb.

Committee member absent: Gary Nakamoto

Staff members present: Peter Blake, Alan Edwards, Dan Hix, and Lee Ann Rung.

**APPROVAL OF MINUTES**

On a motion by Mr. Minor and seconded by Ms. Webb, the minutes from the March 18, 2013, meeting were approved unanimously.

**ACTION ON LEVEL II EDUCATION RELATED MEASURES (VSU AND UMW)**

Mr. Blake said that Jim Alessio managed the staff work on the measures but was unable to attend the meeting. Mr. Blake also noted that Mr. Alessio plans to retire effective June 1. Members expressed their appreciation for his remarkable work on implementing the Higher Education Restructuring Act and the TJ21 legislation and indicated that his presence will be missed.

Mr. Hix discussed the process for institutions seeking Level II authority under the 2005 Higher Education Restructuring Act. He began by reviewing the first two measures proposed by the University of Mary Washington. Mr. Haner noted that the 0.25 percent increase in freshman to sophomore retention rate seemed low. Mr. Hix provided additional information related to the justification for this measure. In answer to a question raised by Ms. Webb, Mr. Blake reminded members that indicators were suspended as part of the 2011 TJ21 legislation. However, staff will continue to refresh the process over the next year and will keep the Council apprised.

Mr. Hix then reviewed the two measures proposed by Virginia State University and closed by saying that the Secretaries of Education and Finance have reviewed the measures proposed by both UMW and VSU and that the Council staff supports them and recommends Council approval. Mr. Minor asked for input from the Virginia State University representatives who were present regarding the proposed increase of 300% in actual graduates. Nicole Parsons-Pollard from VSU said President Miller is committed to increasing programs and partnerships with Fort Lee and other military institutions. She felt that the increase was in line with Virginia State's future goals. Ross Johnson, from the Veterans Affairs Office at VSU provided additional

information related to programs aimed at military students and families. Ms. Webb commended VSU on the aggressive nature of its goals. On a motion by Mr. Minor, seconded by Ms. Webb, and approved unanimously, the following resolution will be forwarded to the full Council:

**BE IT RESOLVED that the State Council of Higher Education for Virginia approves the proposed Level II measures for the University of Mary Washington and Virginia State University.**

### **DISCUSSION OF ENROLLMENT PROJECTIONS AND DEGREE ESTIMATES**

Mr. Blake reported on this item in Mr. Massa's absence. He reviewed the benchmark projections that staff reported to the Council in January and indicated that on the surface one could assume that the 100,000 degree goal might not be achieved. He went on to report three factors that could change the assumption. First, the enrollments represent the impact of the Virginia Community College System (VCCS) actual enrollments for Fall 2012 which were significantly below those projected. The development of accurate enrollment projections is a challenge for the VCCS because unlike four-year institutions, community colleges have open enrollment admissions, and are market responsive. The second consideration is that the benchmarks for both the VCCS and Richard Bland College did not take into consideration the long term institutional goals to significantly improve student completion rates. Finally, based on early submissions of degree production, staff is confident that the system will achieve or exceed the 100,000 degree target by 2025.

Ms. Webb asked for the percentage change in retention, and Mr. Blake said he could provide the number but indicated that it was not substantial. Mr. Haner reminded the members that the Council will review these estimates again in July before approving them in September. Mr. Blake also noted that graduate and professional degrees were not part of the 100,000 target, but are important and will be included in the final projections.

### **UPDATE ON IMPACTS OF FEDERAL SEQUESTRATION**

Dr. Edwards provided updated information on the materials that were included in the agenda book and reminded members that further updates could come at a later date. He reviewed the impact of reductions on specific programs related to higher education, including federal financial aid; research grant-making; and workforce development/job training. Dr. Edwards reminded members that Pell Grants were exempt from sequestration cuts. In addition, Dr. Edwards reviewed other impacts of the sequester on Virginia higher education. Mr. Minor asked about SCHEV's collaboration with K12 and suggested that, when preparing its budget recommendations in the fall, the Council consider a strategy to address teacher education shortfalls that may occur as a result of sequestration. Mr. Minor also expressed concern about impacts on the quality of education and felt the Council should work to ensure that the neediest students don't receive an inferior education at a lower cost. Ms. Webb and Mr. Clement felt the Council should set its priorities

to fill the gaps that will result from the federal budget reductions. Mr. Clement also suggested that Council provide this information to the gubernatorial candidates and the legislative money committees, to highlight what the reductions will mean for Virginia. It was decided that, following discussion with, and agreement by the full Council, a letter would be sent to the money committees explaining how sequester relates to the TJ21 legislation and how the federal reductions will impact Virginia. Additionally, the letter should include a request that SCHEV make a presentation on this subject at the Senate Finance and House Appropriations Committees later this year.

It was noted that uncertainty about the impact of sequestration will still exist when Council makes its budget recommendations in October, but members felt it was still important for legislators to understand the ways in which the Commonwealth could be affected. Council members may be asked to participate in the presentation to the money committees. Staff was encouraged to collaborate with college presidents as well, since they may already have information on the effects of sequestration on their institutions.

### **NEW BUSINESS**

Mr. Blake mentioned that the next Higher Education Advisory Committee (HEAC) meeting is scheduled for June 17 at 1:00 in the Patrick Henry building. The Lumina Foundation is scheduled to provide a presentation on performance funding.

### **ADJOURNMENT**

The meeting was adjourned at 2:40 p.m.

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Stephen Haner  
Chair

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Lee Ann Rung  
Manager for Executive and Council Affairs

# State Council of Higher Education for Virginia Agenda Item

**Item:** TJ21 Implementation Task Force #3 - Action on the 2013-14 Full Cost Report

**Date of Meeting:** July 15, 2013

**Presenter:** Dan Hix, Finance Policy Director, [DanHix@schev.edu](mailto:DanHix@schev.edu)

## **Most Recent Review/Action:**

No previous Council review/action

Previous review/action

**Date:** 7/17/2012

**Action:** Approval of the 2012-13 Full Cost Report

## **Background Information/Summary of Major Elements:**

- General Provisions language contained in the 1990 Appropriation Act made institutions aware that the objective of the Commonwealth was that nonresident students should pay no less than the full cost of their education by 1992-93.
- During the 1996 General Assembly session, the Council staff noted that substantial state general fund increases for the 1996-98 biennium would increase average educational costs and would result in large increases in nonresident tuition at some institutions if they were to continue to meet the 100 percent requirement.
- To address this concern, the General Assembly added language to the Appropriation Act that gave the Council the ability to approve exemptions, thus authorizing a phased approach to meeting the 100 percent requirement.
- In 2003, the Joint Subcommittee on Higher Education Funding Policies revised the 2001 funding guidelines and developed a fund-split model to be used in conjunction with the base adequacy guidelines for higher education institutions. This model identifies the cost of an institution's base operation and calculates the fund share of the cost by student level, domicile and program.
- As a result, the 2004 Appropriation Act includes the following revised tuition policy in Item 4-2.01.b.2:
  - *b) "The Boards of Visitors or other governing bodies of institutions of higher education may set tuition and fee charges at levels they deem to be appropriate for all nonresident student groups based*

*on, but not limited to, competitive market rates, provided that: 1) the tuition and mandatory educational and general fee rates for nonresident undergraduate and graduate students cover at least 100 percent of the average cost of their education, as calculated through base adequacy guidelines adopted, and periodically amended, by the Joint Subcommittee Studying Higher Education Funding Policies.”*

- *c) “For institutions charging nonresident students less than 100 percent of the cost of education, the State Council of Higher Education for Virginia may authorize a phased approach to meeting this requirement, when in its judgment, it would result in annual tuition and fee increases for nonresident students that would discourage their enrollment.”*

- Thus 2004-05 became the first year that the full cost study was based on the base adequacy guidelines. That is, the study examines the nonresident tuition and mandatory educational and general (E&G) fee rates as a percent of the guideline calculated cost per-FTE student rather than the E&G appropriations at an institution.
- Based on institutions’ 2013-14 tuition charges, it is estimated that all institutions will have met the requirement that nonresident tuition and mandatory E&G fee rates cover at least 100 percent of the average cost of their education in 2013-14.
- Staff recommends that the Council of Higher Education approve the 2013-14 Full Cost Report.

**Materials Provided:** The 2013-14 Full Cost Report

**Financial Impact:** None.

**Timetable for Further Review/Action:** None.

**Resolution:**

**BE IT RESOLVED that the State Council of Higher Education for Virginia approves the 2013-14 Full Cost Report.**

## 2013-14 Full Cost Report

The 1990 Appropriation Act states, “the objective of the Commonwealth is to ultimately charge nonresident students the full cost of their education.” By 1992, every Virginia state-supported college and university had come into compliance with the requirement that nonresident tuition equal or exceed 100 percent of average educational cost.

During the first half of the 1990’s, many institutions also relied heavily on double-digit increases in tuition and fees to pay for operations. These tuition increases, combined with meeting the requirement that nonresident students pay the full cost of their education, made a number of institutions less financially attractive to non-Virginians.

During the 1996 Session, the Council staff and the affected institutions noted that substantial state general fund increases for 1996-98 would increase average educational costs and result in large increases in nonresident tuition at some institutions if they were to continue to meet the 100 percent requirement. To address this, the General Assembly included the following language in the Appropriation Act:

“The determination of proper tuition, fees and charges shall be made by the Board of Visitors or other governing bodies of institutions of higher education provided, however, that the tuition and fee charges to nonresident students shall be not less than 100 percent of the average cost of education as calculated by the State Council of Higher Education in consultation with the Department of Planning and Budget. The State Council of Higher Education may authorize a phased approach to meeting this requirement when, in its judgment, it would result in annual tuition and fee increases for nonresident students that would discourage their enrollment.”

To examine institutions’ compliance with the policy, Council staff compared each institution’s nonresident tuition and mandatory educational and general (E&G) fee charges as a percent of its E&G appropriations per student.

In 2003, the Joint Subcommittee on Higher Education Funding Policies revised the 2001 funding guidelines and developed a fund-split model to be used in conjunction with the base adequacy guidelines for higher education institutions. This model identifies the cost of an institution’s base operation and calculates the fund share of the cost by student level, domicile and program.

As a result, the 2004 Appropriation Act includes the following revised tuition policy, *Item 4-2.01.b.2*:

*b) “The Boards of Visitors or other governing bodies of institutions of higher education may set tuition and fee charges at levels they deem to be appropriate for all nonresident student groups based on, but not limited to, competitive market rates, provided that: 1) the tuition and mandatory educational and general fee rates for nonresident undergraduate and graduate students cover at least 100 percent of the*

*average cost of their education, as calculated through base adequacy guidelines adopted, and periodically amended, by the Joint Subcommittee Studying Higher Education Funding Policies.”*

*c) “For institutions charging nonresident students less than 100 percent of the cost of education, the State Council of Higher Education for Virginia may authorize a phased approach to meeting this requirement, when in its judgment, it would result in annual tuition and fee increases for nonresident students that would discourage their encouragement.”*

Based on institutions’ 2013-14 tuition charges, it is estimated that all institutions will have met the requirement that nonresident tuition and mandatory E&G fee rates cover at least 100 percent of the average cost of their education in 2013-14 (Table 1).

**Table 1**

**2013-14 Average Nonresident Tuition  
As a Percent of Average Cost of Education**

<b>Institutions</b>	<b>Average Guideline Calc. Cost Per Student <sup>(1)</sup></b>	<b>Average Nonresident Tuition <sup>(2)</sup></b>	<b>% of Cost</b>
<b>GMU</b>	\$15,124	\$25,841	171%
<b>ODU</b>	\$13,554	\$21,741	160%
<b>UVA</b>	\$19,832	\$32,018	161%
<b>VCU</b>	\$14,602	\$22,374	153%
<b>VT</b>	\$16,389	\$24,565	150%
<b>CWM</b>	\$20,105	\$29,413	146%
<b>CNU</b>	\$12,368	\$15,849	128%
<b>UVAW</b>	\$13,802	\$19,857	144%
<b>JMU</b>	\$12,825	\$20,060	156%
<b>LU</b>	\$12,941	\$19,407	150%
<b>UMW</b>	\$13,594	\$19,340	142%
<b>NSU</b>	\$12,140	\$17,509	144%
<b>RU</b>	\$12,034	\$17,917	149%
<b>VMI</b>	\$18,061	\$28,068	155%
<b>VSU</b>	\$11,261	\$14,338	127%
<b>RBC</b>	\$8,559	\$13,286	155%
<b>VCCS</b>	\$7,100	\$9,724	137%
<b>TOTAL <sup>(3)</sup></b>	\$11,830	\$22,948	162%

<sup>(1)</sup> Derived by dividing 2013-14 guideline calculated cost by 2013-14 projected enrollment approved by SCHEV in 2011.

<sup>(2)</sup> Enrollment-weighted tuition averages of both undergraduate and graduate students.

<sup>(3)</sup> Total percent of cost calculation has been weighted by level-specific (doctoral, comprehensive, and two-year) enrollments.

# State Council of Higher Education for Virginia Agenda Item

**Item:** TJ21 Implementation Task Force #4: Update on the Student Financial Aid Reporting Study

**Date of Meeting:** July 15, 2013

**Presenter:** Lee Andes, Assistant Director for Financial Aid, [leeandes@schev.edu](mailto:leeandes@schev.edu)

**Most Recent Review/Action:**

- No previous Council review/action  
 Previous review/action

**Date:** 3/19/2013

**Action:** Discussion, progress report

**Background Information/Summary of Major Elements:**

State policies and provisions to reduce the tuition costs for various student groups has evolved over time and produced three separate but similar programs. Unfunded Scholarships, Tuition & Fees Revenue Used for Financial Aid, and Tuition Waivers each serve to reduce the tuition costs for eligible students and ultimately impact the operating revenues of the institutions. These programs obtain their funding directly from Tuition and Fees or are foregone revenue in the form of either reduced tuition charges or a remission towards the student's tuition via an unfunded scholarship. For purposes of this study, these three programs will be collectively referred to as "tuition offsets."

While the funding source and usage of the programs overlap, Unfunded Scholarships and Tuition Waivers each have separate authorizations within state law, including specific student eligibility criteria and administrative guidance. Meanwhile, administrative guidance is less clear with Tuition & Fee Revenue Used for Financial Aid. Most institutions have administered this program with a great deal of flexibility while others suggest that the program is restricted by the Program 108 requirements found in §4-5.01 of the Act of Appropriation.

The lack of a clear delineation between these programs has produced confusion and disparity in the administration and reporting of the programs. While some institutions acknowledge there are three separate programs, several institutions have assumed that there are but two. Even among the latter group there appears to be additional disparity as some have considered Unfunded Scholarships to be the same as Tuition & Fee Revenue Used for Financial Aid while others might suggest that Unfunded Scholarships is another form of a tuition waiver. This disparity has resulted in

inconsistent reporting and possible double-counting and inflating of the value of the tuition offsets provided to students. For 2011-12, institutions reported a total of \$137.5 million awarded from Tuition & Fee Revenue Used for Financial Aid (six-year plans, August 2012). For the same award year, the institutions reported \$80.8 million in Unfunded Scholarships and \$116.7 million in Tuition Waivers (S1/S2 reports, October 2012).

### **Brief History of Tuition Offsets**

- 1936, legislation establishes “**unfunded scholarships**” in the Code of Virginia. The program authorizes institutions to provide student scholarships to be applied exclusively to the remission of “instructional charges” (later modified to “tuition and required fees”). Caps on usage are provided by the Code language. While undergraduate awards must be need-based, there is no restriction to low or middle income families.
- 1991, the first time the **Student Financial Assistance appropriation** for an institution included **support from other than the general fund**. The University of Virginia appropriation included \$1.5 million from Higher Education Operating funds (tuition revenue) for student financial assistance.
- Pre-1999, various statutory amendments providing reduced rates or eliminated tuition for certain students who otherwise would pay the out-of-state tuition rate. Appropriation Act includes language directing institutions to absorb cost of “discretionary waivers.” *“It is the intent of the General Assembly that, effective July 1, 2000, any institution of higher education granting new **tuition waivers to in-state or out-of-state students not authorized by the Code of Virginia must absorb the cost of any discretionary waivers.**”* No limits were provided.
- 2006-2013, various military-related amendments to the Code of Virginia providing for reduced tuition rates to students who otherwise would pay out-of-state tuition rates.
- From 2006 to 2011, references to “financial assistance” and “need-based aid for low and middle income families” contained within the state management agreements, Higher Education Tuition Incentive Fund, Higher Education Tuition Moderation Incentive Fund, recommendations from SCHEV, and the 2011 Top Jobs Act have endorsed and encouraged institutions to utilize tuition revenues to increase the availability of financial aid funding.

Upon reviewing the history, it is clear that these programs evolved independent of one another as changes to one program did not contemplate an effect on another. For example, the Unfunded Scholarship program has contained the following prohibition since at least 1996: “No institution named herein shall remit any tuition or required fees or any special fees or charges, to any student at such institution except as authorized in this section.” Yet, this prohibition was not amended as the Commonwealth continued to create or expand other types of remission in the form of tuition waivers.

The Tuition Incentive Funds permitted the increase of tuition and fees for the purpose of providing financial aid but never acknowledged the role of Unfunded Scholarships for the same purpose. Similarly, as the Commonwealth's concern grew for addressing low- and middle-income families, the Unfunded Scholarships were not mentioned or amended in accordance with the new policy goals. This "silo approach" to financial aid policy is endemic of the way higher education funding policies within the Commonwealth are made and is ongoing as new tuition waivers are created without a complete understanding of the impact on overall tuition and fee charges.

While Tuition Waivers and Unfunded Scholarships are specifically authorized, Tuition & Fee Revenue Used for Financial Aid lacks a clear structure. The latter are referenced in various sections of the Code and Act (see history above) without a section of law governing its usage. This lack of cohesion has resulted in confusion among institutions in how to separate and report the programs and among policymakers in understanding the roles for each program.

Since implementation of the institutional management agreements, Higher Education Tuition Incentive Fund, Higher Education Tuition Moderation Incentive Fund, and the 2011 Top Jobs Act, usage of Tuition & Fee Revenue Used for Financial Aid has increased dramatically. In turn, policy makers are evaluating its role and affect on higher education access, especially for middle income families. This focus has brought to light the problems associated with the tuition offsets and precipitated the Council's review.

SCHEV addressed governance issues for the Tuition & Fee Revenue Used for Financial Aid in November 2012 when it passed a resolution recommending several policies for the program. These recommendations, listed below, are reflected in sample amendments found in Appendix A.

- a. In-state student tuition will not subsidize out-of-state students.
- b. Students receiving this aid must be making satisfactory academic progress.
- c. Awards made to students should be based primarily on financial need.
- d. Institutions should make larger awards to students taking the number of credit hours necessary to complete a degree in a timely manner.
- e. SCHEV and institutions should work cooperatively to refine and improve the reporting of this approach to providing financial aid.

With its fifth recommendation in November 2012, SCHEV acknowledged the further need to identify a reporting protocol that will provide confidence in the numbers provided as well as establish definitions that will correctly and individually identify the three programs. To this end, in February 2013 SCHEV convened a workgroup of institutional representatives from James Madison University, Norfolk State University, University of Virginia, Virginia Commonwealth University, Virginia State University, and Virginia Tech, as well as the Department of Planning and Budget, the Office of the Secretary of Education, SCHEV, and staff from the House Appropriations Committee and Senate Finance Committee.

The workgroup found that Tuition Waivers and Unfunded Scholarships are reported to SCHEV by way of the financial aid data file and the S1/S2 reports; however, Tuition & Fee Revenue Used for Financial Aid is not individually reported in any fashion on these reports. The institutional six-year plans do report Tuition & Fee Revenue Used for Financial Aid but the data suggest that the institutions do not have a uniform understanding of what to report. Also, Tuition Waivers and Unfunded Scholarships are not reported on the six-year plan despite having the potential to impact the student tuition and fee charges as well as reducing the availability of operating revenue.

This workgroup has arrived at consensus recommendations for definitions and reporting protocol for each of the three forms of tuition offsets. These recommendations were subsequently vetted by members of the Finance Advisory Committee and institutional financial aid officers and are intended to form a base-line for tuition offsets and may set the stage for further policy review.

**Materials Provided:**

- Recommendations from the Ad Hoc Workgroup
- Appendices

**Financial Impact:**

These recommendations do not create a financial obligation.

**Timetable for Further Review/Action:**

To be determined.

**Resolution:**

None

# Policy Recommendations for Tuition Offsets

## Recommendations for Definition of Terms

### **Tuition Offsets**

For purposes of this document, Tuition Offsets refers to programs that obtain their funding directly from Tuition & Fee Revenues or are foregone revenue in the form of either reduced tuition charges or a remission towards the student's tuition via an unfunded scholarship. These programs currently include Tuition & Fee Revenue Used for Financial Aid, Unfunded Scholarships, and Tuition Waivers.

### **Tuition & Fee Revenue Used for Financial Aid:**

All nongeneral fund student financial assistance derived solely from institutional Tuition & Fee Revenues, exclusive of Unfunded Scholarships and Tuition Waivers as described below.

### **Unfunded Scholarships:**

1. Student financial assistance specifically authorized under the Code of Virginia, § 23-31.  
<http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+23-31>
2. Summary of criteria:
  - a. Number and amount of awards restricted depending upon enrollment level: undergraduate funds awarded restricted to 20% or less of tuition and fee revenue; graduate funds awarded restricted to amount of tuition and fee revenue charged to graduate students receiving assistantship of at least \$2,000.
  - b. Need-based (also character/ability) undergraduate assistance for in-state and out-of-state students.
  - c. Graduate assistance for in-state and out-of-state students having character/ability.

### **Tuition Waivers:**

Any provision reducing or otherwise eliminating the actual tuition charged to a student. To date, these include, but are not necessarily limited to, the following:

<b>Program</b>	<b>Authorization</b>
Federal military member and dependent waivers – in-state tuition	Federal Higher Education Opportunity Act
One-year grace period for when parent abandons Virginia domicile – in-state tuition	Code of Virginia § 23-7.4 B
Virginia's military dependents - in-state tuition	Code of Virginia § 23-7.4 E
Virginia Military Survivors & Dependents Education Program – waiver of tuition	Code of Virginia § 23-7.4:1 A
Certain Public Safety Personnel Child/Spouse Waivers – waiver of tuition	Code of Virginia § 23-7.4:1 B
Nonresident employed full time in Virginia provision – in-state tuition	Code of Virginia § 23-7.4:2 A
Virginia provision for other state's National Guard duty – in-state tuition	Code of Virginia § 23-7.4:2 B
Academic Common Market – in-state tuition	Code of Virginia § 23-7.4:2 C 1
Foreign exchange student waivers – in-state tuition	Code of Virginia § 23-7.4:2 C 2
VCCS dual enrollment agreement – in-state tuition	Code of Virginia § 23-7.4:2 C 3
Virginia Community College System: students living within 30 mile radius – in-state	Code of Virginia § 23-7.4:2 D
Univ. of Virginia's College at Wise: students living within 50 mile radius – in-state	Code of Virginia § 23-7.4:2 E
Special arrangement contracts – reduced tuition rate	Code of Virginia § 23-7.4:2 F
Virginia's military member – in-state tuition	Code of Virginia § 23-7.4:2 G
Veterans residing in Virginia, but not establishing domicile – in-state tuition	Code of Virginia § 23-7.4:2 H
Senior Citizen's Tuition and Fee Waivers – waiver of tuition	Code of Virginia § 23-38.54
Old Dominion University's TELETECHNET sites/higher education centers; in-state	Appropriation Act (ODU)
Graduate student employed at a contract rate of \$4K+ - in-state tuition	Appropriation Act § 4-2.01 b 6
Other waivers of tuition/fees – reduced tuition	Appropriation Act § 4-2.01 b 9

### **Recommendations for Reporting Policy:**

1. Tuition & Fee Revenue  
The total Tuition & Fee Revenues reported within the Act of Appropriation, program 100, and on the six-year plans should reflect the tuition and fee revenues projected by the institution, **net** of all projected Tuition Offsets. Differences between the two reports would occur due to periodic updates and not due to methodology.
2. Tuition Offsets
  - a. The total Tuition & Fee Revenue Used for Financial Aid should be reported as nongeneral fund revenue in the Act of Appropriation, program 108.
  - b. Unfunded Scholarships and Tuition Waivers should not be included in program 108 since these do not involve moving cash. Program 108 also should not include other forms of financial assistance, such as the federal Pell grant, that are not funded through tuition and fee revenue. An exception for the VCCS may be appropriate if deemed necessary.
  - c. Report all Tuition Offset programs on the six-year plan as well as on the annual S1/S2 financial aid report.
    - i. SCHEV utilizes the S1/S2 to respond to requests on program usage and will provide the prior year utilization of these programs as benchmarks for the six-year plans.
    - ii. Institutions provide projections of the anticipated out year usage of these programs on the six-year plan.

### **Further Recommendations:**

In discussing the Tuition Offsets reporting issues, several tangential concerns have been identified and recommendations offered.

3. Standardize the reporting designations for Tuition Waivers within the Code of Virginia, 23-7.4:1, so that all students benefiting from state-mandated in-state tuition charges are reported as in-state for base adequacy calculations **/cost of education guideline calculations**. [see **Appendix B** for changes] Note that some workgroup members would like to see this treatment extended to all “state authorized” tuition waivers, including those that are discretionary for the institutions.
4. Delete language under Unfunded Scholarships which restricts other forms of institutional financial assistance: [see **Appendix C** for changes]  
“B. No institution named herein shall remit any tuition or required fees or any special fees or charges to any student at such institution except as authorized in this section.”
5. Move all financial aid funds utilized for work study under authorization of §4-5.01 of the Act of Appropriation to E&G administratively on an as-needed basis. This instruction is already in place for graduate funding and should be extended to undergraduate as well. [see **Appendix A** for changes]
6. Determine how Tuition Offsets should be defined and reported within the annual financial aid data file (FA data file).
7. Department of Planning and Budget, Department of Accounts, SCHEV, and institutions should determine if creating two new revenue codes would assist in the separate tracking of the programs.

## Appendix A – Recommendations for General Provisions for Student Financial Assistance

5.01 (language only)

§ 4-5.00 SPECIAL CONDITIONS AND RESTRICTIONS ON EXPENDITURES

§4-5.01 TRANSACTIONS WITH INDIVIDUALS

b. STUDENT FINANCIAL ASSISTANCE FOR HIGHER EDUCATION:

1. General:

a) The appropriations made in this act to state institutions of higher education within the Items for student financial assistance may be expended for any one, all, or any combination of the following purposes: grants to undergraduate students enrolled at least one-half time in a degree, certificate or diploma program; grants to full-time graduate students; [graduate assistantships](#); grants to students enrolled full-time in a dual or concurrent undergraduate and graduate program; ~~institutional contributions~~ *The institutions may also use these appropriations for the purpose of supporting work study programs. The institution is required to transfer to educational and general appropriations all funds used for work study or to pay graduate [assistantships](#)<sup>[k1]</sup>. Institutions may also contribute to federal or private student grant aid programs requiring matching funds by the institution, except for programs requiring work.*

**1)** The State Council of Higher Education for Virginia shall annually review each institution's plan for the expenditures of its [general fund](#) appropriation for undergraduate student financial assistance prior to the start of the fall term to determine program compliance. The institution's plan shall include the institution's assumptions and calculations for determining the cost of attendance, student financial need, and student remaining need as well as an award schedule or description of how funds are awarded. For the purposes of the proposed plan, each community college shall be considered independently.

**2)** [No limitations shall be placed on the awarding of nongeneral fund appropriations made in this act to state institutions of higher education within the Items for student financial assistance other than those found in b.1.a\) above and as follows: \(i\) funds derived from in-state student tuition will not subsidize out-of-state students, \(ii\) students receiving these funds must be making satisfactory academic progress, \(iii\) awards made to students should be based primarily on financial need, and \(iv\) institutions should make larger grant and scholarship awards to students taking the number of credit hours necessary to complete a degree in a timely \[manner\]\(#\)<sup>\[k2\]</sup>.](#)

b) All awards made to undergraduate students from such Items shall be for Virginia students only and such awards shall offset all, or portions of, the costs of tuition and required fees, and, in the case of students qualifying under subdivision b 2 c)1) hereof, the cost of books. All undergraduate financial aid award amounts funded by this appropriation shall be proportionate to the remaining need of individual students, with students with higher levels of remaining need receiving grants before other students. No criteria other than the need of the student shall be used to determine the award amount ~~other than as specified in Item 206 J of this act~~<sup>[k3]</sup>. Because of the low cost of attendance and recognizing that federal grants provide a much higher portion of cost than at other institutions, a modified approach and minimum award amount for the neediest VGAP student should be implemented for community college and Richard Bland College students based on remaining need and the combination of federal and grant state aid. Student financial need shall be determined by a need-analysis system approved by the Council.

c) 1) All need-based awards made to graduate students shall be determined by the use of a need-analysis system approved by the Council.

2) As part of the six-year financial plans required in the provisions of Chapters 933 and 945 of the 2005 Acts of Assembly, each institution of higher education shall report the extent to which tuition and fee revenues are used to support graduate student aid and graduate compensation and how the use of these funds impacts planned increases in student tuition and fees.

d) A student who receives a grant under such Items and who, during a semester, withdraws from the institution which made the award must surrender the unearned portion. The institution shall calculate the

unearned portion of the award based on the percentage used for federal Return to Title IV program purposes.

e) An award made under such Items to assist a student in attending an institution's summer session shall be prorated according to the size of comparable awards made in that institution's regular session.

f) The provisions of this act under the heading "Student Financial Assistance for Higher Education" shall not apply to the soil scientist scholarships authorized under § 23-38.3, Code of Virginia.

g) Unless noted elsewhere in this act, [general fund](#) awards shall be named "Commonwealth" grants.

h) Unless otherwise provided by statute, undergraduate awards shall not be made to students seeking a second or additional baccalaureate degree until the financial aid needs of first-degree seeking students are fully met.

## 2. Grants To Undergraduate Students:

a) Each institution which makes undergraduate grants paid from its appropriation for student financial assistance shall expend such sums as approved for that purpose by the Council.

b) A student receiving an award must be duly admitted and enrolled in a degree, certificate or diploma program at the institution making the award, and shall be making satisfactory academic progress as defined by the institution for the purposes of eligibility under Title IV of the federal Higher Education Act, as amended.

c) 1) It is the intent of the General Assembly that students eligible under the Virginia Guaranteed Assistance Program (VGAP) authorized in Title 23, Chapter 4.4:2, Code of Virginia, shall receive grants before all other students at the same institution with equivalent remaining need from the appropriations for undergraduate student financial assistance found in Part 1 of this act (service area 1081000 - Scholarships). In each instance, VGAP eligible students shall receive awards greater than other students with equivalent remaining need.

2) The amount of each VGAP grant shall vary according to each student's remaining need and the total of tuition, all required fees and the cost of books at the institution the student will attend upon acceptance for admission. The actual amount of the VGAP award will be determined by the proportionate award schedule adopted by each institution; however, those students with the greatest financial need shall be guaranteed an award at least equal to tuition.

3) It is the intent of the General Assembly that the Virginia Guaranteed Assistance Program serve as an incentive to financially needy students now attending elementary and secondary school in Virginia to raise their expectations and their academic performance and to consider higher education an achievable objective in their futures.

4) Students may not receive a VGAP and a Commonwealth grant in the same semester.

## 3. Grants To Graduate Students:

a) An individual award may be based on financial need but may, in addition to or instead of, be based on other criteria determined by the institution making the award. The amount of an award shall be determined by the institution making the award; however, the Council shall annually be notified as to the maximum size of a graduate award that is paid from funds in the appropriation.

~~b) The institution is required to transfer to educational and general appropriations all funds used to pay graduate assistantships or for duties which require work.~~<sup>[K4]</sup>

c) A student receiving a graduate award paid from the appropriation must be duly admitted into a graduate degree program at the institution making the award.

d) Not more than 50 percent of the funds designated by an institution as graduate grants from the appropriation, and approved as such by the Council, shall be awarded to persons not eligible to be classified as Virginia domiciliary resident students except in cases where the persons meet the criteria outlined in § 4-2.01b.6.

4. Matching Funds: Any institution of higher education may, with the approval of the Council, use funds from its appropriation for fellowships and scholarships to provide the institutional contribution to any student financial aid program established by the federal government or private sources which requires the matching of the contribution by institutional funds, except for programs requiring work.

5. Discontinued Loan Program:

a) If any federal student loan program for which the institutional contribution was appropriated by the General Assembly is discontinued, the institutional share of the discontinued loan program shall be repaid to the fund from which the institutional share was derived unless other arrangements for the use of the funds are recommended by the Council and approved by the Department of Planning and Budget. Should the institution be permitted to retain the federal contributions to the program, the funds shall be used according to arrangements authorized by the Council and approved by the Department of Planning and Budget.

b) 1) An institution of higher education may discontinue its student loan fund established pursuant to Title 23, Chapter 4.01, Code of Virginia. The full amount of cash in such discontinued loan fund shall be paid into the state treasury into a nonrevertible nongeneral fund account. Prior to such payment, the State Comptroller shall verify its accuracy, including the fact that the cash held by the institution in the loan fund will be fully depleted by such payment. The loan fund shall not be reestablished thereafter for that institution.

2) The cash so paid into the state treasury shall be used only for grants to undergraduate and graduate students in the Higher Education Student Financial Assistance program according to arrangements authorized by the Council and approved by the Department of Planning and Budget.

3) Payments on principal and interest of any promissory notes held by the discontinued loan fund shall continue to be received by the institution, which shall deposit such payments in the state treasury to the nonrevertible nongeneral fund account specified in subdivision (1) preceding, to be used for grants as specified in subdivision (2) preceding.

6. Reporting: The Council shall collect student-specific information for undergraduate students as is necessary for the operation of the Student Financial Assistance Program. The Council shall maintain regulations governing the operation of the Student Financial Assistance Program based on the provisions outlined in this section, the Code of Virginia, and State Council policy.

## **Appendix B – Recommendations for Reporting of Tuition Waivers**

§ [23-7.4.2](#). Eligibility for in-state or reduced tuition for students not domiciled in Virginia; tuition grants and in-state tuition for members of the National Guard.

A. Students who live outside this Commonwealth and have been employed full time inside Virginia for at least one year immediately prior to the date of the alleged entitlement for in-state tuition **shall be eligible** for in-state tuition charges if such student has paid Virginia income taxes on all taxable income earned in this Commonwealth for the tax year prior to the date of the alleged entitlement. Students claimed as dependents for federal and Virginia income tax purposes who live outside this Commonwealth **shall become eligible** for in-state tuition charges if the nonresident parents claiming them as dependents have been employed full time inside Virginia for at least one year immediately prior to the date of the alleged entitlement and paid Virginia income taxes on all taxable income earned in this Commonwealth for the tax year prior to the date of the alleged entitlement. Such students shall continue to be eligible for in-state tuition charges for so long as they or their qualifying parent is employed full time in Virginia, paying Virginia income taxes on all taxable income earned in this Commonwealth and the student is claimed as a dependent for Virginia and federal income tax purposes.

**Any out-of-state students granted in-state tuition pursuant to this subsection shall be counted as in-state students for the purposes of determining college admissions, enrollment, and tuition and fee revenue policies**<sup>[k5]</sup>.

B. Any person who (i) is a member of the National Guard of the Commonwealth of Virginia and has a minimum remaining obligation of two years, (ii) has satisfactorily completed required initial active duty service, (iii) is satisfactorily performing duty in accordance with regulations of the National Guard, and (iv) is enrolled in any state institution of higher education, any private, accredited and nonprofit institution of higher education in the Commonwealth whose primary purpose is to provide collegiate or graduate education and not to provide religious training or theological education, any course or program offered by any such institution or any public career and technical education school shall be eligible for a grant in the amount of the difference between the full cost of tuition and any other educational benefits for which he is eligible as a member of the National Guard. Application for a grant shall be made to the Department of Military Affairs. Grants shall be awarded from funds available for the purpose by such Department.

Notwithstanding the foregoing requirement that a member of the National Guard have a minimum of two years remaining on his service obligation, if a member is activated or deployed for federal military service, an additional day shall be added to the member's eligibility for the grant for each day of active federal service up to 365 days. Additional credit, or credit for state duty, may be given at the discretion of the Adjutant General.

In addition, any person who met the requirements for in-state tuition prior to being called to active duty in the National Guard of another state **shall be eligible** for in-state tuition following completion of active duty service if during active duty that person maintained one or more of the following in Virginia rather than in another state or jurisdiction: a driver's license, motor vehicle registration, voter registration, employment, property ownership, or sources of financial support. **Any out-of-state students granted in-state tuition pursuant to this subsection shall be counted as in-state students for the purposes of determining college admissions, enrollment, and tuition and fee revenue policies.**

C. Notwithstanding the provisions of § [23-7.4](#) or any other provision of the law to the contrary, the governing board of any state institution of higher education or the governing board of the Virginia Community College System **may charge** the same tuition as is charged to any person domiciled in Virginia pursuant to the provisions of § [23-7.4](#) to:

1. Any person enrolled in one of the institution's programs designated by the State Council of Higher Education who is domiciled in and is entitled to reduced tuition charges in the institutions of higher learning in any state which is a party to the Southern Regional Education Compact which has similar reciprocal provisions for persons domiciled in Virginia;
2. Any student from a foreign country who is enrolled in a foreign exchange program approved by the state institution during the same period that an exchange student from the same state institution, who is entitled to in-state tuition pursuant to § [23-7.4](#), is attending the foreign institution; and
3. Any high school or magnet school student, not otherwise qualified for in-state tuition, who is enrolled in courses specifically designed as part of the high school or magnet school curriculum in a community college for which he may, upon successful completion, receive high school and community college credit pursuant to a dual enrollment agreement between the high school or magnet school and the community college.

**Any out-of-state students granted in-state tuition pursuant to this subsection shall be counted as out-of-state students for the purposes of determining admissions, enrollment, and tuition and fee revenue policies**<sup>[k6]</sup>.

D. The governing board of the Virginia Community College System **shall charge** in-state tuition to any person enrolled in one of the System's institutions who lives within a 30-mile radius of a Virginia institution, is domiciled in, and is entitled to in-state tuition charges in the institutions of higher learning in any state which is contiguous to Virginia and which has similar reciprocal provisions for persons domiciled in Virginia.

**Any out-of-state students granted in-state tuition pursuant to this subsection shall be counted as in-state students for the purposes of determining college admissions, enrollment, and tuition and fee revenue policies.**

E. The board of the University of Virginia's College at Wise and the board of visitors of the University of Virginia **may charge** reduced tuition to any person enrolled at the University of Virginia's College at Wise who lives within a 50-mile radius of the University of Virginia's College at Wise, is domiciled in, and is entitled to in-state tuition charges in the institutions of higher learning in Kentucky, if Kentucky has similar reciprocal provisions for persons domiciled in Virginia.

In addition, the board of the University of Virginia's College at Wise and the board of visitors of the University of Virginia may charge reduced tuition to any person enrolled at the University of Virginia's College at Wise who lives within a 50-mile radius of the University of Virginia's College at Wise, is domiciled in, and is entitled to in-state tuition charges in the institutions of higher learning in Tennessee, if Tennessee has similar reciprocal provisions for persons domiciled in Virginia. The board of the University of Virginia's College at Wise and its partners or associates offering programs jointly at a regional off-campus center may also charge reduced tuition to any person enrolled in such joint programs who lives within a 50-mile radius of the University of Virginia's College at Wise, is domiciled in, and is entitled to in-state tuition charges in the institutions of higher learning in Tennessee, if Tennessee has similar reciprocal provisions for persons domiciled in Virginia. Any such respective partners or associates shall establish and charge separately tuition rates for their independent classes or programs at such regional centers.

**Any out-of-state students granted in-state tuition pursuant to this subsection ~~and subsection D~~<sup>[k7]</sup> shall be counted as out-of-state students for the purposes of determining admissions, enrollment, and tuition and fee revenue policies.**

F. Public institutions of higher education **may enter** into special arrangement contracts with Virginia employers or authorities controlling federal installations or agencies located in Virginia. The special arrangement contracts shall be for the purpose of providing reduced rate tuition charges for the employees of the Virginia employers or federal personnel when the employers or federal authorities are assuming the liability for paying, to the extent permitted by federal law, the tuition for the employees or personnel in question and the employees or personnel are classified by the requirements of this section as out-of-state.

Special arrangement contracts with Virginia employers or federal installations or agencies may be for group instruction in facilities provided by the employer or federal authority or in the institution's facilities or on a student-by-student basis for specific employment-related programs.

Special arrangement contracts shall be valid for a period not to exceed two years and shall be reviewed for legal sufficiency by the Office of the Attorney General prior to signing. All rates agreed to by the public institutions shall be at least equal to in-state tuition and shall only be granted by the institution with which the employer or the federal authorities have a valid contract for students for whom the employer or federal authorities are paying the tuition charges.

All special arrangement contracts with authorities controlling federal installations or agencies shall include a specific number of students to be served at reduced rates.

**Nothing in this subsection shall change the domiciliary status of any student for the purposes of enrollment reporting or calculating the proportions of general funds and tuition and fees contributed to the cost of education.**

G. Any active duty members, activated guard or reservist members, or guard or reservist members mobilized or on temporary active orders for six months or more, that reside in Virginia, **shall ~~pay tuition, to the public institution of higher education in which they are enrolled, in an amount no more than the institution's be eligible for~~**<sup>[k8]</sup> in-state tuition ~~rate charges~~. **Any students granted in-state tuition pursuant to this subsection shall be counted as in-state students for the purpose of determining college admissions, enrollment, and tuition and fee revenue policies**<sup>[k9]</sup>.

H. Notwithstanding any other provision of law, veterans residing within the Commonwealth **shall be eligible** for in-state tuition charges. **Any students granted in-state tuition pursuant to this subsection shall be counted as in-state students for the purpose of determining college admissions, enrollment, and tuition and fee revenue policies.**

## Appendix C – Recommendations for Unfunded Scholarships

§ 23-31. Unfunded scholarships.

A. The corporate authorities of the University of Virginia, the University of Virginia's College at Wise, Virginia Military Institute, Virginia Polytechnic Institute and State University, The College of William and Mary, Christopher Newport University, George Mason University, Longwood University, the University of Mary Washington, James Madison University, Virginia Commonwealth University, Radford University, Old Dominion University, the Virginia Community College System, Virginia State University, Norfolk State University, and Richard Bland College may establish scholarships, hereafter to be designated as unfunded scholarships, in their respective institutions under such regulations and conditions as they may prescribe, but subject to the following limitations and restrictions:

1. All such scholarships shall be applied exclusively to the remission, in whole or in part, of tuition and required fees.
2. The respective corporate authorities shall determine the number of such scholarships annually awarded to undergraduate Virginia and non-Virginia students.

The total value of all such scholarships annually awarded by an institution to undergraduate Virginia students shall not exceed in any year the amount arrived at by multiplying the applicable figure for undergraduate tuition and required fees by 20 percent of the enrollment of Virginia students in undergraduate studies in the institution during the preceding academic year. The total value of all such scholarships annually awarded by an institution to non-Virginia undergraduate students shall not exceed in any year the amount of the applicable, per capita out-of-state differential paid by non-Virginia undergraduate students for tuition and required fees multiplied by 20 percent of the enrollment of non-Virginia students in undergraduate studies in the institution during the preceding academic year.

All such scholarships awarded to undergraduate students shall be awarded only to undergraduate students in the first four years of undergraduate work and shall be awarded and renewed on a selective basis to students of character and ability who are in need of financial assistance. For purposes of determining need under this section, a nationally recognized needs-analysis system approved by the State Council of Higher Education shall be used.

3. The respective corporate authorities shall determine the number of such scholarships annually awarded to graduate students or teachers serving as clinical faculty pursuant to § [22.1-290.1](#). The total value of all such scholarships annually awarded to such graduate students and clinical faculty shall not exceed in any year the amount arrived at by multiplying the applicable figure for graduate tuition and required fees by the number of graduate students who are employed as teaching [assistants, or research assistants, or graduate assistants](#) with significant academic [or academic support](#) <sup>[k10]</sup> responsibilities and who are paid a stipend of at least \$2,000 in the particular academic year and such clinical faculty. All graduate scholarships shall be awarded and renewed on a selective basis to such graduate students and clinical faculty of character and ability.

4. A scholarship awarded under this program shall entitle the holder to the following award, as appropriate:
- a. A Virginia undergraduate student may receive an annual remission of an amount not to exceed the cost of tuition and fees required to be paid by the student;
  - b. A non-Virginia undergraduate student may receive an annual remission not to exceed the amount of the out-of-state differential required to be paid by the student for tuition and fees;
  - c. A qualified graduate student may receive an annual remission of an amount not to exceed the cost of tuition and fees required to be paid by the student;
  - d. A clinical faculty member may receive an award as determined by the governing body of the institution.

5. Notwithstanding the limitations on the awards of unfunded scholarships to undergraduate students pursuant to subdivision A 4 of this section, an institution may award additional unfunded scholarships to visiting foreign exchange students; however, the number of such awards in any fiscal year shall not exceed one quarter of one percent of the total institutional headcount enrollment.

B. ~~No institution named herein shall remit any tuition or required fees or any special fees or charges to any student at such institution except as authorized in this section~~ <sup>[k11]</sup>. Each institution named herein shall make a report to the State Council of Higher Education, upon request, showing the number and value of scholarships awarded under this section according to each student classification.

C. Nothing in this section shall be construed to prevent or limit in any way the admission of certain students, known as state cadets, at the Virginia Military Institute or to affect the remission of tuition or required fees or other charges to such state cadets as permitted under existing law.

D. Nothing in this section shall be construed to affect or limit in any way the control of the governing bodies of the respective institutions over any other scholarships; or over any gifts or donations made to such institutions for scholarships or other special purposes; or over any funds provided by the federal government or otherwise for the purpose of career and technical education or vocational rehabilitation in this Commonwealth; or over any funds derived from endowment or appropriations from the federal government for instruction in agriculture and mechanic arts in land grant colleges.

E. Nothing in this section shall be construed to prevent the governing bodies of the respective institutions from fixing a reasonably lower tuition charge for Virginia students than for non-Virginia students.

F. Nothing in this section or any other provision of law shall prohibit the awarding of 10 full tuition unfunded scholarships each year by Old Dominion University under the terms and conditions provided for in a deed conveying certain property in Norfolk known as the Old Larchmont School made July 5, 1930, between the City of Norfolk and The College of William and Mary.

# State Council of Higher Education for Virginia Agenda Item

**Item:** TJ21 Implementation Task Force Item #5 - Discussion of Enrollment Projections and Degree Estimates Process for 2014-2020

**Date of Meeting:** July 16, 2013

**Presenter:** Tod Massa, Director of Policy Research and Data Warehousing  
[todmassa@schev.edu](mailto:todmassa@schev.edu)

**Most Recent Review/Action:**

No previous Council review/action

Previous review/action

**Date:** January 14, 2013

**Action:** **BE IT RESOLVED** that the Council directs staff to collaborate with institutions to produce a package of enrollment projections and degree estimates that ensures the Commonwealth is on track to meet the target of 100,000 additional in-state undergraduate degrees at public institutions by 2024-25 and a comparable increase for private nonprofit institutions; and

**BE IT FURTHER RESOLVED** that the enrollment projection and degree estimate process shall follow the schedule below as closely as possible:

1. Discussion with GPAC – January 27<sup>th</sup>
2. Kickoff Webinar – February 4<sup>th</sup>
3. Optional Training Webinars February 5<sup>th</sup> – 15<sup>th</sup>
4. Submission Due Dates:
  - a. Public Institutions – April 1
  - b. Private Institutions – May 1
5. Staff Update – May Council Meeting
6. Staff Update – July Council Meeting
7. Meetings with Institutions (as part of six-year plan review) – Summer Council Action – September Council Meeting

**Background Information/Summary of Major Elements:**

At the January, 2013, Council meeting, staff presented the following benchmarks indicating the new projections of enrollment and degree estimates will be on track to meet the goal of 100,000 additional undergraduate degrees awarded to in-state students attending public institutions by 2025.

*To achieve the goal of 100,000 additional degrees by 2025, public institutions will need to enroll approximately 353,000 in-state undergraduate students by 2020, the last year of the upcoming enrollment projection cycle. By 2025, in-state undergraduate enrollment at public institutions will have to increase to approximately 368,000. By contrast, in-state undergraduate enrollment in the baseline year of 2010 was 318,933.*

*TJ 21 also established a goal of a “comparable increase” in degrees for Virginia students attending private, nonprofit institutions. SCHEV estimates that to be at least 15,000 additional degrees by 2025. Based on that goal, private, non-profit institutions will need to enroll approximately 40,000 in-state undergraduate students by 2020. By 2025, in-state undergraduate enrollment at private, nonprofit institutions will have to increase to approximately 44,000. By contrast, in-state undergraduate enrollment in the baseline year of 2010 was 31,691.*

The initial submissions of the public institutions indicate a modest trajectory of increased in-state undergraduate enrollment through the fall of 2020 resulting in 331,8741 students. While the preliminary enrollment projections were lower than staff said in January would be needed to meet degree goals, the institutions’ degree estimates exceed staff’s estimates.

If these new institutional targets for degree estimates are achieved, which staff believes is a reasonable assumption; the public institutions would achieve a cumulative total increase of undergraduate degree awards to in-state students that exceeds 100,000.

At the May meeting, Council members asked specifically about the relationship between the enrollment projections and degree estimates for the Virginia Community College System (VCCS). VCCS Chancellor Glenn DuBois and other members of his staff will present to Council in July on efforts underway at the community colleges to increase retention and graduation.

Virginia’s private institutions likewise demonstrate the capacity to have a “comparable increase” in degrees by 2025. Initial submissions by private colleges show enrollment of 38,697 in-state undergraduate students, well within the range of the staff’s estimate of 40,000. In addition, private college estimates provide for an annual total of 9,082 undergraduate degree awards to in-state students. If these projections are met, and degree awards hold stable, the total cumulative new degrees from the private, nonprofit institutions will exceed the goal of 15,000 additional degrees by 2024-25.

The following table provides a summary of institutional degree estimates. It compares degree estimates made in 2011 to degree estimates made in 2013. The totals for 2020 suggest a track that will ensure that public and private institutions will meet degree goals in 2025.

Degree Estimates, Public and Private Institutions  
Preliminary Estimates, Revised July 5, 2013

Term	Public Associate		Public Bachelor		Private Bachelor	
	2011	2013	2011	2013	2011	2013
2011	17,534		28,870		5,835	
2012	17,709	17,534	29,159	28,870	6,368	6,483
2013	17,886	19,441	29,450	28,763	5,967	6,842
2014	18,065	20,021	29,745	29,002	6,259	7,513
2015	18,246	20,400	30,042	29,638	6,784	7,704
2016	18,428	20,803	30,343	30,505	7,113	8,009
2017	18,613	21,133	30,646	30,528	7,464	8,346
2018	18,892	21,448	31,106	30,888	7,736	8,680
2019		21,769		31,183		9,027
2020		22,094		31,427		9,363

Finally, the Council has expressed interest in the future enrollment of the graduate and professional students. Based on the preliminary projections, we see an overall increase of 10.5% for in-state students, with the largest increases at the private institutions. Public institutions project an increase of 1,938 students. Private colleges project an increase of 2,692 students, with Liberty University accounting for one-half of that growth. Institutions also are projecting growth in non-resident graduate and professional students. Public institutions project an increase of 1,405 out-of-state students, for an 8% growth. Private institutions project an increase of 7,105 out-of-state students, for a 22% increase, with 6,480 of these students enrolling at Liberty University.

**Materials Provided:** None.

**Financial Impact:** N/A

**Timetable for Further Review/Action:**

1. In the months of July and August, SCHEV staff will meet with every institution to discuss its enrollment projections and degree estimates. This is part of the six-year plan meetings, which involve executive and legislative representatives as well.
2. Council action on enrollment projections and degree estimates is scheduled for the September Council meeting.

**Resolution:** N/A

# State Council of Higher Education for Virginia Agenda Item

**Item:** TJ21 Implementation Task Force Item #6 – Update on Higher Education Advisory Committee

**Date of Meeting:** July 15, 2013

**Presenter:** Peter Blake, Director  
[peterblake@schev.edu](mailto:peterblake@schev.edu)

**Most Recent Review/Action:**

No previous Council review/action

Previous review/action

**Date:** October 2011, November 2011, January 2012, May 2012, July 2012, September 2012, November 2012, January 2013, March 2013

**Action:** Receive resolutions and other information relative to the Higher Education Advisory Committee

**Background Information/Summary of Major Elements:**

The 2011 General Assembly passed the Higher Education Opportunity Act. The Act creates a Higher Education Advisory Committee and assigns to it a number of responsibilities relating to making recommendations on funding, performance criteria, nonpublic institutions, administrative restructuring, six-year plans, and student financial aid, among others.

The Act directs the advisory committee to submit its recommendations to the Council, “which shall review the recommendations and report its recommendations” to the Governor and the General Assembly. The committee has made no recommendations to the Council in 2013.

The advisory committee last met June 17. It received reports on higher education budget amendment actions in the 2013 General Assembly session; performance funding; and the Governor’s executive directive #6. Council members Gil Bland, Gil Minor and Joey Smith participated in the discussion of the executive directive.

**Materials Provided:**

A copy of the agenda from the June 17, 2013, meeting is enclosed.

**Financial Impact:**

None.

**Timetable for Further Review/Action:**

The Council will review and make recommendations as needed.

**Resolution:**

None.



**COMMONWEALTH of VIRGINIA**  
*Office of the Governor*

Laura W. Fornash  
Secretary of Education

**Higher Education Advisory Committee Meeting**  
**Monday, June 17<sup>th</sup> – 1:00p.m.-3:30p.m.**  
**West Reading Room, Patrick Henry Building**

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***Opening Remarks***

- Ms. Laura Fornash, Secretary of Education

***Budget Update***

- Mr. Peter Blake, Executive Director, State Council of Higher Education for Virginia

***Performance Funding: Research, Common Design Principles and State Examples***

- Mr. Jimmy Clarke, Senior Associate, HCM Strategists
- Ms. Martha Snyder, Senior Associate, HCM Strategists

***Review and Discussion of Executive Directive #6***

- Ms. Laura Fornash, Secretary of Education
- Mr. Gil Bland, Chairman, SCHEV Council
- Mr. Gil Minor, Vice-Chair, SCHEV Council
- Mr. Joey Smith, SCHEV Council Member

**Next Meeting:**  
**August 26, 2013**  
**1:00p.m.**

**West Reading Room, Patrick Henry Building**

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA**  
**SCHEV Main Conference Room**  
**101 N. 14<sup>th</sup> St., 9<sup>th</sup> floor**  
**Richmond, Virginia**  
**July 16, 2013**  
**9:00 a.m.**

**Meeting Agenda**

*(Note: Some items from the July 16 meeting agenda may be addressed before adjournment of the July 15 meetings)*

- |  |            |                          |
|--|------------|--------------------------|
| Call to Order and Announcements  | 9:00 a.m.  |                          |
| 1. Public Comment Period   |            |                          |
| 2. Approval of Minutes:<br>May 21, 2013, meeting   |            | <a href="#">Page 1</a>   |
| 3. Introduction of New Members   |            |                          |
| 4. Report from Nominating Committee/Council Elections  |            |                          |
| 5. Remarks by Public College or University<br>President  | 9:10 a.m.  |                          |
| 6. Director's Report   | 9:35 a.m.  | <a href="#">Page 12</a>  |
| 7. Follow-up on Discussion of SCHEV's Roles and<br>Responsibilities  | 9:50 a.m.  |                          |
| 8. Discussion of Potential 2014-16 Budget Items  | 10:15 a.m. | <a href="#">Page 13</a>  |
| BREAK  |            |                          |
| 9. Committee Reports:  | 11:00 a.m. |                          |
| <u>Academic Affairs Committee:</u>   |            |                          |
| a. Action on Programs at Public Institutions   |            | <a href="#">Page A7</a>  |
| b. Action on Private and Out-of-State Post-<br>Secondary Education Institutional Certifications                        |            | <a href="#">Page A15</a> |
| c. Action on Revisions to SCVHEV's Organizational<br>Change Policy   |            | <a href="#">Page A23</a> |
| d. Action on Guidelines on Award of Academic Credit for<br>Military Education, Training and Experience                 |            | <a href="#">Page A25</a> |
| e. Action on the Revocation of the University of Northern<br>Virginia's Certification                                  |            | <a href="#">Page A30</a> |
| f. Action on Guidance Document on Certification of<br>Institutions Providing Instruction Through Distance<br>Education |            | <a href="#">Page A37</a> |

TJ21 Implementation Task Force:

- |     |   |            |                        |
|-----|---|------------|------------------------|
| a.  | Action on 2013-14 Full Cost Report  |            | Page TF4               |
| b.  | Update on the Student Financial Aid Reporting Study                               |            | Page TF9               |
| c.  | Discussion of Enrollment Projection and Degree Estimates<br>Process for 2014-2020 |            | Page TF15<br>Page TF18 |
| d.  | Update from the Higher Education Advisory Committee                               |            |                        |
| 10. | Items Delegated to Staff  | 12:10 p.m. | Page 22                |
| 11. | New Business  | 12:15 p.m. |                        |
|     | a. Action on Resolution for Departing Council<br>Member(s)                        |            |                        |
|     | b. Discussion of Meeting Dates/Locations for<br>Calendar Year 2014                |            | Page 28                |
| 12. | Adjournment   | 12:30 p.m. |                        |

NOTE: All meeting times are approximate and may vary slightly.

**NOTE:**

Materials contained in this Agenda Book are in draft form and intended for consideration by the Council at its meeting (dated above), and may not reflect final Council action. For a final version of any item contained in these materials, please visit the Council's website at [www.schev.edu](http://www.schev.edu) or contact Lee Ann Rung at [LeeAnnRung@schev.edu](mailto:LeeAnnRung@schev.edu).

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA  
COUNCIL MEETING  
MAY 21, 2013  
MINUTES**

Mr. Bland called the meeting to order at 9:15 a.m. in Gerard Phelan Hall, Marymount University, Arlington, Virginia. Council members present: Gilbert Bland, Johanna Chase, Joann DiGennaro, Whittington Clement, Stephen Haner, Gary Nakamoto, G. Gilmer Minor, and Katharine Webb.

Council member absent: Mary Haddad, Gene Lockhart, and Julious Smith

Staff members present: Peter Blake, Beverly Covington, Joseph DeFilippo, Alan Edwards, Dan Hix, Tod Massa, Kirsten Nelson, Sylvia Rosa-Casanova, and Lee Ann Rung. 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 Ms. Webb and seconded by Mr. Minor, the minutes from the March 19, 2013, meeting were approved unanimously.

**REMARKS BY INTERIM PRESIDENT SHANK**

President Shank, Marymount's sixth president, spoke about the history of the university, which was founded in 1950 by the Religious of the Sacred Heart of Mary. Marymount became coed in 1986 and offered its first doctoral program in 2004. Marymount is one of two Catholic colleges in the Commonwealth and is the only comprehensive Catholic university. Half of the university's students are Catholic and half are non-Catholic, which encourages an interfaith dialogue. President Shank reminded members that the definition of the word "catholic" means "universal" and that is the concept used to engage faculty, staff, students and the communities it serves.

He reviewed the three pillars of Marymount's vision: intellectual curiosity, service to others, and a global perspective. Eighteen percent of Marymount's students are international students, making the university the third most diverse university in the south by *U.S. News and World Report* standards. Baseball has been added to the school's athletics department, which also includes men's volleyball and the first NCAA triathlon teams for both men and women. Faculty and staff provide 50,000 hours of volunteer service to the community. Dr. Shank reviewed a list of newly

constructed and recently renovated facilities, as well as upcoming projects. The “common ground” theme of Marymount’s marketing campaign is meant to bring together diverse communities.

## **DIRECTOR’S REPORT**

Mr. Blake reviewed the report which was distributed with the agenda materials. He also distributed an update of SCHEV’s progress on the list of SCHEV priorities that was developed at the Council’s planning session in 2012.

Mr. Blake informed members that the Boards of Visitors (BOV) orientation has been scheduled for October 22 in Richmond. This year’s event will include a reception at the capitol the evening of October 21. Mr. Bland and Ms. DiGenarro will represent the Council on the BOV planning committee, which will be meeting in the near future to finalize details and arrange for speakers.

Mr. Blake discussed the prototype of a new document, entitled the “SCHEV Aggregator” and requested feedback from members before the document is finalized. Once finalized, the Aggregator will be posted on the SHEV website and distributed to news media and other stakeholders.

Sylvia Rosa-Casanova, the newly appointed Director of SCHEV’s Private and Out-of-State Postsecondary Education section, was introduced.

Mr. Blake announced that Jim Alessio will retire June 1 after more than 30 years of service in state government. Mr. Alessio has a skill set that will be missed but he will likely continue to assist the agency on special projects. The Council wished to express its thanks and gratitude to Mr. Alessio and asked that the Chairman convey this in a letter from the Council.

## **PRESENTATION BY AIMS MCGUINNESS, NATIONAL CENTER FOR HIGHER EDUCATION MANAGEMENT SYSTEMS (NCHEMS)**

Mr. Bland introduced Mr. McGuinness who addressed nationwide trends in state coordination of higher education. He indicated that Virginia has a consistent agenda across political parties, which he felt is the key to coordination in any state. He stressed the importance of understanding Council’s coordinating role and how it differs from a governing board. He went on to say a board’s power depends less on formal authority and more on board and executive leadership. He reviewed seven traditional functions of coordinating boards and briefly discussed each.

Mr. McGuinness said that the U.S. has great research and development capacity, but it is not linked to state/regional priorities. He felt that the goals of the TJ21 legislation are on target to address the needs of the Commonwealth. He stressed the importance of including community colleges and other providers in reaching these goals. Mr. McGuinness talked about the “new realities” in higher education, which include more complex, differentiated definition of “student,” more complex

modes of learning; switch from single provider to multiple provider; switch from a provider as a single institution to providers of multiple services. He said that effective boards focus on core policy functions; build and sustain a long term agenda for the state; shift from detailed program review/approval to focus on changes in mission; and exhibit balance in process and decision-making by working with all entities.

Mr. McGuinness said that the state coordinating role is one of the most difficult roles in state government because the goal is to keep the system focused on the needs of the state, not the sum of institutional interests. He said that trying to keep everyone happy will lead to no progress. He reviewed issues facing coordinating boards across the U.S. but suggested a lesser focus on retention/graduation rates. He suggested that the Council focus instead on finding the clearest and simplest way to graduate students. One way to do this is to collaborate with others. The Council should have clarity in its goals; make sure it knows where it is going, and stay focused on that goal.

At least 20% of the board's goal should be focused on ways in which the system is contributing to the TJ21 legislation. Employers want students who can deal with content in a complex way, and who can write and understand qualitative, quantitative, and logical reasoning. Mr. McGuinness suggested that the Council could lead that conversation in Virginia and should engage employers in the conversation. He suggested that the Council encourage institutions to think differently about quality and develop competencies to achieve their goals. With limited staff and doing regulatory academic affairs, consideration should be given to what is not being done. Staff agreed to post a copy of Mr. McGuinness' presentation on the SCHEV website.

## **UPDATE ON ASSESSMENT OF SCHEV'S ROLES AND RESPONSIBILITIES**

Secretary Fornash explained the key components of the Governor's Executive Directive #6 which requires that SCHEV accomplish the following by October 1, 2013: 1) conduct an in-depth collaborative review of its essential functions, with the aim of enhancing its ability to engage in strategic planning, policy formulation and implementation, and research and analysis 2) organize its staff and resources around those duties; 3) maintain a database of key elements and analysts to support these responsibilities and decision making at both the state and institutional levels; 4) propose specific policies and activities to increase collaboration that would enhance quality; and 5) continually seek ways to ensure Virginia's system of higher education is flexible, responsive, and accountable. Secretary Fornash asked that in its review, the Council consider all ideas that would strengthen SCHEV and sustain the requirements of the TJ21 legislation.

Mr. Blake and Mr. Bland discussed the possibility of scheduling a Council discussion on July 15. The discussion could include invited speakers to address all issues the Council considers pertinent in shaping its internal guide. Mr. Bland suggested that a facilitator guide the Council through the process to meet the October 1 deadline as stated in Executive Directive #6. He also noted that this process will assist the

Council as it begins its update of the systemwide strategic plan. Mr. Bland reminded members that discussions have already taken place with former Council chairs and others. Mr. Haner suggested that the July 15 meeting be structured in such a way as to allow members more time to discuss the issues and schedule less time for formal presentations. Ms. Webb suggested that staff inform members of the feedback received from other stakeholders to date. Ms. DiGennaro asked that staff prepare the following items to prepare for the July 15 discussion: a list of issues identified in the Council's August 2012 retreat; other input received from stakeholders; and the expectations of the Council as a result of the TJ21 legislation.

## **BREAK**

The chair called for a break at 11:10 a.m. The meeting resumed at 11:25 a.m.

## **COMMITTEE REPORTS**

### **Academic Affairs Committee**

#### *Action on Programs at Public Institutions*

Mr. Bland chaired the Academic Affairs Committee in Ms. Haddad's absence and Dr. DeFilippo provided a brief report of the Committee actions. He introduced institutional representatives and moved the following resolutions individually from the Committee. The following items were seconded by Mr. Minor and approved unanimously:

**BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to George Mason University to initiate a Doctor of Philosophy (Ph.D.) degree program in Writing and Rhetoric (CIP: 23.1304), effective fall 2013.**

**BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to Longwood University to initiate a Bachelor of Science (B.S.) degree program in Integrated Environmental Sciences (CIP: 03.0104), effective fall 2013.**

Dr. DeFilippo reported that the Committee voted to approve the following resolution on a vote of 2-0, with 1 abstention. Ms. DiGennaro felt she could not vote in favor of the motion. She stated that in deference to the institution, she decided to abstain rather than cast a vote against the proposal. Mr. Haner shared Ms. DiGennaro's concerns but felt it was more of a philosophical issue. The following resolution was approved (7-0), with one abstention (Ms. DiGennaro):

**BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to Virginia Polytechnic Institute and State University to initiate**

**a Bachelor of Science (B.S.) degree program in Real Estate (CIP: 52.1501), effective fall 2013.**

The Dean of the School of Architecture from UVA provided an explanation of this interdisciplinary program. The resolution was seconded by Ms. Webb and approved unanimously:

**BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to University of Virginia to initiate a Doctor of Philosophy (Ph.D.) degree program in Constructed Environment (CIP: 04.0401), effective fall 2013.**

*Action on Private and Out-of-State Post-secondary Education (POPE) Institutional Certifications*

The following resolutions from the Committee were approved unanimously in block:

**BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Lancaster Bible College/Capital Bible Seminary to operate a postsecondary institution in the Commonwealth of Virginia, effective May 21, 2013.**

**BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Tepeyac School of Sonography to operate a postsecondary institution in the Commonwealth of Virginia, effective May 21, 2013.**

**BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Assist to Succeed Dental Assisting School to operate a postsecondary institution in the Commonwealth of Virginia, effective May 21, 2013.**

*Action on Minor Revisions to SCHEV's Program Approval Policy*

Dr. DeFilippo explained that due to time constraints, the Committee was unable to address this item. He requested that the full Council review and approve the minor revisions to the policy which were technical in nature. On motion by Mr. Haner and seconded by Ms. Chase, the following resolution was approved unanimously:

**BE IT RESOLVED that the State Council of Higher Education for Virginia approves proposed revisions to the policy "State-Level Requirements for Approval of Various Academic Program Actions at Public Institutions," effective June 1, 2013.**

*Action on Minor Revisions to SCHEV's Organizational Change Policy*

Dr. DeFilippo explained that the Committee deferred action on this item and requested that it be added to the July agenda.

## Report From TJ21 Implementation Task Force

### *Action on Level II Education Related Measures (VSU and UMW)*

Mr. Haner indicated that representatives from VSU were present at the Task Force meeting and provided a brief overview of the proposed measures. The following resolution was seconded by Mr. Minor and approved unanimously:

**BE IT RESOLVED that the State Council of Higher Education for Virginia approves the proposed Level II measures for the University of Mary Washington and Virginia State University.**

### *Discussion of Enrollment Projections and Degree Estimates*

Mr. Haner asked Mr. Blake and Mr. Massa to provide details of the discussion presented at the Task Force meeting. Mr. Blake reminded the Council of its statutory responsibility to approve the projections and estimates, which will occur at the September meeting. He explained that this initial discussion is to keep the Council informed of the progress being made toward the goal of 100,000 new degrees by 2025. Mr. Blake reviewed the materials which showed that enrollment projections reflect approximately 30,000 less what is needed. However, he said that degree estimates are higher than expected. Staff concludes that given this offset, particularly with the community colleges working to get more graduates, everything should still be on track to make the goal. Staff will continue to monitor and report this information to the Council.

Mr. Haner noted that baseline enrollment shows no growth, which is not what the General Assembly intended. He would like to see more detail on community college in-state undergraduate enrollment. Mr. Nakamoto also expressed concern about the current numbers. Mr. Massa explained the unique situation faced by the community colleges and indicated that these institutions are working to increase degree production. He reminded members that there are many details that affect the numbers and indicated that as more data are collected over the next few months, he felt it would be more evident that the Commonwealth will meet or exceed the goal of 100,000 new in-state degrees by 2025. Mr. Nakamoto expressed his confidence and trust in the SCHEV staff on this issue. Mr. Massa informed the Council that meetings with institutions will take place over the summer to discuss the six year plans. These meetings will also include a discussion of enrollment projections and degree estimates.

### *Update on Impacts of Federal Sequestration*

Mr. Haner informed members that Dr. Edwards provided a presentation to the Task Force on this subject and he suggested that members read the report. Dr. Edwards' presentation included information that was updated after the agenda materials were mailed. The presentation will be available on the SCHEV website. Mr. Haner also

reported that the Task Force decided to provide the information gathered on the effects of sequestration to the money committees and request the opportunity to make a presentation on this topic at a future House Appropriations and Senate Finance Committee meeting.

### **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.

### **NEW BUSINESS**

#### *Action on Resolution for Departing Council Member*

Ms. Webb read the following resolution and presented it to Mr. Clement. Members thanked him for his eight years of service to the Council. The resolution was approved unanimously:

**WHEREAS**, Whittington Clement served as an exemplary member of the State Council of Higher Education for Virginia from 2005 to 2013; and

**WHEREAS**, Mr. Clement has ably served as Council Chair, Vice Chair, and on various committees and subcommittees, including the Outreach and Resources Committees, the Executive Committee, the Strategic Planning Steering Committee, and multiple task forces; and

**WHEREAS**, Mr. Clement's exemplary record of leadership and accomplishments in the legal profession, the state legislature, and state government, as Secretary of Transportation, has brought a unique perspective to the Council in developing key budget and policy recommendations; and

**WHEREAS**, his common sense approach and valuable experience helped to strengthen the Council's relationships with the Office of the Governor, the General Assembly, and the Department of Education, thereby enhancing the effectiveness of the Council to the benefit of all Virginians; and

**WHEREAS**, Mr. Clement effectively worked to enhance an already robust and vigorous higher education system by recognizing and appreciating the distinctive missions of each public and private college and university in Virginia, while also striving to bring them together to address common systemwide challenges; and

**WHEREAS**, Mr. Clement has consistently displayed a thoughtful approach in supporting the Council's ongoing commitment to accessibility and accountability within the Commonwealth's esteemed higher education system; and

**WHEREAS**, Mr. Clement's sharp wit, creative leadership, and strong example have generated respect among his colleagues and peers, and support and gratitude among fellow Council members who have had the privilege of serving with him; and

**WHEREAS**, he will continue to work to ensure that Virginia is advanced through higher education and serve as a valued and knowledgeable advisor to the Council as it continues its important work; now, therefore,

**BE IT RESOLVED**, that the State Council of Higher Education for Virginia expresses its sincere gratitude and appreciation to **Whittington W. Clement** for his distinguished service and commitment to advancing the well-being of higher education in Virginia, and extends to him best wishes for continued success in all future endeavors.

Mr. Clement expressed his appreciation to members and staff and said he regrets leaving during this exciting time for SCHEV. He felt the Council currently has more responsibilities than it can adequately address and suggested that members focus on fewer issues to allow for a more in-depth study of high level policy issues. Mr. Clement suggested that the Council consider ways in which legislators and the new Administration can become more involved in the Council's work, and complimented the staff leadership for building SCHEV's credibility.

#### *Nominating Committee*

Mr. Minor made a motion that was seconded by Ms. Webb and approved unanimously to appoint the following members to the Nominating Committee and report to the Council in July with a slate of officers for Council Chair, Vice Chair, and Secretary:

Whitt Clement (Chair)  
Mary Haddad  
Steve Haner

#### *Closed Session*

At 12:15 p.m., Ms. Webb 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 the performance of the Director. The motion was seconded by Mr. Haner and approved unanimously.

The Council returned in open session at 12:50 and Ms. Webb read the attached Freedom of Information Act Certification. Ms. Rung took a roll call vote and the following motion was made by Ms. Webb, seconded by Ms. DiGennaro, and approved unanimously:

**BE IT RESOLVED** that the State Council of Higher Education for Virginia authorizes a 5% salary increase for Director Peter Blake for the period July 1, 2013 to June 30, 2014, from appropriations to the Council.

**ADJOURNMENT**

Mr. Blake reminded members that the next meeting is scheduled for July 15-16, 2013, at the SCHEV offices.

The meeting was adjourned at 12:55 p.m.

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Katharine Webb  
Secretary

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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
College of William and Mary	Change the title of a Bachelor of Science degree program in Interdisciplinary Studies - Neuroscience (26.1501) to a Bachelor of Science degree program in Neuroscience (26.1501).	Spring 2013
Longwood University	Discontinue the Bachelor of Science degree program in Community Health Education (51.1504).	Summer 2013
Norfolk State University, Old Dominion University, Eastern Virginia Medical School	Discontinue the Doctor of Psychology degree program in Clinical Psychology (42.2801).	Fall 2012
Norfolk State University, Old Dominion University, Eastern Virginia Medical School	New Spin-off Program Approved: Doctor of Philosophy degree program in Clinical Psychology (42.2801).	Fall 2013
Mountain Empire Community College	New Program Approved: Associate of Applied Science degree program in Health Information Management (51.0707).	Fall 2013
Piedmont Virginia Community College	New Program Approved: Associate of Applied Science degree program in Culinary Arts (12.0500).	Fall 2013
Virginia Western Community College	New Program Approved: Associate of Applied Science degree program in Radiation Oncology (51.0907).	Fall 2013

Pursuant to the Code of Virginia, Section 23-9:6:1 and Council’s “Policies and Procedures for Internal and Off-Campus Organizational Changes,” the following items were approved as delegated to staff:

### Organizational Changes / Off-campus Instructional Sites

Institution	Change / Site	Effective Date
University of Mary Washington	The College of Business has closed the Department of Accounting and Management Information Systems and the Department of Management and Marketing. The degree programs will be administered by the Dean's office from the College of Business.	July 11, 2013
Radford University	Rename the Department of Exercise, Sport, and Health Education to the Department of Health and Human Performance	August 10, 2013

### Governor's STEM Academies

Two (2) Governor's STEM Academy proposals were reviewed and approved as delegated to staff:

<b>Title of Academy</b>	Governor's Health Sciences Academy
<b>Location</b>	Bruton High School (York County) and Warwick High School (Newport News)
<b>Name of Lead Entity</b>	Newport News Public Schools and York County School Division
<b>Date of Approval</b>	April 9, 2013
<b>Academy Initiation</b>	2013-14

<b>Title of Academy</b>	Governor's Health Sciences Academy
<b>Location</b>	Bethel High School (Hampton, VA)
<b>Name of Lead Entity</b>	Hampton City Public Schools
<b>Date of Approval</b>	April 11, 2013
<b>Academy Initiation</b>	2013-14

**State Council of Higher Education**  
**Director's report**  
**July 16, 2013**

**JLARC:** The Joint Legislative Audit and Review Commission released its first report as part of its two-year study of higher education. Council staff continues work closely with JLARC staff on data gathering and analysis. The first report looked at trends in spending, enrollment, general fund support, and tuition and fee charges. The next report, to be released in September, will focus on auxiliary enterprises (self-supporting activities, such as book stores, dormitories, food service and intercollegiate athletics).

**School Safety Task Force:** The Governor's School Safety Task Force met in June and recommended additional funding to support safety and crime prevention training and programs at public colleges and universities. The recommendation included funding for Community Emergency Response Team training and for a competitive grant program to assist institutions with their campus safety programs.

**Board of visitors training:** Planning continues for the board of visitors training session. It is set for October 22, with an evening reception at the Capitol on October 21. We also have begun work on developing a board leadership program that will provide multiple opportunities for board member professional development.

**Linda Woodley Scholarship:** The Virginia College Access Network has established the Linda H. Woodley Service Scholarship to honor Linda's service and to provide financial assistance to young people. To date, nearly \$16,000 has been donated.

**Insights Conference:** Over 170 participants from K-12, higher education, workforce, federal agencies, think tanks and private sector participated in the Virginia Longitudinal Data Systems Insights Conference, held at George Mason University.

**St. Paul's College:** The college closed July 1. It has arranged for student to complete their programs at other institutions.

**Happy New Year!** SCHEV successfully completed FY2013 fiscal year-end having processed over \$66 million in financial transactions during the year. The new fiscal year is well underway along with work on the next biennial budget of 2014-2016. Decision packages, Technical Adjustments and Supplemental reporting are due August 30, 2013.

**Outstanding Faculty Awards:** We are grateful to the Dominion Virginia Power Foundation for sponsoring the 2014 awards. We recently received a check for \$75,000 for this purpose.

**Tuition and fees for 2013-14:** SCHEV will produce its annual tuition and fee report in August. Preliminary data show an increase in tuition and mandatory fees of about \$468, or 4.7%, at four-year institutions and \$165, or 4.4% at the community colleges.

# State Council of Higher Education for Virginia Agenda Item

**Item:** #8 – Discussion of Potential Budget Items for the 2014-16 Biennium

**Date of Meeting:** July 16, 2013

**Presenter:** Dan Hix, Finance Policy Director, [DanHix@schev.edu](mailto:DanHix@schev.edu)

**Most Recent Review/Action:**

- No previous Council review/action  
 Previous review/action

**Date:**

**Action:**

**Background Information/Summary of Major Elements:**

- The State Council of Higher Education for Virginia (SCHEV) has statutory responsibility to make budget recommendations on systemwide higher education issues such as the base adequacy funding guidelines, faculty salaries and student financial aid.
- The attached document provides a list of budget items that have traditionally been the Council's focus, along with a brief summary of their current status, for possible consideration for recommendation to the Governor and General Assembly in the 2014 legislative session.

**Materials Provided:**

- Overview of Potential Budget Amendments for Systemwide Items.
- Additional General Fund Support to Higher Education Operations in 2012-14.
- Average Funding per FTE at 4-Year Institutions and VCCS.

**Financial Impact:** To be determined.

**Timetable for Further Review/Action:**

The Council will need to take final action on any SCHEV (agency) budget recommendations at its September meeting. Staff will provide preliminary recommendations on systemwide budget items for discussion at the September meeting, with final action to be taken at the October meeting.

**Resolution:** None.

## OVERVIEW OF POTENTIAL SYSTEMWIDE BUDGET ITEMS

Budget Item	Guideline Calculations and Current Funding	2014-16 Consideration
<b>Base Adequacy/ Cost of Education</b>	<ul style="list-style-type: none"> <li>▪ Based on the 2011-12 actual enrollment, the system is funded at an average of 95% of guidelines in 2013-14.</li> <li>▪ SCHEV staff calculated that an additional appropriation of \$209.4 million (\$106.8 million in general fund and \$102.6 million from nongeneral funds) was needed to reach FY2014 full base funding.</li> <li>▪ The 2013 legislation provided \$25.1 million additional general fund support for E&amp;G programs in FY 2014.</li> </ul>	<p>Adequate base funding is essential to ensuring both quality and affordability at our institutions. It is critical that we continue to work toward achieving this goal identified in the Virginia Higher Education Opportunity Act of 2011.</p>
<b>Fund Share Equity/ Affordability</b>	<ul style="list-style-type: none"> <li>▪ The 2012 base adequacy calculation revealed 5 institutions were at or above 100% of guidelines. These institutions reached funding primarily through tuition increases. Like other institutions, they also have a funding shortfall in terms of their general fund share. Funding for basic operation is not only an issue of providing adequate funding but also an issue of equity/affordability that will allow institutions to mitigate the need of tuition increases.</li> <li>▪ The Council recommended additional funding of \$1.8 million in general fund in FY2014 to mitigate the need for tuition increases. Each institution was provided with an additional 1% funding over its calculated general fund shortfall.</li> <li>▪ The 2013 General Assembly did not provide funding specifically for this item, but funded these institutions through the base adequacy item.</li> </ul>	<p>Paragraph C of Section 23-38.87:13 of the Higher Education Opportunity Act says, "State general funds shall be allocated and appropriated to institutions in a fair and equitable manner such that, to the extent practicable, the percentage of the cost of education for Virginia students enrolled at an institution to be funded from state general funds is the same for each institution." Paragraph A of the same section says that 67 percent of an institution's cost of education for Virginia students should be funded by the state general fund.</p>
<b>Faculty Salaries</b>	<ul style="list-style-type: none"> <li>▪ Virginia T&amp;R faculty at 4-year institutions ranked at 31<sup>st</sup> percentile of their national peers in FY2012 (60<sup>th</sup> percentile is the goal).</li> <li>▪ The AAUP annual survey showed that the average faculty salary increased 1.8% in 2011-12. Between 2008 and 2012 the average faculty salary across the country increased by 2.28%. Over the same period, faculty salaries in Virginia did not increase.</li> <li>▪ The Council recommended an additional 2% faculty salary increase on top of the General Assembly approved 2% increase in FY2014.</li> <li>▪ The 2013 General Assembly provided additional 1% salary increase for a total of 3% faculty salary increase in FY2014.</li> </ul>	<p>Continue seeking funding to raise the average Virginia faculty salaries to the 60<sup>th</sup> percentile goal.</p>
<b>Projected Per- Student</b>	<ul style="list-style-type: none"> <li>▪ The Council recommended additional funding of \$15.2 million in general fund for projected undergraduate enrollment growth in FY2014.</li> </ul>	<p>Per-student enrollment-based funding is provided in the TJ21 legislation to incentivize future in-state undergraduate</p>

Budget Item	Guideline Calculations and Current Funding	2014-16 Consideration
<b>Enrollment Based Funding</b>	<ul style="list-style-type: none"> <li>▪ The 2013 General Assembly provided additional funds for this item through the base adequacy funding.</li> </ul>	enrollment growth with funding equivalent to the amount of the Tuition Assistance Program (TAG).
<b>Undergraduate Student Financial Aid</b>	<ul style="list-style-type: none"> <li>▪ The Council recommended \$27 million in additional general fund support in FY2014 to keep pace with the number of eligible students, higher tuition charges and other cost increases.</li> <li>▪ The % of need met was estimated at 40.8% for FY2013.</li> <li>▪ The 2013 legislation provided \$8.6 million in additional general fund in FY2014, representing an increase of 5.7%.</li> </ul>	Continued use of the Partnership model as a recommendation and allocation formula with the goal to mitigate the rising cost of higher education. The Partnership model allocates financial assistance resources to institutions with the most student need.
<b>Promote Institutional Collaboration, Operational Efficiencies, Degree Attainment and Job Creation</b>	<ul style="list-style-type: none"> <li>▪ At the May meeting, the council discussed several emerging issues and the importance of collaborative, economic development, degree and job creation at Virginia public institutions.</li> <li>▪ Last October, the Council recommended additional \$20 million in general fund support to address these issues in FY2014.</li> <li>▪ The 2012 legislation provided \$7 million each year in general fund for retention and degree completion.</li> </ul>	<p>This item is a modification and expansion of the “targeted economic and innovation incentives” -- one of the four components of the new funding model in the Higher Education Opportunity Act.</p> <p>Proposals to increase institutional collaboration and operational efficiencies are called for in Executive Directive No.6.</p>
<b>O&amp;M for New Facilities</b>	<ul style="list-style-type: none"> <li>▪ Based on a SCHEV survey in early 2012, 52 new facilities are to be completed and open for use in the 2012-14 biennium.</li> <li>▪ SCHEV staff worked with the institutions and estimated an additional funding need of \$20.8 million (\$10.2 million in general fund and \$10.6 million from nongeneral funds) in FY2014.</li> <li>▪ The 2013 legislation provided no additional funding for this item.</li> </ul>	<p>As institutions are currently under-funded, without additional funding targeted to maintain new space coming online, institutions will be required to divert money from their existing budgets to support these needs.</p> <p>SCHEV staff is currently surveying the institutions to determine the amount and cost of new space coming online in the 2014-16 biennium. Staff will provide a summary of the survey findings at the September Council meeting.</p>
<b>Higher Education Equipment Trust Fund (HEETF)</b>	<ul style="list-style-type: none"> <li>▪ The Council recommended an additional appropriation of \$13.0 million from the general fund for the debt service necessary to finance \$164.8 million in equipment for the 2012-14 biennium, including \$36.4 million for sponsored research equipment, through the HEETF.</li> <li>▪ The 2013 General Assembly provided an additional \$6.2 million for a total of \$12.2 million allocation for instructional and research equipment in FY2014 to make the funding equivalent to the FY2013 level and added \$2.0 million allocation for workforce</li> </ul>	A consistent level of support is needed to replace current eligible equipment inventories as necessary and remain technologically competitive.

Budget Item	Guideline Calculations and Current Funding	2014-16 Consideration
	development, of which up to \$500,000 shall be used to support Machinery and Equipment Program at VCCS.	
<b>Graduate Student Financial Aid</b>	<ul style="list-style-type: none"> <li>▪ The Council recommended additional general fund support of \$10.7 million (\$3.6 million in FY2013 and \$7.1 million in FY2014) for the 2012-14 biennium in order to return to the 1995 award level that represented about 13% of the cost of tuition and fees.</li> <li>▪ The 2012 legislation provided \$1.8 million in additional funding in FY2014.</li> </ul>	Continue seeking increases in funding to this program to mitigate the rising cost of higher education and allow Virginia to compete for the best and brightest graduate students that can improve our research and economic development efforts.
<b>Tuition Assistance Grant (TAG), and other programs appropriated through the SCHEV Budget</b>	<p><i>Tuition Assistance Grant (TAG)</i></p> <ul style="list-style-type: none"> <li>▪ Council reaffirmed its goal to increase TAG to \$3,500 and \$3,700 but, in light of state fiscal constraints, recommended that TAG increase to \$2,800 and \$3,000 for FY2013 and FY2014 respectively.</li> <li>▪ The 2012 legislation provided an additional \$5.8 million general fund each year to increase the award level from \$2,650 to \$2,800 for undergraduate students and \$1,300 for qualified graduate and medical students in FY2013.</li> <li>▪ The 2013 legislation moved \$3 million from FY2013 to FY2014 to provide awards of \$3,100 undergraduate and \$1,550 graduate.</li> </ul> <p><i>Transfer Grant</i></p> <ul style="list-style-type: none"> <li>▪ The 2012 legislation increased the program funding to \$1.65 million per year.</li> </ul> <p><i>Military Dependent and Survivor Program</i></p> <ul style="list-style-type: none"> <li>▪ The 2013 legislation provided additional support to the program with up to \$1,800 annual stipend to offset the total college cost for qualified military dependents and survivors for a total funding of \$1.85 million per year.</li> </ul>	Continue seeking increases in funding to this program to mitigate the rising cost of higher education.
<b>Maintenance Reserve</b>	<ul style="list-style-type: none"> <li>▪ The Council adopted a ten-year Maintenance Reserve funding plan beginning in the 2004-06 biennium. The goal was to allow each institution to achieve a campus-wide Facility Condition Index (FCI) of "Good" over a ten year period through a series of scheduled appropriations. The "Good" designation applies to assets whose deferred maintenance requirements are five percent or less of the value of the asset. Since the inception of this ten-year phased approach to achieving a target FCI, actual funding has fallen short of Council's recommendations. The cumulative shortfall through four biennia is approximately \$501.5 million.</li> <li>▪ The estimated funding need for normal facility</li> </ul>	Funding provided through the Maintenance Reserve Program constitutes a critical component of the Commonwealth's capital outlay support for its public colleges and universities. In fact, the Department of Planning and Budget requires that institutions make Maintenance Reserve requests their highest capital outlay priority. Therefore, continued support of a plan to address the backlog of deferred maintenance will be important.

Budget Item	Guideline Calculations and Current Funding	2014-16 Consideration
	<p data-bbox="475 195 959 258">maintenance is \$164.2 million in the 2012-14 biennium.</p> <ul style="list-style-type: none"> <li data-bbox="475 296 1040 394">▪ In 2011, the council recommended a total of \$665.7 million for maintenance reserve program in the 2012-14 biennium.</li> <li data-bbox="475 432 1040 562">▪ The 2012 General Assembly provided \$67.5 million in general fund for institutions through the Maintenance Reserve Program in the 2012-14 biennium. This funding was 10% of the council's recommendation.</li> <li data-bbox="475 600 1040 758">▪ In 2012, the council recommended additional funding of \$18.3 million in general fund in FY2014 to facilitate the reduction of the cumulative deferred maintenance. The additional funding was derived from 3% of the remaining unfunded SCHEV original recommendation.</li> </ul>	
<p data-bbox="201 768 383 831"><b>Capital Outlay Projects</b></p>	<ul style="list-style-type: none"> <li data-bbox="475 768 1040 961">▪ The 2013 General Assembly established a comprehensive capital outlay program and provided \$936 million in bond proceeds to address the projects including institutions' projects previously approved by the General Assembly, provided that the new bond authorization of no more than \$250 million per year.</li> <li data-bbox="475 999 1040 1194">▪ The 2013 General Assembly modified the language of Section of 4-4.01 in the general provision of the appropriation act. All capital projects shall be approved by the General Assembly as provided in the Six-Year Capital Outlay Plan established pursuant to Section 2.2-1515 <i>et seq.</i>, Code of Virginia.</li> </ul>	<p data-bbox="1089 768 1511 867">Institutions' six-year capital outlay plans are due to the Department of Planning and Budget in July.</p> <p data-bbox="1089 905 1536 1035">SCHEV staff will conduct an analysis of the need for new projects based on the Higher Education Fixed Assets Guidelines for Educational and General programs.</p>

**Additional General Fund Support to Higher Education Operations in FY2012-14  
(Conference Reports of the 2012 and 2013 Legislative Sessions)**

Institution	Enrollment Growth	TJ21 Initiatives	Base Operations	Faculty Salary	Institution-Specific	Vacancy Turnover	Total E&G	Financial Aid	Graduate Aid	Research Initiatives	Others	Total Additions
CNU	0	696,520	1,008,862	435,650		(102,119)	2,038,913	407,383	3,704			2,450,000
CWM	537,019	487,758	483,154	882,988		(198,802)	2,192,117	244,255	63,688		200,000	2,700,060
GMU	547,336	2,106,256	2,279,679	2,358,283	1,600,000	(576,794)	8,314,760	1,630,112	265,472	250,000		10,460,344
JMU	2,680,845	1,528,238	1,967,237	1,353,270		(314,124)	7,215,466	679,417	151,648			8,046,531
LU	12,313	562,893	735,983	383,295		(101,852)	1,592,632	397,325	699			1,990,656
NSU	331,080	958,059	591,348	345,491	320,000	(87,274)	2,458,704	812,199	65,345			3,336,248
ODU	919,619	2,383,747	8,139,209	1,425,241	125,000	(328,200)	12,664,616	1,689,750	216,206	750,000		15,320,572
RU	328,888	1,204,605	1,513,529	726,362		(185,630)	3,587,754	628,235	100,212			4,316,201
UMW	96,508	581,932	633,112	410,140		(97,851)	1,623,841	205,453	6,199		660,000	2,495,493
UVA	1,792,639	1,018,724	1,953,757	2,380,323	75,000	(669,834)	6,550,609	468,884	333,033	4,250,000	454,560	12,057,086
UVAW	31,117	711,061	205,183	165,900	425,000	(40,866)	1,497,395	188,450				1,685,845
VCU <sup>1</sup>	1,109,020	2,491,727	4,237,566	2,969,863	175,000	(697,613)	10,285,563	2,106,634	264,043	2,750,000	500,000	15,906,240
VMI	0	328,142	446,688	146,869		(39,855)	881,844	71,696			430,000	1,383,540
VSU	165,534	1,237,442	480,329	339,665		(79,473)	2,143,497	613,420	36,456			2,793,374
VT	1,202,257	1,561,833	2,415,574	2,753,925		(629,163)	7,304,426	1,264,203	268,136	1,750,000	750,000	11,336,765
RBC	0	263,395	70,958	66,448	125,000	(19,931)	505,870	72,371				578,241
VCCS	7,961,150	3,240,343	9,353,919	6,344,688		(1,272,892)	25,627,208	5,442,656			625,000	31,694,864
<b>All Institutions</b>	<b>17,715,325</b>	<b>21,362,675</b>	<b>36,516,087</b>	<b>23,488,401</b>	<b>2,845,000</b>	<b>(5,442,273)</b>	<b>96,485,215</b>	<b>16,922,443</b>	<b>1,774,841</b>	<b>9,750,000</b>	<b>3,619,560</b>	<b>128,552,059</b>
Interest/Credit Card											4,232,041	4,232,041
VIMS			525,000	230,231	50,000		805,231		3,013	148,514		956,758
VT-extension				999,221	913,750		1,912,971					1,912,971
VSU-extension				52,210			52,210				125,000	177,210
EVMS										250,000	3,562,682	3,812,682
Southwest H Ed Ctr											117,500	117,500
Southern Va H Ed Ctr											125,000	125,000
SCHEV												
TAG											8,856,432	8,856,432
Military Survivors											600,000	600,000
Longitudinal data											160,295	160,295
Transfer Grant								600,000				600,000
Retent&Grad Pgm											(4,413,750)	(4,413,750)
Agency funding		100,000	200,000				300,000				50,000	350,000
Technical adj											(4,214)	(4,214)
VVA			1,400,000				1,400,000					1,400,000
VMIL											230,925	230,925
IALR											600,000	600,000
SVHEC											225,000	225,000
Interest Earnings <sup>1</sup>					3,900,000		3,900,000					3,900,000
Res Funding <sup>1</sup>									3,020,000			3,020,000
HEETF (debt service)											9,706,800	9,706,800
Aux Interest											5,260,000	5,260,000
Central Account <sup>2</sup>					5,716,311		5,716,311					5,716,311
<b>Total</b>	<b>17,715,325</b>	<b>21,462,675</b>	<b>38,641,087</b>	<b>24,770,063</b>	<b>13,425,061</b>	<b>(5,442,273)</b>	<b>110,571,938</b>	<b>17,522,443</b>	<b>1,777,854</b>	<b>13,168,514</b>	<b>33,053,271</b>	<b>176,094,020</b>

Notes:

(1) The annual funding has different amount. The amount shown is for FY2014.

(2) Reversion of the savings from the turnover and vacancies in the original FY2014 budget.

**Change in Amended General Fund Appropriations to E&G Programs  
(2012-14 Biennium)**

Inst.	2011-12 General Fund <sup>1</sup>	FY13 Additions over FY12 <sup>2</sup>		FY14 Orig Bgt	FY14 Amend.	FY14 Total Additions over FY13	
		Amount	Percent	Faculty Salary	E&G Additions	Amount	Percent
CNU	\$22,223,345	\$1,346,064	6.1%	\$299,885	\$397,662	\$697,547	3.0%
CWM	\$35,444,612	\$898,388	2.5%	\$626,769	\$669,072	\$1,295,841	3.6%
GMU	\$107,156,185	\$4,415,690	4.1%	\$1,663,143	\$2,243,764	\$3,906,907	3.5%
JMU	\$62,223,090	\$4,145,595	6.7%	\$937,447	\$2,136,673	\$3,074,120	4.6%
LU	\$21,895,145	\$1,016,911	4.6%	\$266,211	\$311,968	\$578,179	2.5%
NSU	\$37,741,418	\$1,731,690	4.6%	\$234,873	\$495,096	\$729,969	1.8%
ODU	\$90,603,180	\$6,515,030	7.2%	\$981,382	\$5,172,984	\$6,154,366	6.3%
RU	\$39,591,803	\$2,310,806	5.8%	\$567,181	\$716,453	\$1,283,634	3.1%
UMW	\$17,945,009	\$1,023,704	5.7%	\$277,268	\$325,149	\$602,417	3.2%
UVA	\$110,358,412	\$2,800,408	2.5%	\$1,661,447	\$2,092,596	\$3,754,043	3.3%
UVAW	\$11,317,653	\$1,122,580	9.9%	\$116,390	\$259,560	\$375,950	3.0%
VCU	\$142,328,431	\$6,468,488	4.5%	\$2,205,048	\$1,619,081	\$3,824,129	2.6%
VMI	\$7,397,356	\$616,876	8.3%	\$103,374	\$162,441	\$265,815	3.3%
VSU	\$27,896,253	\$1,652,317	5.9%	\$231,294	\$261,693	\$492,987	1.7%
VT	\$131,382,017	\$3,257,916	2.5%	\$1,944,313	\$2,106,412	\$4,050,725	3.0%
RBC	\$4,932,934	\$271,663	5.5%	\$46,244	\$188,980	\$235,224	4.5%
VCCS	\$318,045,618	\$17,065,719	5.4%	\$4,382,284	\$4,194,978	\$8,577,262	2.6%
Int. Earnings <sup>3</sup>		\$2,442,809			\$1,789,232	\$1,789,232	
<b>Total</b>	<b>\$1,188,482,461</b>	<b>\$59,102,654</b>	<b>5.0%</b>	<b>\$16,544,553</b>	<b>\$25,143,794</b>	<b>\$41,688,347</b>	<b>3.3%</b>

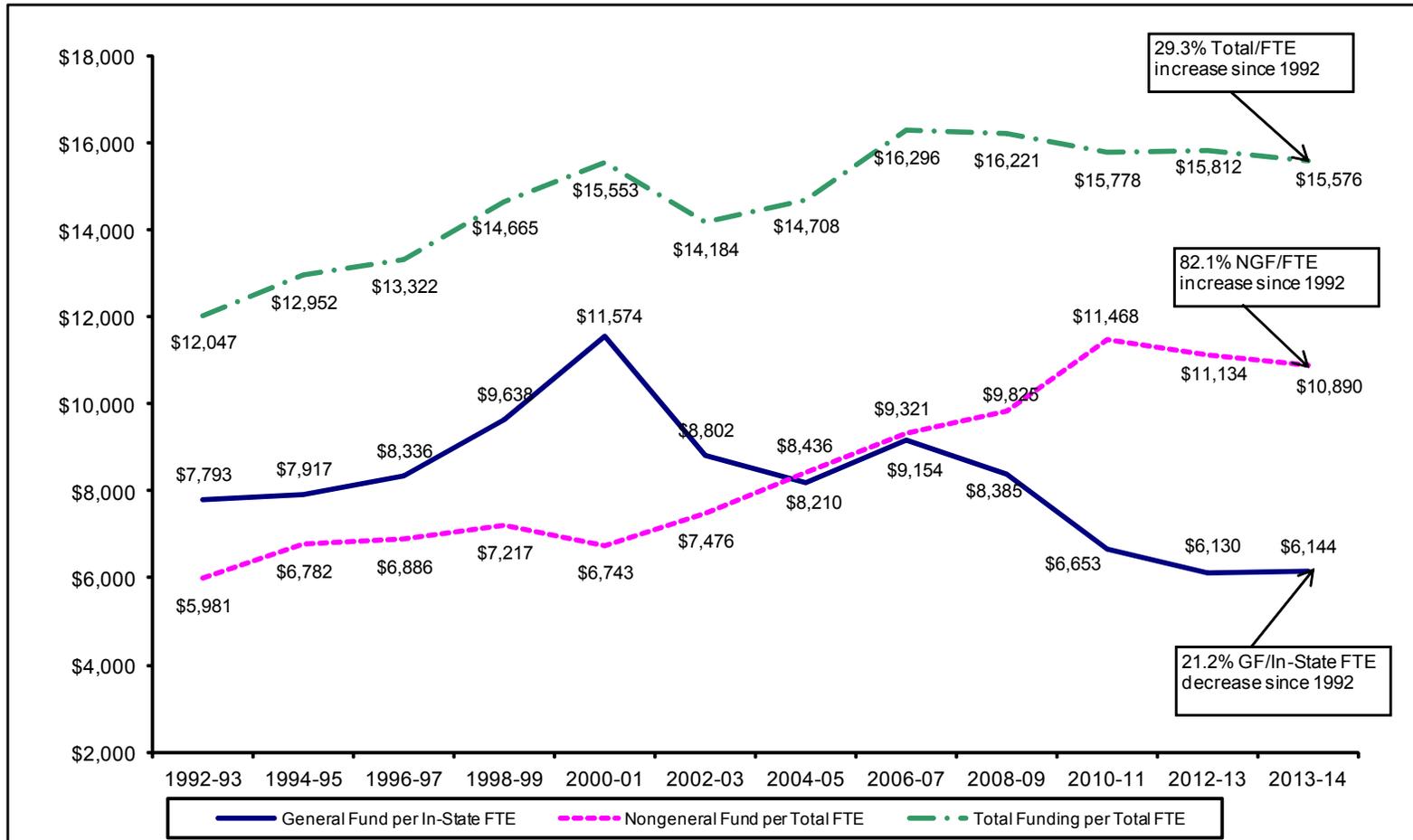
Notes:

(1) Includes general fund appropriations for E&G and interest earnings/credit card rebates.

(2) Includes reductions resulted from administrative efficiencies. General fund appropriations for VIMS, VSU and VT extensions are also reduced for a total of \$274,038.

(3) Not allocated to institutions.

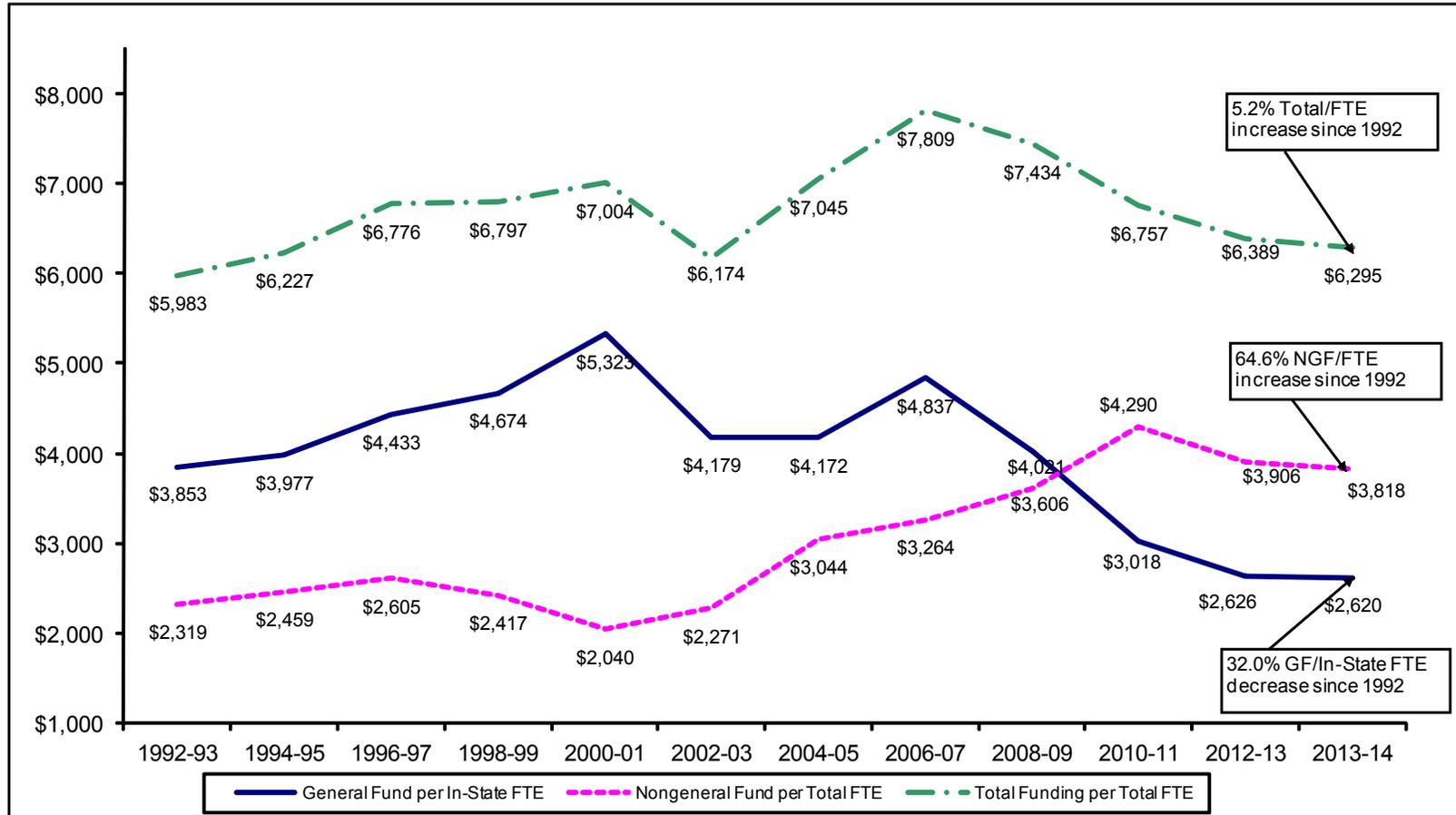
**Average Funding per FTE Student at Four-Year Institutions for E&G programs**  
(in 2013-14 constant dollars)



Notes:

- (1) Total Funding per Total FTE is not the sum of General Fund per In-State FTE and Nongeneral Fund per Total FTE.
- (2) FY13 and FY14 are based on projected enrollments. All other years are based on actual enrollments.
- (3) General fund and nongeneral fund are based on the amended appropriations in 2013 session enrolled bill.
- (4) FY10 and FY11 Nongeneral Fund per Total FTE include funding from the American Recovery and Reinvestment Act of 2009.

**Average Funding per FTE Student at Virginia Community Colleges for E&G programs**  
(in 2013-14 constant dollars)



Notes:

- (1) Total Funding per Total FTE is not the sum of General Fund per In-State FTE and Nongeneral Fund per Total FTE.
- (2) FY13 and FY14 are based on projected enrollments. All other years are based on actual enrollments.
- (3) General fund and nongeneral fund are based on the amended appropriations in 2013 session enrolled bill.
- (4) FY10 and FY11 Nongeneral Fund per Total FTE include funding from the American Recovery and Reinvestment Act of 2009.

# State Council of Higher Education for Virginia Agenda Item

**Item:** #10 – Items Delegated to Staff

**Date of Meeting:** July 16, 2013

**Presenter:** Peter Blake, Director  
[peterblake@schev.edu](mailto:peterblake@schev.edu)

**Most Recent Review/Action:**

- No previous Council review/action  
 Previous review/action

**Date:** March 20, 2002, July, 2002, September 2006

**Action:** The Council approved delegation of certain items to staff

**Background Information/Summary of Major Elements:**

Council delegated certain items to staff for approval and reporting to the Council on a regular basis.

**Materials Provided:**

Program Actions Approved:

- George Mason University
- James Madison University
- Old Dominion University
- Virginia Commonwealth University
- Virginia Polytechnic Institute and State University
- Virginia State University

Organizational Changes / Off-campus Instructional Sites:

- Virginia Military Institute

Governor's STEM/Health Sciences Academies:

- Monticello High School (Albemarle County)
- Monacan High School and Cosby High School (Chesterfield County)
- George C. Marshall High School (Fairfax County)
- Fall Church High School (Fairfax County)
- West Potomac High School (Fairfax County)

- Gloucester High School (Gloucester County) and Mathews High School (Mathews County)
- Harrisonburg High School (City of Harrisonburg)
- Christiansburg High School (Montgomery County)
- Pulaski County High School (Pulaski County)
- Superintendents' Region 8

Institutional Student Financial Aid Plans

**Financial Impact:** N/A

**Timetable for Further Review/Action:** N/A

**Resolution:** N/A

## 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
George Mason University	Addition of the degree designation Bachelor of Arts (B.A.) to the existing Bachelor of Science (B.S.) degree program in Criminology, Law and Society (43.0107).	Fall 2013
James Madison University	Discontinue the Certificate program in Gerontology (30.1101).	Spring 2013
James Madison University	Discontinue the Certificate program in Strategic Planning for International Stabilization & Recovery (44.9999).	Spring 2013
Old Dominion University	Graduate Certificates: Geographic Information Science (45.0702); Literature (23.1401); Modeling and Simulation – International Professional Writing (23.1303); Studies (14.9999) Spatial Analysis of Coastal Environments (40.9999); The Teaching of Writing (13.1299); Teaching of English to Speakers of Other Languages (TESOL) (13.1401); Women's Studies (05.0207)	Spring 2013
Virginia Commonwealth University	Change the CIP code of the following programs from (51.2099) to (51.2010): Master of Science (M.S.) in Pharmaceutical Sciences; Master of Pharmaceutical Sciences (M.P.S.); Doctor of Philosophy (Ph.D.) in Pharmaceutical Sciences	Summer 2013
Virginia Polytechnic Institute and State University	Discontinue the Master of Information Systems (M.I.S.) degree program (11.0401).	Fall 2013

Virginia State University	Change the program title from a Bachelor of Fine Arts (B.F.A.) in Visual Communication Art and Design (50.0101) to a Bachelor of Fine Arts (B.F.A.) in Visual Arts (50.0101).	Fall 2013
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Pursuant to the Code of Virginia, Section 23-9:6:1 and Council's "Policies and Procedures for Internal and Off-Campus Organizational Changes," the following items were approved as delegated to staff:

### Organizational Changes / Off-campus Instructional Sites

Institution	Change / Site	Effective Date
Virginia Military Institute	Rename the Department of Psychology and Philosophy to the Department of Psychology.	August 1, 2013
Virginia Military Institute	Rename the Department of English and Fine Arts to the Department of English, Rhetoric, and Humanistic Studies.	August 1, 2013

### Governor's STEM/Health Sciences Academies

Ten (10) Governor's STEM/Health Sciences Academy proposals were reviewed and approved as delegated to staff:

<b>Title of Academy</b>	Governor's Health Sciences Academy
<b>Location</b>	Monticello High School (Albemarle County)
<b>Name of Lead Entity</b>	Albemarle County Schools
<b>Date of Approval</b>	May 8, 2013
<b>Academy Initiation</b>	2013-14

<b>Title of Academy</b>	Governor's Health Sciences Academy
<b>Location</b>	Monacan High School and Cosby High School (Chesterfield County)
<b>Name of Lead Entity</b>	Chesterfield County Public Schools
<b>Date of Approval</b>	May 8, 2013
<b>Academy Initiation</b>	2013-14

<b>Title of Academy</b>	Governor's STEM Academy
<b>Location</b>	George C. Marshall High School (Fairfax County)
<b>Name of Lead Entity</b>	Fairfax County Public Schools
<b>Date of Approval</b>	June 5, 2013

<b>Academy Initiation</b>	2013-14
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<b>Title of Academy</b>	Governor's Health Sciences Academy
<b>Location</b>	Fall Church High School (Fairfax County)
<b>Name of Lead Entity</b>	Fairfax County Public Schools
<b>Date of Approval</b>	May 8, 2013
<b>Academy Initiation</b>	2013-14

<b>Title of Academy</b>	Governor's Health Sciences Academy
<b>Location</b>	West Potomac High School (Fairfax County)
<b>Name of Lead Entity</b>	Fairfax County Public Schools
<b>Date of Approval</b>	May 8, 2013
<b>Academy Initiation</b>	2013-14

<b>Title of Academy</b>	Governor's Health Sciences Academy
<b>Location</b>	Gloucester High School (Gloucester County) and Mathews High School (Mathews County)
<b>Name of Lead Entity</b>	Gloucester County Public Schools and Mathews County Public Schools
<b>Date of Approval</b>	June 5, 2013
<b>Academy Initiation</b>	2013-14

<b>Title of Academy</b>	Governor's STEM Academy
<b>Location</b>	Harrisonburg High School (City of Harrisonburg)
<b>Name of Lead Entity</b>	Harrisonburg City Public Schools
<b>Date of Approval</b>	June 5, 2013
<b>Academy Initiation</b>	2013-14

<b>Title of Academy</b>	Governor's STEM Academy
<b>Location</b>	Christiansburg High School (Montgomery County)
<b>Name of Lead Entity</b>	Montgomery County Public Schools
<b>Date of Approval</b>	June 5, 2013
<b>Academy Initiation</b>	2013-14

<b>Title of Academy</b>	Governor's STEM Academy
<b>Location</b>	Pulaski County High School (Pulaski County)
<b>Name of Lead Entity</b>	Pulaski County Public Schools
<b>Date of Approval</b>	May 8, 2013
<b>Academy Initiation</b>	2013-14

<b>Title of Academy</b>	Governor's Health Sciences Academy
<b>Location</b>	Superintendents' Region 8
<b>Names of Lead Entities</b>	Amelia High School (Amelia County Public Schools); Bluestone High School (Mecklenburg County Public

	Schools); Brunswick High School (Brunswick County Public Schools); Buckingham High School (Buckingham County Public Schools); Central High School (Lunenburg County Public Schools); Cumberland High School (Cumberland County Public Schools); Greenville High School (Greenville County Public Schools); Halifax High School (Halifax County Public Schools); Nottoway High School (Nottoway County Public Schools); Park View High School (Mecklenburg County Public Schools); Prince Edward High School (Prince Edward County Public Schools); Randolph Henry High School (Charlotte County Public Schools)
<b>Date of Approval</b>	May 8, 2013
<b>Academy Initiation</b>	2013-14

### **Institutional Student Financial Aid Plans**

Pursuant to §4-5.01 b. of the annual Act of the Appropriation, staff have reviewed each individual institution's plan for expenditure of its appropriation for undergraduate student financial assistance and assumptions and calculations for determining the cost of education and student financial need. The institutions' reports have been received and reviewed in accordance with the Appropriation Act.

# State Council of Higher Education for Virginia Agenda Item

**Item:** Item #11.b – Discussion on Council Meeting Schedule for Calendar Year 2014

**Date of Meeting:** July 16, 2013

**Presenter:** Peter Blake  
[peterblake@schev.edu](mailto:peterblake@schev.edu)

**Origin:**

- No Action – Information Only
- Council review required by:
- State or federal law or regulation
  - SCHEV regulation/guideline
  - Other:
- Action requested at this meeting
- Action requested at future meeting, **Date:** September 17, 2013

**Most Recent Review/Action:**

- No previous Council review/action
- Previous review/action

**Date:**

**Action:**

**Background Information:** The Council has been formally meeting in the months of January, March, May, July, September, and October. Additional meetings may be held with reasonable public notice for ad hoc Committee meetings and/or retreats at the call of the Council chair.

Since 2009, the Council has included in its schedule, a meeting with the public college presidents. The date of that meeting will need to be coordinated with the Council of Presidents (COP) but would likely coincide with the regular Council meeting in September, as noted below.

The General Assembly session begins on Wednesday, January 8, 2014.

It should be noted that meetings are generally held on the third Monday/Tuesdays except as follows:

- The January date was changed because the Martin Luther King, Jr. holiday is on the third Monday (January 20, 2014).

- The October date was chosen to allow staff additional time between the September and October meetings to prepare final budget recommendations.

Proposed dates for calendar year 2014:

Briefings and/or Committee meetings on Monday Afternoon - Meetings on Tuesday

- January 13-14 – SCHEV Offices (Richmond)
- March 17-18 – travel to public institution
- May 19-20 – travel to private institution (TBD)
- July 21-22 – SCHEV Offices (Richmond)
- September 15-16 – (travel to public institution – September 15 would include a meeting with college and university presidents)
- October 27-28 – SCHEV Offices (Richmond)

**Materials Provided:** N/A

**Summary of Major Elements:** N/A

**Financial Impact:** None.

**Timetable for Further Review/Action:**

A final schedule will be brought to the Council for action in September.

**Staff Recommendation:** The two public institutions that are next in the rotation schedule are James Madison University and Old Dominion University. If Council agrees, staff would contact these institutions about hosting the meetings in March and September, 2014.

**Resolution:** N/A