



State Council of  
Higher Education for Virginia

# Agenda Book

October 28-29, 2013

Location:

SCHEV Office  
Richmond, VA



State Council of Higher Education for Virginia  
*Advancing Virginia through Higher Education*

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA  
AGENDA**

SCHEV Offices  
101 N. 14<sup>th</sup> Street  
Richmond, Virginia  
**October 28, 2013**  
**10<sup>th</sup> Floor Conference Room**  
**2:00 - 3:30 p.m.**

**Academic Affairs Committee**

1. Call to Order
2. Approval of Minutes (September 16, 2013) [Page A1](#)
3. Liaison Report
4. Action on Policy on the Offering of Dual Enrollment Courses [Page A 8](#)
5. Action on Policy on Mission Statement Changes [Page A 14](#)
6. Action on Policy on Program Productivity Review [Page A 26](#)
7. Action on Programs at Public Institutions [Page A 38](#)
8. Action on Private and Out-of-State Post-secondary Education Institutional Certifications [Page A 48](#)
9. Discussion of Potential Revisions to SCHEV Program Approval Process [Page A 54](#)
10. Discussion of Accreditation

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA  
ACADEMIC AFFAIRS COMMITTEE  
SEPTEMBER 16, 2013  
MINUTES**

Mr. Lockhart called the meeting to order at 1:30 p.m. in the Advising Center Conference Room, College of Business and Economics, Radford University, Radford, Virginia. Committee members present: Johanna Chase, Heywood Fralin, Gene Lockhart (chair), Julius Smith.

Committee member absent: Joann DiGennaro.

Other Council member present: Gil Bland (joined the meeting at 2:20 p.m.)

Staff members present: Joe DeFilippo, Alan Edwards.

**APPROVAL OF MINUTES**

On motion by Mr. Smith and seconded by Ms. Chase, minutes from the July 15, 2013, meeting were approved unanimously. Mr. Lockhart noted a change to the agenda, moving the Liaison Report to follow discussion of the program-productivity review policy.

**ACTION ON COMPLEX ORGANIZATIONAL CHANGE AT A PUBLIC INSTITUTION**

Dr. DeFilippo summarized Council's statutory duty and its formal policy regarding the review and approval of public institutions' proposed organizational changes. He then introduced a request from the University of Virginia (UVa) for conditional approval to establish a "non-exempt" off-campus instructional site in Newport News, which would replace the university's recently-closed Virginia Beach site.

He explained that an organizational change is "exempt" from Council approval when the proposed change has no implications for state funds; most requests are of this sort. The UVa proposal is "non-exempt" because the site will involve the reallocation of state funds from the closed location. Council approval of such a request is "conditional" for one year, during which time the institution must secure final approval from the Governor and General Assembly via legislation and/or appropriation. He said that the proposal satisfied all criteria within Council policy and that staff recommended approval.

Mr. Lockhart raised the issue of site utilization, inquiring whether Council has a policy or other review mechanism – perhaps similar to the program-productivity review process – to assess whether such off-campus instructional sites are underutilized. Dr. DeFilippo responded that no such statutory authority – and thus, no Council policy – exists. He

also noted that, per UVa policy, approval by its Board of Visitors was not necessary in this matter.

Recognizing connections between institutions' off-campus instructional activities and their research activities, Mr. Fralin inquired about the extent of Council's coordination of academic research. Dr. DeFilippo responded that the agency had little role in such matters in recent years; following recognition by Mr. Lockhart, Dr. Edwards provided a brief synopsis of past activities. Mr. Fralin offered that the consultant with whom Council would be contracting for assistance with the statewide strategic plan could also be helpful in advising on such matters. Mr. Lockhart agreed and suggested that matters related to facilities could also be included in the terms of the consultant's contract; he then asked for a motion on the resolution.

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

**BE IT RESOLVED that the State Council of Higher Education for Virginia grants "conditional approval" to the University of Virginia to establish a new off-campus site at 600 Thimble Shoals Boulevard, Suite 210, Newport News, Virginia 23606, to take effect September 18, 2013.**

#### **DISCUSSION OF DRAFT POLICY ON THE OFFERING OF DUAL ENROLLMENT COURSES IN PUBLIC HIGH SCHOOL DISTRICTS BY PUBLIC FOUR-YEAR AND TWO-YEAR INSTITUTIONS OF HIGHER EDUCATION**

Dr. DeFilippo reviewed §23-221 of the *Code of Virginia*, which prohibits four-year public institutions from offering courses of study via extension (i.e., off-campus) that would be similar to those of community colleges, except as authorized by Council. He then related the trends and expansion of dual-enrollment courses in high schools by community colleges and four-year institutions, illustrating the need for a Council policy to provide guidance on and procedures for resolving conflicts regarding such offerings. No policy currently exists to address matters related to §23-221 generally or to dual enrollment specifically; a draft policy appeared in the Agenda Book for review and discussion.

Mr. Lockhart questioned whether the policy should address online offerings as well. Dr. DeFilippo explained that online instruction is not considered "extension," because it is not usually location-specific or site-based. He acknowledged that mode of instructional delivery had not been considered specifically in preparing the draft policy, and he pledged to consider the issue more directly as work on the draft policy moves forward.

In response to a question from Mr. Lockhart regarding the number of Virginia high school students currently pursuing Associate degrees, Dr. DeFilippo promised to track down the information and report back.

Mr. Smith asked whether and how the policy would pertain to high school students who go to the campuses of two- and four-year institutions for postsecondary courses. Dr. DeFilippo responded that such courses are usually not dual enrollment and thus would not be covered by the draft policy.

Mr. Lockhart inquired as to whether students in dual enrollment courses pay tuition. Dr. DeFilippo said that in most dual-enrollment agreements between school districts and postsecondary institutions, students do not pay tuition (districts pay), but sometimes students do pay some or all of their tuition and/or their textbook costs.

Ms. Chase related the story of a student from the Charlottesville area who received an Associate degree and a high school diploma simultaneously and then enrolled at the University of Virginia.

In response to a question from Mr. Fralin regarding issues of overlap between course offerings at regional higher-education centers and institutions' dual-enrollment offerings, Dr. DeFilippo agreed to consider such issues in continuing work on the draft policy.

Dr. DeFilippo summarized the effort to develop the policy as, in part, a reconfirmation that dual enrollment is the prerogative of the community colleges. He advised that consultation with the institutions would continue and that Council action to approve a policy might be sought at the October 2013 meeting.

## **DISCUSSION OF DRAFT "POLICY ON MISSION STATEMENT CHANGES AT VIRGINIA PUBLIC HIGHER EDUCATION INSTITUTIONS"**

Dr. DeFilippo reviewed Council's statutory duty to review and approve or disapprove public institutions' proposed changes to their statements of mission. He explained that no formal policy and procedure document currently exists to guide the institutions or SCHEV staff in such matters, and he acknowledged that at least three public institutions are currently using mission statements that have not been approved by Council.

In response to a query from Mr. Lockhart on the scope of the statements of mission in question, Dr. DeFilippo responded that the policy would pertain only to institutional mission statements, not to those of units (i.e., schools, colleges, divisions) within institutions. He then reviewed the draft policy, which would delineate three types of mission change and the requisite action for each by the institution and by Council or SCHEV staff. He acknowledged that the draft policy was modeled on a similar one in Maryland.

Mr. Lockhart stated that he was unclear why the issue of mission-statement changes mattered. Ms. Chase agreed, wondering why Council would be involved. Dr. DeFilippo offered that the statutory duty probably reflects the legislature's desire and attempt to guard against mission creep. Mr. Fralin speculated that the duty is probably also related to matters of state funding. Mr. Lockhart recognized Dr. Edwards, who

suggested that when the statutory duty was enacted, mission statements were more precise and institutionally-defining than most current ones.

Ms. Chase expressed better understanding of the issue and inquired as to next steps. Dr. DeFilippo explained that he would incorporate Council feedback in the ongoing work on the draft and would seek input from the Instructional Programs Advisory Committee, with a goal of offering a policy document for Council review and action at the October 2013 meeting.

## **DISCUSSION OF POLICY ON PROGRAM PRODUCTIVITY REVIEW**

Dr. DeFilippo reviewed Council's statutory duty to review public institutions' academic degree programs for evidence of: (i) non-productivity, defined in terms of insufficient numbers of degrees granted and students served, and/or cost- and program-ineffectiveness; and (ii) unnecessary duplication of similar programs at other publics. He added that, per Council policy, program-productivity reviews are conducted every five years, with the next round slated for the 2013-14 academic year.

He explained that the draft document presented for discussion was a revised version of the current policy. The proposed revisions centered on reducing the number of steps in the process, clarifying language on the process's stages and program-defense criteria, and correcting enrollment targets in the quantitative standards.

Mr. Lockhart asked about the total number of degree programs at the larger institutions. Dr. DeFilippo offered that such numbers easily exceed 100 at some institutions and recognized guest Dr. Robin Panneton from Virginia Tech, who agreed and spoke about the number of undergraduate and degree programs offered by the university.

Dr. DeFilippo noted that the proposed policy change would add an option for institutions to describe campus planning priorities and deliberations that inform their overall approach to program review.

Mr. Lockhart inquired as to whether the policy would apply to community colleges. Dr. DeFilippo responded that while the statute encompasses all public-institution degree programs, current Council policy delegates review of community-college programs to the State Board for Community Colleges, which reports the results of its reviews to SCHEV.

Mr. Lockhart then asked for the number of programs targeted in the last review. Dr. DeFilippo responded that he thought the total number was 39.

Noting the draft policy would include "mission centrality" as a justification that institutions could employ to defend a targeted program, Mr. Smith asked how Council and staff would handle such an argument, questioning whether the concept was too subjective. Dr. DeFilippo acknowledged the absence of any type of mathematical formula. He

explained that the process would continue to involve an initial negotiation between the institution and SCHEV staff, with unresolved negotiations coming to Council for final decisions. He added that if an institution is dissatisfied with Council's decision on a targeted program, it may appeal to the Governor and General Assembly, with the legislature possessing the authority to overrule Council decisions in such matters.

Mr. Fralin pointed out that the quantitatively-oriented policy was silent on matters of academic quality. He expressed interest in having quality be part of program reviews, noting that a degree program could be duplicative, but of high quality. Mr. Lockhart suggested that a placeholder for quality be considered within the policy. He then asked about the next steps.

Dr. DeFilippo advised that feedback from Council and from public institutions would inform ongoing work on the draft policy, a final version of which he intended to submit for Council review and action at the October 2013 meeting.

## **LIAISON REPORT**

Dr. DeFilippo distributed copies of his report, which he summarized verbally.

Regarding the College Access Challenge Grant (CACG), he: (i) described the Greater Southwest Virginia Regional College Access and Financial Aid Roundtable co-hosted by SCHEV and the U.S. Department of Education (USED) in August; (ii) mentioned a similar event in Northern Virginia later in September; and (iii) noted that no final decision had been received yet from USED on the 2013-14 CACG application. Mr. Bland spoke highly of the results of such access outreach efforts, especially those of the ACCESS College Foundation in the Hampton Roads area.

Regarding the State Policy on College Transfer, he advised that preliminary deliberations have been undertaken with the State Committee on Transfer to update the policy, which has remained unchanged since 2004. He offered a goal of Council action on a new transfer policy in early 2014.

Regarding the AACU/Lumina Foundation "Quality Collaboratives" project, he described SCHEV's awarding of seven \$1,000 mini-grants to institutions in support of faculty institutes on liberal education and quality, as well as an upcoming SCHEV-led conference on liberal education and quality in May 2014. Details of the seven mini-grants appeared on the reverse of his handout.

Regarding distance-education reciprocity, he: (i) noted his co-leadership of a state workshop on the topic at the SHEEO meeting in August; (ii) described the legislation proposed for 2014 to empower SCHEV to enter into interstate reciprocity agreements and approve institutions' participation therein; and (iii)

advised that a draft reciprocity agreement from the Southern Regional Educational Board was still forthcoming.

Regarding deliberations between JMU, ODU, UVa and VT regarding the creation of an institutional consortium of military-friendly programming, he advised that SCHEV had been invited to join the deliberations and perhaps to coordinate the resultant consortium; a budget proposal was being developed for multiple Secretariats. Mr. Lockhart asked that the Committee be updated at its October 2013 meeting and that the budget proposal be provided for review. Mr. Bland expressed interest in knowing more about the specific levels of military service or participation envisioned. Mr. Fralin suggested that potential students who are or were military personnel be consulted in determining what is needed and will work most efficiently and effectively.

## **NEW BUSINESS**

Mr. Lockhart advised that, consistent with Council's ongoing review of its roles and responsibilities, he envisioned a role for the Academic Affair Committee in improving the Council's interface with institutions on matters of effectiveness, efficiency, and quality, and that he believed efficiency could be improved via streamlining Council and agency processes and procedures. He said that he had begun preliminary conversations with Dr. DeFilippo and asked him to summarize their initial thinking for the Committee.

Dr. DeFilippo described ideas related to the review and approval process for degree programs proposed by public institutions. Specifically, he suggested that SCHEV staff might begin to formally consult with institutions on the development of their program proposals in advance of submission by institutional staff to their Boards of Visitors for approval. Such involvement before-the-fact could mean less work for SCHEV and institutional staff and reduced time to Council approval and/or delegation of approval to staff. Council review of proposals might then focus only on proposed programs that would constitute exceptions to the new policy. He noted that his conversations with Mr. Lockhart and others and his thinking about these ideas were still in the early, preliminary stages.

Ms. Chase asked what within the current policy would change and where within the current process the change(s) would occur. Mr. Lockhart reiterated that the goal would be to work with the institutions on their proposals prior to Board approval, rather than after, which would assure the Board that the proposal meets all institutional and SCHEV criteria (i.e., situations would be avoided in which a proposal must receive a second Board approval following revision to accommodate SCHEV criteria).

Guests representing public institutions were asked for their initial reactions to the ideas; reactions from the three guests were positive and supportive.

Mr. Lockhart advised that he would continue to consult with Dr. DeFilippo, with a goal of bringing a more specific proposal for revisions of the program approval process for discussion at the October 2013 meeting.

Mr. Bland then raised another new item of business – Council’s regulation of for-profit educational providers. He expressed concern about the appropriateness and extent of Council authority, given recent occurrences at proprietary institutions. Dr. DeFilippo advised that staff would be seeking a change in code to extend the period of SCHEV certification to operate for such entities from 10 to 20 years before eligibility for exemption from SCHEV regulation.

Mr. Bland then raised the issue of online education and the expansion thereof, questioning whether the Commonwealth is best served by more institutions becoming involved in online offerings or by expansion of existing activities at institutions already involved. He asked whether and what role(s) SCHEV should play in addressing these issues. Dr. DeFilippo reminded that once a public institution’s degree program is approved by Council, the institution is free to offer that program however it chooses and wherever it chooses from among approved or allowed off-campus sites. He suggested that, at least in the short term, the Commonwealth would benefit most from a focus on the interstate distance-education reciprocity agreements currently being developed in Virginia and across the country.

Mr. Lockhart adjourned the meeting at 2:57 p.m.

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Gene Lockhart  
Chair, Academic Affairs Committee

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Alan Edwards  
Director, Policy Studies

# State Council of Higher Education for Virginia Agenda Item

**Item:** Academic Affairs Committee – Item #4 – Action on Policy on the Offering of Dual Enrollment Courses

**Date of Meeting:** October 28, 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:** September 16, 2013

**Action:** At its September meeting the Academic Affairs Committee discussed a draft of the policy under consideration. Guidance provided in September has been incorporated into the final policy presented here, along with feedback from the Virginia Department of Education and institutions of higher education.

**Background Information/Summary of Major Elements:** Code of Virginia §23-221 states:

*In any area served by a comprehensive community college, no institution of higher learning which conducts extension programs shall, after July 1, 1966, offer courses of study similar to those offered by a comprehensive community college, except as authorized by the State Council of Higher Education.*

The increase of “dual enrollment” offerings by Virginia public institutions in public school districts has given rise to situations of potential conflict between four-year institutions and community colleges. Code of Virginia §23-221 identifies Council as the body with responsibility for resolving such conflicts. The policy presented here outlines relevant state policies and priorities, and describes a process whereby conflicts may be avoided and/or resolved. In this version of the policy, alterations from the draft that was discussed in September are highlighted in yellow. These alterations include:

- sections to clarify an operating definition of “dual enrollment” and the scope of the policy;
- clarification of the applicability of Code of Virginia §23-221 to certain instances of dual enrollment; and
- minor revisions to clarify four-year institutions’ role and SCHEV process.

**Materials Provided:** “Virginia Public Higher Education Policy on the Offering of ‘Dual Enrollment’ Courses in Public School Districts by Four-year and Two-year Institutions of Higher Education” (Updates from previous version are highlighted.)

**Financial Impact:** N/A

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

**Resolution:**

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

***Virginia Public Higher Education Policy on the Offering of “Dual Enrollment” Courses in Public School Districts by Four-year and Two-year Institutions of Higher Education.***

October, 2013

I. Operating Definition of “Dual Enrollment” and Limitation in the Scope of Policy.

A. For purposes of this policy, “Dual Enrollment” refers to coursework taken by high school students under the aegis of an agreement between a public school or district and a public institution of higher education, wherein a student takes coursework that both (i) counts toward high school graduation requirements and (ii) is designed to result in earned college credits. The pedagogy associated with such coursework may take place in the high school, on a college campus, at a third location, online, or in any combination of the above.

B. The scope of this policy is restricted to issues of institutional prerogative and procedures for resolving potential and actual conflicts among institutions. It offers no prescriptions as to course design, academic content, faculty qualifications, credit validation procedures, or any other purely academic policy. All such matters are governed by each college’s standing policies and procedures for assuring and assessing academic quality.

II. Code of Virginia §23-221:

*In any area served by a comprehensive community college, no institution of higher learning which conducts extension programs shall, after July 1, 1966, offer courses of study similar to those offered by a comprehensive community college, except as authorized by the State Council of Higher Education.*

- “Extension programs” does not have a formal definition in the Code of Virginia. Patterns of usage in code indicate that the phrase refers to any instruction not occurring on the main campus, or an established branch, of an institution within Virginia.
- “Courses of study” does not have a formal definition in the Code of Virginia. Common parlance indicates that the phrase refers to degree programs or

coherent groupings of courses (including, but not necessarily limited to, certificates), but logic does not prevent it referring to individual courses.

- The offering of dual enrollment courses by four-year institutions in public schools is subject to authorization by Council, as per §23-221.
- The offering of dual enrollment courses by four-year institutions that occurs solely on the campus of the four-year institution and/or online does not technically fall under the scope of §23-221. However, Council recommends that four-year institutions voluntarily follow the authorization process under section VI below for such offerings as well.

III. The Virginia Department of Education and the Virginia Community College System have signed an agreement that gives a statewide framework for dual enrollment arrangements between the public schools and community colleges ([http://www.doe.virginia.gov/administrators/superintendents\\_memos/2008/inf153a.pdf](http://www.doe.virginia.gov/administrators/superintendents_memos/2008/inf153a.pdf)).

IV. Code of Virginia 22.1-253.13:1 D.10 states that each local school board shall implement

*An agreement for postsecondary degree attainment with a community college in the Commonwealth specifying the options for students to complete an associate's degree or a one-year Uniform Certificate of General Studies from a community college concurrent with a high school diploma. Such agreement shall specify the credit available for dual enrollment courses and Advanced Placement courses with qualifying exam scores of three or higher.*

- As of August 2013, agreements required by 22.1-253.13:1 D.10 have been established by every school district.
- 22.1-253.13:1 does not prohibit four-year institutions from offering dual enrollment courses in high schools. This section of code does suggest a default assumption that community colleges are the primary dual enrollment providers in public school districts, particularly for “courses of study” that consist of an associate degree or certification.

V. Policy Principles.

A. In the interest of efficiency, appropriate mission differentiation, and consonance with Code of Virginia 22.1-253.13:1, community colleges should be considered the default providers of dual enrollment in Virginia public school districts.

B. There is, however, a **valuable** role for public four-year institutions and Richard Bland College to offer dual enrollment courses in public high schools. Such

offerings should maximize educational opportunity that is not otherwise available through the local community college. Specific circumstances include , but are not necessarily limited to

- offerings that promote specific pathways to four-year programs, especially in high-demand areas;
- offerings that support the specialized mission of an individual high school (e.g., Governor's schools, Governor's STEM Academies, or district specialty schools).

## VI. Authorization Process

- A. A four-year institution considering entering into a dual enrollment relationship with a public district or school should, before finalizing the relationship, provide notice to the local community college, and seek mutual agreement as to the scope of dual enrollment offerings it will provide. The agreement should be embodied in writing and signed by the president of each institution. Subsequent changes to the four-year institution's scope of offerings should also be agreed on, embodied in writing, and signed by both presidents.
- B. In cases where notice has been provided but the two institutions cannot come to agreement, the matter shall, as per Code of Virginia §23-221, be referred to SCHEV by the four-year institution. The four-year institution shall submit to the SCHEV Director of Academic Affairs the following information:
  - description of dual enrollment offerings it would like to offer;
  - description of points of agreement and disagreement between the four-year institution and the community college;
  - summary explanation of why it would be desirable for the four-year institution, rather than the local community college, to offer the disputed coursework in the school or district; and
  - signed statement from the school or school district of its motivation in seeking a dual enrollment relationship with the four-year institution.
- C. Upon receipt of the four-year institution's submission, SCHEV will solicit a response from the community college, and make a final decision as to authorization, by action of Council. SCHEV deliberation shall take into account all relevant factors, including but not necessarily limited to the following:
  - efficiency;
  - mission appropriateness in relation to the community college, the four-year institution, and the school or district;

- relevant special circumstances, such as particular historical, educational, and regional relationships among the institutions and the school or district involved.

# State Council of Higher Education for Virginia Agenda Item

**Item:** Academic Affairs Committee – Item #5 – Action on Policy on Mission Statement Changes

**Date of Meeting:** October 28, 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:** September 16, 2013

**Action:** At its September meeting the Academic Affairs Committee discussed a draft of the policy under consideration. Guidance provided in September has been incorporated into the final policy presented here, along with feedback from institutions of higher education.

**Background Information/Summary of Major Elements:** The Code of Virginia, §23-9.6:1, charges Council with the following responsibility:

*Review and approve or disapprove any proposed change in the statement of mission of any presently existing public institution of higher education and to define the mission of all public institutions of higher education created after the effective date of this provision.*

The attached draft “Policy on Mission Statement Changes at Virginia Public Higher Education Institutions” establishes three broad categories of mission change subject to Council approval, and processes for institutions to follow in seeking approval. The draft policy is presented for Council discussion and feedback, with final action anticipated at the October 2013 meeting.

**Materials Provided:**

- “Policy on Mission Statement Changes at 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 approves the updated “Policy on Mission Statement Changes at Virginia Public Higher Education Institutions,” effective immediately, and staff is authorized to promulgate it as soon as feasible.**

*State Council of Higher Education for Virginia*

**Policy on Mission Statement Changes at Virginia Public Higher Education Institutions**

**Effective: November 1, 2013**

**TABLE OF CONTENTS**

- I. Statutory Obligations Related to Mission Change at Public Institutions
  - A. Duty #2
  - B. Duty #15
  - C. General Duty
  
- II. Policy Statements on Mission Change at Public Institutions
  - A. Overview
    - 1. Types of Mission Changes
    - 2. Levels of Mission Changes
  - B. Operational Definitions of Key Terms
  - C. Mission Changes
    - 1. Background
    - 2. “Modify” Mission Statement
    - 1. “Expand” Mission Statement
    - 2. “New” Mission Statement
  - D. Policies Relevant to All Mission Changes
  
- III. Procedures for Submission of Proposals for Mission Changes
  - A. General Guidelines for Proposing Mission Changes
  - B. Specific Instructions for Mission-Change Proposals
    - “Proposal for Mission Change” Form
      - Part I: General Information
      - Part II: Supplemental Information
      - Part III: New Mission Information
      - Part IV: Contact Information

*State Council of Higher Education for Virginia*  
**MISSION CHANGES AT PUBLIC INSTITUTIONS:**

**Effective: November 1, 2013**

**I. Council’s Statutory Obligations Related to Mission Changes at Public Institutions**

The Code of Virginia, §23-9.6:1, charges the State Council of Higher Education for Virginia (SCHEV) with various duties and accords Council the authority to carry out those duties. Those obligations related to mission statements at public institutions are listed below.

**A. Duty #2**

Review and approve or disapprove any proposed change in the statement of mission of any presently existing public institution of higher education and to define the mission of all public institutions of higher education created after the effective date of this provision. [...] Nothing contained in this provision shall be construed to authorize the Council to modify any mission statement adopted by the General Assembly, nor to empower the Council to affect, either directly or indirectly, the selection of faculty or the standards and criteria for admission of any public institution, whether related to academic standards, residence or other criteria; it being the intention of this section that faculty selection and student admission policies shall remain a function of the individual institutions.

[The Council shall, within the time prescribed in subdivision 1, make a report to the Governor and the General Assembly with respect to its actions hereunder. No such actions shall become effective until 30 days after adjournment of the session of the General Assembly next following the filing of such a report.]  
(Code of Virginia, §23-9.6:1.2)

**B. Duty #15**

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)

**C. General Duty**

The Council, insofar as practicable, 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)

The Council has established the following policies and procedures related to changes in the mission statements of 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 Mission Changes at Public Institutions

### A. Overview

To ensure that the Council is duly apprised of any proposed change in the statement of mission, the Council recognizes the following distinctions. **Note:** The following distinctions are applicable to modification, expansion, and a new mission statement.

#### 1. Types of Mission Changes

- a. “*Modification*” a change to the text of the mission statement, proposed solely for revisions for clarity and grammar, rephrasing (e.g., minor word changes), editorial changes, and restatement that would not alter the institution's nature/character, purpose/function, type, and degree levels offered or curricular offerings.
- b. “*Expansion*” a change to the text of the mission statement including the addition of language, proposed solely to expand the institution's focus (e.g. to increase research or outreach efforts), that would not alter the institution's nature/character, purpose/function, type, and degree levels offered or curricular offerings.
- c. “*New*” a substantive change to the current mission statement that results in a new mission that would alter the institution's nature/character, purpose/function, type, or degree levels offered or curricular offerings (e.g., adding medical education or changing the focus from undergraduate education to graduate education).

#### 2. Levels of Required State Action

- a. *SCHEV Staff Must be Notified in Writing*: any proposed “modification” to a statement of mission (see **Operational Definitions** below).
- b. *Council Must Review and Approve or Disapprove*: any proposed change in the statement of mission determined as an “expansion” or “new” mission statement (see **Operational Definitions** below). For a substantive change resulting in a “new” mission, Council’s review and “preliminary” approval is required. Preliminary approval is a mandatory step and occurs prior to approval from the institution's Board of Visitors. During the preliminary period, the institution shall provide any supplemental documentation requested (see **Operational Definitions** below).
- c. Council delegates approval of individual community college mission statement changes to the State Board for Community Colleges. Provisions of this policy shall apply to the Virginia Community College System as a whole.

## B. Operational Definitions of Key Terms

“Mission Change”: a change in the statement of mission—modification, expansion, or new —of any presently existing public institution of higher education.

“Modification”: a change in the statement of mission proposed solely to restate, clarify, change grammar, or make an editorial change that would not alter the institution’s nature/character, purpose/function, type, or degree levels offered or curricular offerings and would be executable within currently authorized funds.

“Expansion”: a change in the statement of mission proposed solely to expand services currently offered by the institution that would not alter the institution’s nature/character, purpose/function, type, or degree levels offered, or curricular offerings and would be executable within currently authorized funds. Terms such as “globalization” and “international” may be added to the mission to expand the institution's outreach.

“New”: a substantive change in the statement of mission which creates a new statement of mission that would alter the institution's nature/character, purpose/function, type, or degree levels offered or curricular offerings and may or may not be executable within the currently authorized funds. The addition of new discipline areas (e.g., medicine, graduate-level research, law) would typically result from a “new” mission.

“Preliminary” Review/Approval: an action by the Council authorizing a public, four-year institution to conduct a study to change the mission. A preliminary review must address, clearly and completely *new areas of curricular offerings* (e.g., medicine), *change in the character and purpose* of the institution, a *change in primary focus* (e.g., undergraduate education to graduate education), *issues of need* and, issues of costs (e.g., any action that will ultimately require either the purchase, construction or receipt (as donation) of one or more buildings to support curricular offerings). A request for such an approval is a *required* step that allows an institution to seek state (Council) input and permission to continue planning before it receives Board of Visitors approval, expends significant resources, or enters into binding contracts/agreements. The required documentation is detailed in Part III and IV of Council’s “Proposal for Mission Statement Change” form, which appears at the end of this document.

## C. Mission Changes

### 1. Background

The Council recognizes distinctions among modification, expansion, and new missions for proposed change in the statement of mission (see **Operational Definitions** above). This distinction is intended to clarify and streamline the approval process for public institutions’ mission changes. As a result, while the Council will continue formally to approve all institutional mission changes, SCHEV staff have been delegated the responsibility and authority to review and approve a proposed “modification” in the statement of mission. An expansion of a mission statement or a new mission must be approved by the Council. All changes to the mission statement must be submitted to SCHEV staff using the guidelines, instructions, and forms contained herein.

2. “Modification”

If SCHEV staff concurs with a public institution’s determination that a proposed change in the statement of mission fits the definition of a “modification” (see **Operational Definitions** above), the Council delegates responsibility for the review and approval of such a change to SCHEV staff. SCHEV staff will respond within 60 calendar days of receipt of written request of a proposed "modification" in the statement of mission.

3. “Expansion”

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

Within 60 calendar days of receipt of a written request for a proposed “expansion” change in the statement of mission, SCHEV staff shall prepare a report and recommendation for Council action on the proposed change.

4. “New”

If SCHEV staff and/or a public institution determine(s) that a proposed change in the statement of mission constitutes a “new” mission statement, the institution shall seek Council approval of the proposed change in accordance with this policy and procedures.

When a proposed change in the statement of mission involves a “new” mission, Council shall consider the proposal for “preliminary” review and approval. The preliminary review allows an institution to seek state (Council) input and approval prior to final approval by the institution's Board of Visitors and to continue planning before it expends significant resources or enters into binding contracts/agreements.

#### **D. Policies Relevant to All Mission Changes**

1. Public institutions shall inform SCHEV staff in writing of any proposed change in the statement of mission. **All changes in the statement of mission must be submitted for Council consideration and approval prior to initiation and no such actions shall become effective until 30 days after adjournment of the session of the General Assembly next following the filing of such a report.**
2. The Council does not possess the authority to disapprove a statement of mission authorized by the General Assembly.
3. Approval of a change in the statement of mission does not obligate the Council to support capital or operating requests in excess of the amounts provided in the institution’s current appropriation.
4. If a change in the statement of mission is intended or implied in a request for a new academic degree program or an organizational change, the mission statement change must be approved prior to initiation of the degree program or the

organizational change. Council action on a proposed change in the statement of mission must occur prior to approval of action on a new degree program or organizational change.

5. 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, a change in the statement of mission may constitute a “substantive change” of which an institution must inform its accreditor(s).

### **III. Procedures for Submission of Proposals for Mission Changes**

#### **A. General Guidelines for Mission Changes**

1. Proposals to modify or expand a statement of mission must be submitted to Council at least 10 months prior to the date of proposed change and in accordance with these policies and procedures.
2. Proposals to “modify” a statement of mission shall be submitted via the attached forms.

All requests must include:

- A cover letter from the president outlining the proposed change;
- SCHEV's Mission Change Cover Sheet and Part IV;
- A detailed narrative explaining the mission change to include rationale, justification, and impact on resources;
- Text of current and proposed mission statement;
- Impact on degree program and curricular offerings;
- Additional supplemental documentation as needed.

Regardless of its form, the proposal document shall include sufficient information to document that the proposed change fits the definition of “modify” and thus can be approved at the staff level. The detailed narrative is submitted in a document separate from the cover letter. SCHEV staff reserves the right to request additional information to evaluate a proposed change.

3. Proposals for “expansion” of a statement of mission may be submitted via the attached forms.

All requests must include:

- A cover letter from the president outlining the proposed change;
- SCHEV's Mission Change Cover Sheet, Part II, and Part IV;
- A detailed narrative explaining the mission change to include rationale, justification, and impact on resources;
- Text of current and proposed mission statement;
- Impact on degree program and curricular offerings;
- Additional supplemental documentation as needed.

4. Proposals for a “new” statement of mission must be submitted prior to final approval by the institution's Board of Visitors and at least 10 months prior to the date of proposed change. Proposals may be submitted via the attached forms and constitute the preliminary review.

All requests must include:

- A cover letter from the president outlining the proposed change;
- SCHEV's Mission Change Cover Sheet, Part II, Part III, and Part IV;
- A detailed narrative explaining the mission change to include rationale, justification, and impact on resources;
- Text of current and proposed mission statement;
- Impact on degree program and curricular offerings;
- Additional supplemental documentation as needed.

### **B. Specific Instructions for Mission-Change Proposals**

1. Complete all relevant parts of the “Proposal for Mission Change” form and attach narratives, supplemental information, and any necessary.
2. Provide a cover letter that summarizes the proposed mission change. The cover letter must be signed and dated by the chief executive officer.
3. Complete the SCHEV Cover Sheet. The cover sheet must be signed and dated by the chief executive officer.
4. Provide a detailed table of contents. The table of contents should reflect the page numbers of all attached forms, documents, narratives and supplemental information.
5. Submit the proposal to the Director of Academic Affairs and Planning. Submit two hard copies of the complete proposal. One document must have an original signature. One electronic copy on CD is required for a change resulting in a new statement of mission.

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

**Part I: General Information**

<b>1. Institution:</b>			
<b>2. Nature of Proposed Change</b> (i.e., modify, expand, or new). 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 mission and resultant mission.			
<b>3. Purpose of Proposed Change.</b> Please summarize the reason(s) of the change here and attach a detailed description of the purpose for the change on a separate page.			
<b>4. Type of Proposed Change</b> (check one). Part IV must be completed for any change.  <table style="width: 100%; border: none;"><tr><td style="width: 33%; vertical-align: top;"><b>MODIFY</b> _____ Please explain background for change, text changes to mission, and how the change fits with the current curriculum, in a separate document.</td><td style="width: 33%; vertical-align: top;"><b>EXPANSION</b> _____ Please complete and submit Part II of this form.</td><td style="width: 33%; vertical-align: top;"><b>NEW</b> _____ Please complete and submit Part II and III of this form.</td></tr></table>	<b>MODIFY</b> _____ Please explain background for change, text changes to mission, and how the change fits with the current curriculum, in a separate document.	<b>EXPANSION</b> _____ Please complete and submit Part II of this form.	<b>NEW</b> _____ Please complete and submit Part II and III of this form.
<b>MODIFY</b> _____ Please explain background for change, text changes to mission, and how the change fits with the current curriculum, in a separate document.	<b>EXPANSION</b> _____ Please complete and submit Part II of this form.	<b>NEW</b> _____ Please complete and submit Part II and III of this form.	
<b>5. Date of last mission change.</b>			
<b>6. What was the nature of the last change?</b>  <table style="width: 100%; border: none;"><tr><td style="width: 33%; vertical-align: top;"><b>MODIFICATION</b> _____</td><td style="width: 33%; vertical-align: top;"><b>EXPANSION</b> _____</td><td style="width: 33%; vertical-align: top;"><b>NEW</b> _____</td></tr></table>	<b>MODIFICATION</b> _____	<b>EXPANSION</b> _____	<b>NEW</b> _____
<b>MODIFICATION</b> _____	<b>EXPANSION</b> _____	<b>NEW</b> _____	
<b>7. Date of Approval by the Board of Visitors for the proposed change. (REQUIRED)</b>			
<b>8. Proposed Effective-Date of Mission Change.</b>			

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

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

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

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

## **Part II: Supplemental Information**

1. If a study was conducted to determine the feasibility of the proposed mission change, please summarize its findings 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 the Commonwealth) and attach a detailed description of the necessity for the proposed mission change.

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

3. If the proposed mission 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 the change.

4. If the proposed change will involve the **establishment of a new academic unit or units** (e.g., institutes and research centers), please summarize here and attach a detailed description of new degree programs and/or new academic programs, and the anticipated operating costs, including costs of and number of FTE personnel. Please discuss and describe whether the institution will be request new state appropriations.

5. Summarize here and attach a detailed description of the effect(s) of the proposed change on the state's system of higher education including state priorities.

### **Part III: New Mission Information**

1. Summarize here and attach a detailed description of the institution's character and purpose including the institution's goals and the impact of the new mission on the character and purpose including the goals.

2. Summarize here and attach a detailed description of the institution's current functional emphasis instruction, research, or public service and the new functional emphasis, instruction, research, or public service.

3. Summarize here and attach a detailed description of the current and proposed Carnegie classification, degree levels offered, and relative emphasis given to undergraduate and graduate instruction.

4. If the proposed mission change will include an escalation to a degree-granting level higher than that level to which it is presently restricted, summarize here and attach a detailed description of the study conducted. The study must include the need for and benefits and/or detriments to be derived from the escalation.

**Part IV: Contact Information**

**1. 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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Name	Email	Telephone
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Name	Email	Telephone
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**2. Printed name(s) and dated signature(s) of person(s) who completed this form.**

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Printed Name

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Signature	Date
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Printed Name

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Signature	Date
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**3. Printed name and dated signature of the chief executive officer.**

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Print Name

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Signature	Date
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## State Council of Higher Education for Virginia Agenda Item

**Item:** Academic Affairs Committee – Item #6 – Action on Policy on Program Productivity Review

**Date of Meeting:** October 28, 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:** September 16, 2013

**Action:** The Academic Affairs Committee discussed the draft revised “Virginia Public Higher Education Policy on Program Productivity” and provided staff with guidance for preparing the policy for final approval. The Committee specifically requested staff to broach with institutions whether qualitative concerns are addressed sufficiently in the policy. Information was also requested on the closures resulting from the 2008-09 productivity review.

**Background Information/Summary of Major Elements:** Code of Virginia §23-9.6:1 charges Council

*To review and require the discontinuance of any academic program which is presently offered by any public institution of higher education when the Council determines that such academic program is (i) nonproductive in terms of the number of degrees granted, the number of students served by the program, evidence of program effectiveness, or budgetary considerations, or (ii) supported by state funds and is unnecessarily duplicative of academic programs offered at other public institutions of higher education in the Commonwealth. As used herein, ‘academic programs’ includes both undergraduate and graduate programs.*

Council policy has been to conduct the productivity review of public institution programs every five years. The productivity review was last conducted in 2008-09, and is scheduled to be conducted again during the 2013-14 academic year. The policy presented here has been revised to include the following updates:

- the process has been reduced from two main steps to one;

- stages of the process, and qualitative criteria for defending a targeted program, have been expressed in clearer language; and
- quantitative standards for program enrollments have been corrected (upwardly)—this change is tracked in the revised policy included here.

The revised draft policy discussed by the Academic Affairs Committee at its September 2013 meeting was provided to institutions for comment and subjected to discussion at the September 2013 meeting of IPAC. One substantial concern arising from those consultations was the elevation of the program enrollment targets, which will have the likely effect of targeting more low enrollment graduate programs, particularly at the doctoral level. The criteria for defending targeted programs were deemed to provide sufficient avenues for defending programs on qualitative grounds. A suggestion was made to revise criterion 3 to allow greater flexibility for institutions to defend interdisciplinary programs; the suggestion has been incorporated (highlighted in yellow) into the final version of the proposal presented here.

**Materials Provided:**

- “Virginia Public Higher Education Policy on Program Productivity”
- “Programs Identified for Closure: Results of the 2008-09 Academic Program Productivity/Viability Review” (July 2009)

**Financial Impact:** N/A

**Timetable for Further Review/Action:** Staff will initiate the productivity review in November 2013. Council will receive a report on the progress of the review in March 2014. Final staff recommendations on program closures are anticipated in July 2014.

**Resolution:**

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

**State Council of Higher Education for Virginia**  
**Virginia Public Higher Education Policy on Program Productivity**

*Effective October, 2013*

**I. Statutory Duties Related to Program Productivity Review at Public Institutions**

The Code of Virginia, §23-9.6:1, charges the State Council of Higher Education for Virginia (SCHEV) with various duties and accords Council the authority to carry out those duties.

**Duty #6**

- To review and require the discontinuance of any academic program which is presently offered by any public institution of higher education when the Council determines that such academic program is (i) nonproductive in terms of the number of degrees granted, the number of students served by the program, evidence of program effectiveness, or budgetary considerations, or (ii) supported by state funds and is unnecessarily duplicative of academic programs offered at other public institutions of higher education in the Commonwealth. As used herein, 'academic programs' includes both undergraduate and graduate programs (§23-9:6.1.6).
- The Council shall make a report to the Governor and the General Assembly with respect to the discontinuance of any academic program. No such discontinuance shall become effective until thirty days after the adjournment of the session of the General Assembly next following the filing of such report (§23-9:6.1.6).

**Duty #15**

- 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 the Code. The various public institutions of higher education shall comply with such rules and regulations (§23-9.6:1.15).

**II. Principles Guiding Review of Program Productivity**

Council executes its duty to review the productivity of academic degree programs in furtherance of its general responsibility "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" (§23-9.3[a]). Accordingly, this policy and the process it governs seek to accomplish the following goals:

- to establish minimal quantitative standards for program productivity in terms of program enrollment and degrees granted;
- to prompt the rigorous institutional review of program productivity, which must include—but need not be limited to—the examination of programs in terms of the SCHEV quantitative standards;
- to utilize the program productivity review to promote the efficient use of resources, including—but not limited to—minimizing unnecessary duplication of academic programs;

- to account for relevant qualitative and mission-related factors in deciding the final disposition of programs under review.

### III. Program Productivity Review Stages

SCHEV will review the productivity of academic degree programs at public institutions once every five years. The review will encompass all academic degree programs at all public institutions of higher education. For purposes of this review, Certificates of Advanced Graduate Study (CAGS) and Educational Specialist (EdS) degrees will be treated as academic degree programs subject to review. Minors, concentrations, tracks and the like will not be subject to review.

Associate degree programs are included in the SCHEV productivity review. Council has delegated to the State Board for Community Colleges the functional responsibility to review and discontinue any nonproductive community college associate degree programs. Quantitative standards applicable to associate degree programs are included in the appendix to this policy: “Virginia Community College System—Standards for Productivity Review of Associate Degree Programs.” Associate degree standards specified there will also be applicable to relevant degree programs at Richard Bland College.

**Stage 1** Following completion of the fifth year enrollment data collection, SCHEV will provide official notice to four-year public institutions and Richard Bland College of academic degree programs that fail to meet quantitative standards for FTES enrollment and numbers of graduates. Institutions will notify SCHEV promptly of any exemptions, data corrections, or data aggregation options that may be used to remove targeted programs from further review.

**Stage 2** Each four-year institution and Richard Bland College will make a submission to SCHEV, which includes:

- (i) a report of all degree program discontinuances since the last program productivity review;
- (ii) notification, via the “Institutional Action Form” provided in this policy, for each targeted program, whether the institution is
  - discontinuing the program; or
  - providing justification for continuing the program.
- (iii) *optional*: a description of institutional planning priorities and deliberative processes that have informed its overall approach to the review of program productivity.

The Virginia Community College System will report the results of its program productivity reviews and the totality of program discontinuances over the last five years.

**Stage 3** SCHEV staff reviews institutional submissions. SCHEV may request additional information and/or meetings with institutions to discuss the overall implications of potential actions that may be taken with regard to targeted programs.

**Stage 4** Following the review of all submissions, SCHEV staff will submit to Council recommendations for action. The final plan approved by Council will include a closure effective date for each program to be discontinued. It is anticipated that recommendations will be submitted at the March meeting and a final plan will be approved at the July meeting, although these targets are subject to modification.

**Stage 5** Following Council's final action, SCHEV will submit a report on program discontinuances to the Governor and General Assembly, as per Code of Virginia §23-9.6:1.

#### **IV. Four-Year Institution Program Productivity Quantitative Standards**

##### **A. Formula for Graduates**

$([\text{Student/faculty ratio}] \times [\text{number of FTEF}=2]) \div (\text{number of years to complete the degree}) =$   
minimum # of graduates per year.

##### ***Variables:***

Student/faculty ratio—derived from the base adequacy policy

Number of FTEF—two faculty FTE assumed per program

Number of years to complete the degree—baccalaureate (4); masters/professional (3);  
doctoral (5)

##### ***Illustrative Calculations:***

Bachelor's degree in Business:  $24 \text{ Students/Faculty} \times 2 \text{ FTEF} \div 4 \text{ years} = 12$   
graduates per year

Master's degree in Business:  $11 \text{ Students/Faculty} \times 2 \text{ FTEF} \div 3 \text{ years} = 7$  graduates  
per year

Doctorate in Business:  $9 \text{ Students/Faculty} \times 2 \text{ FTEF} \div 5 \text{ years} = 4$  graduates per year

Professional degree in Law:  $17 \text{ Students/Faculty} \times 2 \text{ FTEF} \div 3 \text{ years} = 11$  graduates  
per year

##### **B. Formula for FTE enrollment**

$([\text{Student/faculty ratio}] \times [\text{number of FTEF}=2]) = \text{FTE enrollment.}$

**C. Four-Year Institution Quantitative Standards by Discipline and Level**

Discipline Groupings (as per Base Adequacy)	Baccalaureate		Masters/Prof		Doctoral	
	FTE	Grads	FTE	Grads	FTE	Grads
<b>Group 1</b>						
Area Studies						
Business & Management						
Interdisciplinary Studies						
Library Science	<u>48</u>	12	<u>22</u>	7	<u>18</u>	4
Military Science						
Public Affairs						
Social Sciences						
Study Abroad						
<b>Group 2</b>						
Communications						
Education						
Home Economics	<u>40</u>	10	<u>20</u>	7	<u>16</u>	3
Letters						
Mathematics						
Psychology						
<b>Group 3a</b>						
Agriculture & Nat Resources						
Architecture & Env Design						
Computer/Information Sys	<u>36</u>	9	<u>18</u>	6	<u>14</u>	3
Fine & Applied Arts						
Foreign Languages						
<b>Group 3b</b>						
Biological Sciences						
Engineering	<u>36</u>	9	<u>16</u>	5	<u>12</u>	2
Physical Sciences						
<b>Group 4</b>						
Health Professions <sup>1</sup>	<u>24</u>	6	<u>14</u>	5	<u>10</u>	2
Pharmacy	-	-	<u>12</u>	4	-	-
<b>Other</b>						
Law	-	-	<u>34</u>	11	-	-

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<sup>1</sup> Excludes medicine, dentistry, and veterinary medicine

#### **D. Utilization of Quantitative Standards in Program Productivity Review**

**Stage 1** of the program productivity review consists of SCHEV notifying institutions as to which programs have not satisfied both applicable standards (FTE and Grads) as specified in the table above. Upon receiving this notice, institutions should promptly review the information for targeted programs at the following link, <http://research.schev.edu/productivity/default.asp>, and report any apparent inaccuracies to SCHEV. If a data correction results in a program satisfying a previously failed quantitative standard, that program will be removed as a target of the productivity review. At this time, institutions should also notify SCHEV whether they wish to exercise any of the following options to remove eligible programs from further review:

- Five-Year Exemption. Any program that has been in existence for five or fewer years (i.e., since 2008-09) may be exempt from review, at request of the institution.
- Aggregating Data for Programs at the Same Level. For programs that offer more than one degree option in the same subject at the same level, SCHEV may consider aggregated data for all options at that level (e.g. BA/BS in Sociology, or MA/MFA in Music). Normally, this option will require that the aggregated programs have the same CIP code.
- Aggregating Data for Programs at the Master's and Doctoral Levels. For programs with the same CIP code that are offered at the master's and doctoral levels, data on enrollment and graduates may be combined to meet the applicable productivity standards. In such cases, aggregated data for the programs must satisfy the *aggregated productivity standards* for the programs in question.

#### **V. Justification of Targeted Programs on Qualitative Grounds**

If a targeted program is not eligible for the five-year exemption and “data aggregation” does not apply, the institution must submit a completed “Institutional Action Form,” indicating whether it will discontinue the program or seek to justify its continuation. If seeking continuation, the institution must indicate which qualitative criteria apply to the program in question and submit supporting documentation for each criterion. Qualitative criteria are indicated on the Institutional Action Form. In general, in order for a proposed justification to be successful, the targeted program must receive a compelling defense in terms of mission centrality, efficient use of resources, quality, and institutional commitment. The specified qualitative criteria are intended to elicit a full range of factors according to which a compelling defense can be made. SCHEV may request additional information with regard to any particular targeted program or with regard to an institution's overall approach to program productivity review and program discontinuances.

**Program Productivity Review: Institutional Action Form**

**Complete a separate form for each targeted program**

1. Institution:		
2. Program title		
3. CIP Code	4. Degree designation (e.g. AA, BS, MBA, PhD)	5. Date

**Check one of the following to indicate action the institution will take concerning this program:**

- Institution will close the program. Closure date: \_\_\_\_\_.
- Institution seeks to justify continuation of the program on qualitative grounds and is submitting required documentation. *Proceed to "Program Justification" below.*

**Program Justification. Complete only if seeking to justify continuation of the program. Check each qualitative criterion that applies and attach supporting documentation.**

	Check if applies	Qualitative Criterion
1.		Program is central to the institution's mission. <i>(Provide justification.)</i>
2.		Program courses support general education and/or professional programs. <i>(Provide five-year average of FTE enrollments for lower and upper division courses taught by faculty dedicated to the program.)</i>
3.		Interdisciplinary program. <i>(Provide evidence that a majority of required courses in the curriculum are shared with other degree programs.) [Note: prior threshold was 75%.]</i>
4.		Program shares a substantial number of courses and faculty with other similar programs <i>(Provide CIP codes for other programs and evidence of shared resources.)</i>
5.		Student or employer demand, or demand for intellectual property is high and external funding for research will be jeopardized by program closure. <i>(Provide evidence and cite sources of demand or funding.)</i>
6.		Program provides access to an underserved population or geographical area. <i>(Provide justification.)</i>
7.		Program meets a unique need in the region, Commonwealth, or nation. <i>(Provide justification.)</i>
8.		Program has performed well in objective external qualitative reviews. <i>(Provide excerpts from recent review(s) attesting to program quality.)</i>
9.		Institution has specific plans to bolster program performance and increase enrollment and graduates per year. <i>(Explain.)</i>
10.		Other <i>(Explain and provide justification.)</i>

## **VI. Staff Recommendations and Council Action**

Following review of institutional submissions, staff will recommend actions to Council. Council action will generally be to continue or discontinue a targeted program. In certain exceptional cases, Council may place restrictions or ask for follow-up reports on a program that has been approved to continue.

In cases where an institution and SCHEV staff have not been able to come to agreement on a program or programs, the institution may request to appear before Council before final action is taken.

**Appendix**  
Virginia Community College System—  
Standards for Productivity Review of Associate Degree Programs

The Virginia Community College System systematically reviews programs and courses for all twenty-three community colleges. The Council of Higher Education has delegated to the State Board for Community Colleges responsibility for review and discontinuance of any associate degree program that is nonproductive, based on the following:

- Through existing campus-based processes, each community college will systematically review each degree program at least once every five years;
- Based on CIP code and standards congruent with SCHEV’s minimum standards for productivity, the VCCS will systematically monitor FTE enrollments and numbers of graduates for all approved associate degree programs;
- For any program that does not meet standards, colleges will submit to the VCCS: (1) a plan to phase out the program; (2) justification for continuing the program; or (3) strategies to enhance the program’s productivity.
- Consistent with SCHEV’s procedures for productivity review, the VCCS will report to SCHEV at least once every five years the results of its program productivity review and describe any proposed changes to its policies and procedures.

**Quantitative Standards for Associate Degree Programs**

Institutional Size	Degree Program							
	Transfer (AA, AS, AA&S)		AAS Agriculture & Natural Resources, Business, Arts & Design, Public Service Technologies		AAS Engineering, Mechanical, and Industrial Technologies		AAS Health Technologies	
FTEs <sup>2</sup>	FTEs	Grads	FTEs	Grads	FTEs	Grads	FTEs	Grads
Less than 1800	17	12	13	8	9	6	7	5
1800-4999	22	15	16	11	12	8	9	6
5000 or greater <sup>3</sup>	24	17	18	12	13	9	10	7

<sup>2</sup> To determine number of FTEs and graduates, a factor of .7 was used for institutions under 1800 and .9 was used for institutions with 1800-4999 FTEs (VCCS efficiency ratio).

<sup>3</sup> SCHEV will continue to review programs at Richard Bland College using standards of 24 FTEs and 17 graduates for transfer associate degree programs.

**State Council of Higher Education for Virginia  
July 2009**

**Programs Identified for Closure: Results of the 2008-09 Academic Program Productivity/Viability Review**

<b>Institution</b>	<b>Program Title</b>	<b>CIP</b>	<b>Degree Level</b>	<b>Award</b>	<b>Termination Year</b>
George Mason University	Area Studies	050199	Baccalaureate	B.A.	2015
	Bioscience Management	529999	Masters	M.S.	2015
	Conducting	500906	Masters	M.M.	2009
	Electronic Commerce	301501	Masters	M.S.	2015
	Music	500999	Masters	M.A.	2008
	Operations Research and Engineering	149999	Masters	M.S.	2009
	Pedagogy and Performance	500903	Masters	M.M.	2009
	Urban Systems Engineering	142798	Masters	M.S.	2009
<i>Total 8</i>					
James Madison University	Business and Marketing Education	131303	Baccalaureate	B.S.	2007
	Hearing Disorders	510202	Masters	M.Ed.	2005
<i>Total 2</i>					
Longwood University	Environmental Science	030103	Masters	M.S.	2005
	<i>Total 1</i>				
Norfolk State University	Design Technology	150899	Baccalaureate	B.S.	2013
	Vocational/Industrial Education	131320	Baccalaureate	B.S.	2013
<i>Total 2</i>					
Old Dominion University	E-Commerce	529999	Baccalaureate	B.S.	2009*
	E-Commerce	529999	Masters	M.S.	2010*
	Environmental Engineering	141401	Baccalaureate	B.S.	2012*
	Taxation	521601	Masters	M.TX.	2006*
	Urban Studies	451201	Masters	M.U.S.	2013*
	Visual Studies (Joint w/NSU)	500101	Masters	M.F.A./M.A.	2013
<i>Total 6</i>					
University of Virginia	Applied Mechanics	141101	Masters	M.A.M./M.S.	2004
	Bioethics	301501	Masters	M.A.	Pending*
	Educational Policy Studies	130701	Masters	M.Ed.	Pending*

Institution	Program Title	CIP	Degree Level	Award	Termination Year
	Educational Policy Studies	130701	Doctoral	Ed.D.	Pending*
	Educational Psychology	421801	Doctoral	Ed.D.	Pending*
	Health and Physical Education	131314	Doctoral	Ed.D.	Pending*
	Special Education	131001	Doctoral	Ed.D.	Pending*
	Surgery	511401	Masters	M.S.	2004
	<i>Total 8</i>				
Virginia Commonwealth University	Pathology	260910	Doctoral	Ph.D.	2014*
	<i>Total 1</i>				
Virginia Polytechnic Institute and State University	Apparel, Housing and Resource Management	190201	Masters	M.S.	Pending*
	Apparel, Housing and Resource Management	190201	Doctoral	Ph.D.	Pending*
	Information Systems	110401	Masters	M.I.S.	Pending*
	<i>Total 3</i>				
Virginia State University	Physics	400801	Masters	M.S.	Pending*
	<i>Total 1</i>				
<b>Four-Year Institution Total: 32</b>					

<i>The following Virginia Community College System programs have been identified for phasing out:</i>					
New River Community College	American Sign Language & Interpreter Education	161603	Associate	AAS	2010
Piedmont Virginia Community College	Biotechnology	410101	Associate	AAS	2010
Rappahannock Community College	Technical Studies	150612	Associate	AAS	2010
Thomas Nelson Community College	Opticianry	511801	Associate	AAS	Under Review
<b>VCCS Total: 4</b>					

**Overall Public Institution Total: 36**

*\*Final notice of program closure will be submitted by the institution following the completion of pending governance processes.*

# State Council of Higher Education for Virginia Agenda Item

**Item:** Academic Affairs Committee, Item #7 – Action on Programs at Public Institutions

**Date of Meeting:** October 28, 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:**

Two public four-year institutions, George Mason University (GMU) and the University of Mary Washington (UMW) are 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:**

George Mason University

- Master of Science (M.S.) in Data Analytics Engineering (CIP: 11.0802)

University of Mary Washington

- Master of Science (M.S.) degree program in Geospatial Analysis (CIP: 45.0702)

**Financial Impact:** The GMU program can be initiated and sustained by reallocation and tuition revenue. The UMW program requires \$35,000 to initiate the program, which the institution will seek from the 2014 General Assembly.

**Timetable for Further Review/Action:** If funding is not provided by the General Assembly to support initiation of the UMW program, the institution will have to make a further submission to Council to document how the program's initiation will be funded, in time for action at the May 2014 Council meeting.

**Resolutions:**

**BE IT RESOLVED** that the State Council of Higher Education for Virginia grants approval to George Mason University to initiate a Master of Science (M.S.) degree program in Data Analytics Engineering (CIP: 11.0802), effective fall 2014.

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

**George Mason University**  
**Master of Science (M.S.) in Data Analytics Engineering**  
**(CIP: 11.0802)**

**Program Description**

George Mason University (GMU) is proposing the creation of a Master of Science (MS) degree program in Data Analytics Engineering to be initiated in fall 2014. The program would be administered by the Office of the Dean, the Volgenau School of Engineering. The purpose of the program is to provide graduate-level students with an understanding of the technologies and methodologies necessary for data-driven decision-making. Students will study topics such as data mining, information technology, statistical models, predictive analytics, optimization, risk analysis, and data visualization. The curriculum would integrate computer science, statistics, operations research, and information technology.

The program would offer five concentrations: 1) Applied Analytics – focusing on the practical elements of adapting big data approaches to common analytic problems and government protocols; 2) Data Mining – understanding data mining, advanced database systems, pattern recognition, decision guidance systems and MapReduce programming; 3) Digital Forensics – applying data analytics to digital media, intercepted (network) data, and mobile media; 4) Predictive Analytics – focusing on techniques to analyze both structured and unstructured data to derive meaningful knowledge and develop effective strategies to make optimal decisions; and 5) Statistics for Analytics – evaluating large datasets from a rigorous statistical perspective, including theoretical, computational, and analytical techniques. Graduates will possess the knowledge and skills to organize large scale databases and mine data for new knowledge, integrate information technology and data science to maximize the value of data, and develop data modeling solutions to support decision making. To meet the curriculum requirements, GMU developed 16 new courses for the proposed program. The courses include five core courses and 11 courses in the concentration areas.

The program would require 30 credit hours of graduate coursework: 12 credit hours of core coursework; 15 credit hours of coursework in an area of concentration; and three credit hours for a capstone project.

**Justification for the Proposed Program**

GMU contends that the emerging demand for data analytics is due to the massive accumulation and complexity of “big data” in all industries, including but not limited to: healthcare, finance, marketing, and national intelligence and defense. In 2013, Andrew Jennings, Chief Analytics Officer of FICO wrote, “companies in every industry from retail to banking are leveraging big data to improve the customer experience and enhance their bottom lines. Big data – high volume, high velocity (real time) and high variety (structured and unstructured) data – is transforming the way we live and conduct business across all industries and all aspects of daily life. ...This has created a talent gap for qualified data scientists” (<http://www.analytics-magazine.org/july->

<http://www.mckinsey.com/insights/business-technology/big-data-the-next-frontier-for-innovation?p=1>). In 2011, in a report from the McKinsey Global Institute, researchers declared that “the amount of data in our world has been exploding, and analyzing large data sets—so-called big data—will become a key basis of competition, underpinning new waves of productivity growth, innovation, and consumer surplus” (<http://www.cra.org/ccc/files/docs/init/From-Data-to-Knowledge-to-Action.pdf>). In 2010, the authors of the white paper “Data Analytics: From Data to Knowledge to Action: A Global Enabler for the 21st Century” wrote that “A confluence of advances in the computer and mathematical sciences has unleashed unprecedented capabilities for enabling true *evidence-based decision making*. These capabilities are making possible the large-scale capture of data and the transformation of that data into *insights* and *recommendations* in support of decisions about challenging problems in science, society, and government” (<http://www.cra.org/ccc/files/docs/init/From-Data-to-Knowledge-to-Action.pdf>). GMU stresses that data analytics is an important tool for modern society and the proposed program would address a need for trained professionals to support business, governmental, scientific, and societal demands.

### **Student Demand**

In spring 2013, GMU surveyed three groups of undergraduate students enrolled in selected required courses offered in degree programs in the Volgenau School of Engineering. Of the 12 respondents enrolled in courses in the BS degree program in Systems Engineering, two (approximately 17%) indicated they were “strongly interested” in enrolling in the proposed program; eight (approximately 67%) indicated they were “interested” in the enrolling in the proposed.

Of the 23 respondents enrolled in courses in the BS degree program in Computer Science, 11 (approximately 48%) indicated they were “strongly interested” in enrolling in the proposed program; four (approximately 17%) indicated they were “interested” in the enrolling in the proposed.

Of the 85 respondents enrolled in courses in the BS degree program in Applied Information Technology, 16 (approximately 19%) indicated they were “strongly interested” in enrolling in the proposed program; 40 (approximately 47%) indicated they were “interested” in enrolling in the proposed.

Enrollment projections for the proposed program show a full-time equated student enrollment (FTES) of 11.0 in the program’s first year (2014-15). The projections continue as follows: FTES 2015-16, 20.0; 2016-17, 28.0; and 2017-18, 32.0. GMU anticipates producing 18 graduates each year beginning in 2018-19. If these projections are met, this program will meet Council’s productivity/viability standards within five years, as required.

### **Market/Employer Demand**

GMU provided four letters of support that indicate demand for educated professionals. The Vice President of one organization wrote, “This topic is of ever-growing

importance, and we see a critical need to have educational programs in this area ... Our activities in data analytics are growing rapidly, and we need staff with educational backgrounds focused in this area.” The Chief Executive Officer of one company noted that the company would benefit from hiring graduates of the proposed program and having their current professionals attend the program. “We foresee a need to hire employees with graduate-level training in this discipline as soon as they are available. This has been a challenge for us given the rarity of programs targeted at Data Analytics.” Employment announcements indicate need for qualified personnel in Virginia and nationally. Graduates with a Master’s degree are needed to fill positions such as analytics consultant, analytics manager, quantitative researcher, engineer data analytics, and director of analytics. Data specific to future employment demand was not available as the Bureau of Labor Statistics (BLS) and the Virginia Employment Commission, Virginia Workforce Connection (VAWC) do not have a job category for data analytics. However, data from the BLS for related fields such as operations research analysts and statisticians indicate demand for professional occupations. The BLS projects that between 2010 and 2020 employment of operations research analysts is expected to grow 15% (<http://www.bls.gov/ooh/Math/Operations-research-analysts.htm>); employment of statisticians is expected to grow 14% (<http://www.bls.gov/ooh/math/statisticians.htm>). The VAWC projects that between 2010 and 2020 employment of operations research analysts is expected to increase 26.1% or 2.3% annually; employment of statisticians is expected to increase 19.8% or 1.8% annually (available at: <http://www.vawc.virginia.gov/analyzer/default.asp>).

### **Issues of Duplication**

GMU would be the first public institution in Virginia to offer a MS in Data Analytics Engineering. One institution (VCU) offers a related degree program. VCU’s MS in Information Systems focuses on the design of information systems. Some coursework in areas such as analysis and design of database systems, and databases and data mining overlaps with the proposed program. However, the proposed program differs in that it focuses on the mathematical and quantitative tools of data analytics, statistical visualization and modeling, and predictive analytics. VCU also offers a MS degree program in Business with a concentration in Decision Sciences and Business Analytics.

### **Resource Needs**

The proposed program will be funded through reallocation in the Volgenau School of Engineering and revenues from tuition. The institution does not anticipate adverse impacts on the School. GMU affirms that the institution will not seek additional state resources to initiate and sustain the program.

### **Board Approval**

The GMU Board of Visitors approved the proposed program on May 8, 2013. GMU submitted the proposal to SCHEV on July 8, 2013.

**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 Council:

**BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to George Mason University to initiate a Master of Science (M.S.) degree program in Data Analytics Engineering (CIP: 11.0802), effective fall 2014.**

**University of Mary Washington**  
**Master of Science (M.S.) in Geospatial Analysis**  
**(CIP: 45.0702)**

**Program Description**

The University of Mary Washington (UMW) is proposing the creation of a Master of Science (MS) degree program in Geospatial Analysis to be initiated fall 2014. The program would be located in the College of Arts and Sciences, Department of Geography. Designed to prepare students as geospatial science professionals, the proposed program emphasizes instruction in theory and practical applications related to the capture, management, analysis, and display of spatial information. The program will provide students with a technical foundation and a geographic knowledge base to apply GIS applications and tools to areas such as crime analysis, transportation engineering, urban planning, climate change, emergency preparedness, and facilities management. The curriculum would integrate theory and technical training with critical thinking, project management, and communication skills. Students will be exposed to coursework in spatial thinking, geospatial data and services on the web, modeling and spatial statistics, geospatial intelligence, geodesign and geovisualization, and remote sensing and digital imagery. Graduates will be prepared to: 1) set up, implement, and maintain a Geographic Information Systems (GIS) server and GIS services; 2) develop scripts and web based custom applications; 3) develop field plans and conduct research projects; 4) develop, implement, and support web-based mapping projects; 5) formulate spatial systems; and 6) design requirements and manage projects from conception to completion, including budgeting. UMW developed all new courses for the proposed program.

The proposed degree program would require 30 credit hours of graduate coursework: 24 credit hours of geospatial coursework and 6 credit hours for a capstone project. All geospatial core courses are four credit hours and include a laboratory experience. The capstone project is a six-credit course.

**Justification for the Proposed Program**

In 2011, the National Science Foundation (NSF) noted that geospatial technology affects almost every aspect of life, from navigating an unfamiliar neighborhood to locating the world's most wanted terrorist (<http://www.usnews.com/science/articles/2011/05/11/geospatial-technology-as-a-core-tool>). In 2012, the National Geospatial Advisory Committee wrote that the "United States is a world leader in geospatial technology and research, an area that represents a multi-billion sector of the US economy. [However], this vital industry faces a serious workforce development challenge.... Efforts must be undertaken across all levels of government, private sector, academic community, and professional associations to prepare workers to take advantage of new geospatial job opportunities in high demand and economically vital sectors of the American economy" (<http://www.fgdc.gov/ngac/ngac-geospatial-workforce-development-paper-final.pdf>). Further, in February 2013, in a report from the United Nations Committee of Experts on Global Geospatial Information Management, it was noted that the use of geospatial information is increasing rapidly.

There is a growing recognition amongst both governments and the private sector that an understanding of location and place is a vital component of effective decision-making. It was also noted that “a number of case studies [had] been received. These case studies demonstrate how countries the world over are already relying on geospatial information to underpin their development and the effective and efficient delivery of public services (<http://ggim.un.org/docs/meetings/2ndhighlevelforum/un-ggim%20future%20trends%20paper%20-%20version%202.0.pdf>). UMW asserts that “geospatial analysis has become an important tool for a host of civil applications.” Moreover, “geospatial applications are embedded as fundamental information technology components in a host of industries, saving time, improving efficiency and communication, and allowing for better decision-making.” Graduates of the proposed program would be able to critically assess both data and results in order to ask and answer spatial questions and thus, address industry needs.

### **Student Demand**

In spring 2013, UMW surveyed undergraduate students majoring in geography or who had taken a Geographic Information Systems (GIS) course at UMW. Of the 74 respondents, 22 (approximately 30%) indicated they would “very likely” apply for admission to the proposed program; 11 (approximately 15%) indicated they would “likely” apply for admission to the proposed program.

In spring 2013, UMW surveyed alumni who majored in geography or who had taken a Geographic Information Systems (GIS) course at UMW. Of the 141 respondents, 12 (approximately 9%) indicated they would “very likely” apply for admission to the proposed program; 19 (approximately 13%) indicated they would “likely” apply for admission to the proposed program.

Enrollment projections for the proposed program show a full-time equated student enrollment (FTES) of 9.0 in the program’s first year (2014-15). The projections continue as follows: FTES 2015-16, 10.0; 2016-2017, 11.0; and 2017-18, 12.0. UMW anticipates 10 graduates per year beginning in 2018-19. 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**

UMW asserts that graduates of the proposed program would be qualified to fill positions in three broad areas: geospatial analyst, image analyst, and geospatial developer. In 2012, the National Geospatial Advisory Committee (NGAC) reported that “the geospatial technology field is exploding. Jobs are being created faster than we can find the minds we need to fill them...” (<http://www.fgdc.gov/ngac/ngac-geospatial-workforce-development-paper-final.pdf>). In February 2012, over the course of three weeks, 3,000 GIS related positions within the United States posted on a range of sites were pulled and geocoded. Data showed that “California and Texas had the highest number of job postings over the three week period with 178 each [and] Virginia wasn’t far behind with 170 jobs” (<http://www.gislounge.com/where-are-the-gis-jobs-a-look-at-the-gis-job-market-in-the-united-states/>). Six letters

of support for the proposed program indicate the need for employees “who possess a more advance skill set and are capable of performing more complicated remote sensing and GIS processing.” In one letter, the Vice President/General Manager of National Analysis wrote, “The cadre of MSGA graduates would immensely strengthen our GIS candidate pipeline for future proposal efforts and aid in filling current senior positions locally and across the nation.” Employment advertisements show demand for master-level graduates in Virginia and nationally to fill positions as geographic information systems specialists, GIS/remote sensing analysts, geospatial data analysts, national geospatial intelligence officers, GIS traffic analyst, and systems architect/GIS developers. Data specific to future employment demand were not available as the Bureau of Labor Statistics (BLS) and the Virginia Workforce Connection (VAWC) do not have a job category for geospatial analyst. However, data from the BLS for cartographers and photogrammetrists indicates demand is anticipated. The Bureau of Labor Statistics (BLS) projects that between 2010 and 2020 employment of cartographers and photogrammetrists is expected to grow “faster than average” or 22% (<http://www.bls.gov/ooh/architecture-and-engineering/cartographers-and-photogrammetrists.htm>). The Virginia Workforce Connection (VAWC) projects that between 2010 and 2020 employment of cartographers and photogrammetrists is expected to increase 25.10% or 2.3% annually (available at: <http://www.vawc.virginia.gov/analyzer/default.asp>).

### **Issues of Duplication**

Two public institutions (GMU and VA Tech) offer similar or related degree programs. GMU offers a MS in Geographic and Cartographic Sciences. GMU’s program differs from the proposed program in that core coursework includes two courses in geospatial analysis and none of the courses include laboratory time. UMW’s program will require six courses, all with integral laboratories, that focus on geospatial analysis. GMU offers a MS in Geoinformatics and Geospatial Intelligence. GMU’s program is similar to the proposed program in that all core courses focus on geospatial analysis. However, the proposed program includes computer programming in a core course and all courses are “four-credit credit hours, with integral laboratory periods.” GMU’s courses are three-credit hours and do not include laboratory experience. VA Tech offers a MS in Geography. VA Tech’s program differs from the proposed program in that the program does focus on geospatial analysis and geospatial courses are not required but are offered as electives within the core program.

### **Resource Needs**

New resources would be required for the program initiation year (2014-15) and UMW is seeking from the state approximately \$35,000 for graduate assistantship, classified support, adjunct faculty expenses, library, telecommunication, and other costs to support conferences attendance and promotional materials.

The proposed program will also be funded through reallocations within the Department of Geography, the College of Arts and Sciences, the institution, and with additional resources from the Higher Education Equipment Trust Fund and tuition

revenue. The institution will charge students at a differential tuition rate – \$607.35 per credit hour in-state.

### **Board Approval**

The UMW Board of Visitors approved the proposed program on February 17, 2013. UMW submitted the proposal to SCHEV on July 29, 2013.

### **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 Council:

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

# State Council of Higher Education for Virginia Agenda Item

**Item:** Academic Affairs Committee Item #8 - Action on Private and Out-of-State Post-secondary Education Institutional Certifications

**Date of Meeting:** October 28, 2013

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

Sylvia Rosa-Casanova  
Compliance Manager, 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:**

Appalachian College of Optometry was granted a Provisional Certificate to Operate in March 2013 as a newly formed, private, non-profit, stand alone institution that would provide a four-year professional program in optometry. Shortly after obtaining its provisional certification, the Appalachian College of Optometry submitted its initial application for accreditation by the Accreditation Council on Optometric Education (ACOE) and was informed that the ACOE was no longer accrediting stand-alone optometry schools. ACOE recommended that Appalachian College of Optometry seek a partnership with a regionally accredited college or university. After researching its options, Appalachian College of Optometry contacted University of Pikeville, with a proposal to partner in starting a college of optometry. The institutions entered a Memorandum of Agreement (MOA) in May 2013.

Pike County, Kentucky, where the University of Pikeville is located, is only 48 miles from the Buchanan County location of the Appalachian College of Optometry. The two counties share a border and are similar culturally and economically. As an extension campus of the University of Pikeville, the Appalachian College of Optometry would be granted institutional accreditation through the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC). SACSCOC accreditation would then

make the optometry program eligible to pursue accreditation by ACOE. Because the institution will still be located in Buchanan County, Virginia as a campus of the University of Pikeville, it will remain eligible for funding committed to the college of optometry by the Board of Supervisors of Buchanan County and the Virginia Coalfield Economic Development Authority. The University of Pikeville-Appalachian College of Optometry would enroll its first class of students in the fall of 2015.

*Virginia Administrative Code 8 VAC 40-31-30(C)(2)(d)* requires out of state institutions to offer only those programs that can “be transferred to the school's principal location outside Virginia as part of an existing degree, diploma, or certificate program offered by the school.” University of Pikeville informed SCHEV it has no intention of establishing an Optometry program in Pikesville as there are only 25 such programs in the United States and establishing two new ones within a 50 mile radius is “neither feasible nor desirable.” The institution has requested Council to grant a waiver of the transferability requirement as per *Virginia Administrative Code 8 VAC 40-31-290*, which states: “The council may waive or modify the certification requirements for an accredited school if the council finds that such waiver or modification will not conflict with the intent of the regulations and that in light of the school’s mission, literal application of such requirement(s) creates an unreasonable hardship on the school.” SCHEV staff supports the granting of this waiver.

As University of Pikeville-Appalachian College of Optometry will not be enrolling its first class for twenty-three months, the renovation of the building that will house the college has not begun. The site visit, therefore, cannot be conducted at this time. In accordance with the regulations governing the certification of private and out-of-state postsecondary institutions, University of Pikeville-Appalachian College of Optometry may not engage in any postsecondary education activities—including advertising, recruitment, and enrollment of students—until it has obtained certification. University of Pikeville-Appalachian College of Optometry has requested that it be granted a provisional certification that would allow the school to market and solicit for enrollment during the period of facility renovation, so as to minimize the period of time between the school’s final construction and the beginning of instruction. This consideration would facilitate the school’s ability to recruit and admit a cohort of students for fall 2015.

Staff recommends that University of Pikeville-Appalachian College of Optometry be granted provisional certification to operate in Virginia through the end of calendar year 2014. The terms of this provisional certification, which are spelled out in the resolution, would allow the school to be introduced to the community, while protecting potential students in the event circumstances prevent the school from opening. Upon satisfaction of SCHEV’s site visit review of the completed facility, the school would be immediately eligible for full certification.

**Materials Provided:**

- University of Pikeville-Appalachian College of Optometry application summary

**Financial Impact:**

Appalachian College of Optometry has submitted the required certification fee to operate a postsecondary institution in Virginia.

**Timetable for Further Review/Action:**

By December 31, 2014, Appalachian College of Optometry must successfully complete a site visit conducted by SCHEV staff, and satisfy other conditions specified in the resolution below, in order to achieve full certification to operate in Virginia.

**Resolution:**

**BE IT RESOLVED** that the State Council of Higher Education for Virginia grants a waiver of the certification requirement described in *Virginia Administrative Code* 8 VAC 40-31-30(C)(2)(d), to allow University of Pikeville to open and operate the Appalachian College of Optometry in Virginia without the necessity of operating a similar program on its home campus in Kentucky.

**BE IT FURTHER RESOLVED** that the State Council of Higher Education for Virginia provisionally certifies University of Pikeville-Appalachian College of Optometry to operate as a postsecondary institution in the Commonwealth of Virginia, effective immediately and through December 31, 2014, in accordance with the conditions enumerated below:

1. that, during the period of provisional certification, Appalachian College of Optometry shall be allowed to advertise and receive student applications, but not actually enroll or instruct students;
2. that, during the period of provisional certification, Appalachian College of Optometry may not collect tuition from prospective students, though it may collect initial non-refundable fees of no more than \$100, as per 8 VAC 40-31-160 (N) (2) of the *Virginia Administrative Code*;
3. that, during the period of provisional certification, all publicity, advertisement, and promotional material must include a statement that the school is provisionally certified to operate in Virginia by SCHEV;
4. that, prior to the expiration of the period of provisional certification (December 31, 2014), University of Pikeville shall have demonstrated sufficient progress toward SACSCOC “substantive change” approval to support accreditation of the optometric program from ACOE;
5. that, prior to the expiration of the period of provisional certification (December 31, 2014), Appalachian College of Optometry shall satisfy a site visit conducted by SCHEV staff demonstrating that the facility conforms to all federal, state and local building codes and that it is equipped with classrooms, instructional and resource facilities, and laboratories adequate for the size of the faculty and student body and adequate to support the educational program to be offered by the school;

6. that, prior to the expiration of the period of provisional certification (December 31, 2014), Appalachian College of Optometry will submit a 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;
7. that Appalachian College of Optometry's provisional certification shall lapse if conditions #4, #5 and #6 above are not fulfilled by December 31, 2014. In the event of such lapse, the school may reapply for certification.

**BE IT FURTHER RESOLVED** that Council delegates to the Director of SCHEV authority to confer full certification on University of Pikeville-Appalachian College of Optometry upon staff's verification that all conditions enumerated above have been satisfied.

**University of Pikeville- Appalachian College of Optometry**  
**Application Summary**

**School Overview**

University of Pikeville is a private, non-profit institution located in Pikeville, Kentucky which is establishing the Appalachian College of Optometry in Grundy, Virginia as an extension campus of the University. Appalachian College of Optometry will provide a four-year professional program to prepare students to be Doctors of Optometry. The school has designed its curriculum in conjunction with the standards of the Association of Schools and Colleges of Optometry (ASCO) and will seek programmatic accreditation with the Accreditation Council on Optometric Education (ACOE). University of Pikeville is accredited by Southern Association of Colleges and Schools Commission on Colleges (SACSSOC) to award associate, baccalaureate, masters and doctoral degrees.

**School Officers**

Dr. James L. Hurley–President, University of Pikeville

Dr. Scott Schatz, PhD, O.D–Dean, Appalachian College of Optometry

**Institutional Mission Statement**

The institution’s mission statement is as follows:

The mission of the Appalachian College of Optometry is to provide the highest-quality optometric education to students and residents through adherence to the highest standards in teaching, patient care, research and scholarship and service to the community.

**Proposed Educational Programs and Credentials Conferred**

Doctorate - Doctor of Optometry

**Proposed Location**

Appalachian College of Optometry will operate from the following address:

4447 Slate Creek Road

Grundy, VA 24614

**Financial Stability Indicator**

The University of Pikeville submitted a consolidated financial statement. Using the information on the report, SCHEV staff calculated the school’s financial composite score to be 3.0 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**

At the time of the site visit and prior to receiving full certification, the University of Pikeville-Appalachian College of Optometry will submit a surety instrument to SCHEV, 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.

**Evidence of Compliance**

The University of Pikeville-Appalachian College of Optometry provided the appropriate evidence to demonstrate compliance—or a satisfactory plan for compliance pending construction of the school facility—with each of the following requirements of the *Virginia Administrative Code*.

<b>Virginia Administrative Code Citation</b>	<b>Area of Compliance</b>
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

**Other Relevant Information**

As an extension campus of the University of Pikeville, the Appalachian College of Optometry will be granted accreditation from the Southern Association of Colleges and Schools (SACS). The college will seek programmatic accreditation through the Accreditation Council on Optometric Education (ACOE).

*Virginia Administrative Code* 8 VAC 40-31-30(C)(2)(d) requires out-of-state institutions to offer only those programs that can “be transferred to the school’s principal location outside Virginia as part of an existing degree, diploma, or certificate program offered by the school.” The institution has requested Council to grant a waiver of this requirement as is allowed by *Virginia Administrative Code* 8 VAC 40-31-290. SCHEV staff supports the granting of this waiver.

**Staff Recommendation:**

Appalachian College of Optometry has demonstrated a satisfactory plan for compliance with § 23-276.3 (B) of the *Code of Virginia*, pending construction of the school facility, which will allow for a full site review in accord with standard SCHEV practice. As such, staff recommends that Council adopt the following resolution:

# State Council of Higher Education for Virginia Agenda Item

**Item:** Academic Affairs Committee – Item #9 – Discussion of Potential Revisions to SCHEV Program Approval Process

**Date of Meeting:** October 28, 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:** September 16, 2013

**Action:** The Academic Affairs Committee requested staff to prepare materials to inform committee discussion of potential revisions to the program approval process.

This discussion also accords with SCHEV's response to the Governor's Executive Directive 6, which was approved by Council at its September meeting. Among provisions detailed there is a promise to review the program approval process, with the purpose of providing "administrative relief, while preserving the commonwealth's interest in exercising scrutiny over significant mission and program enhancements, and guarding against unnecessary duplication."

**Background Information/Summary of Major Elements:** (See above)

**Materials Provided:**

- Discussion: Potential Revisions to SCHEV Program Approval Process
  - Appendix A: Types of Public Institution Program Action
  - Appendix B: Information solicited on resource needs for new degree programs.

**Timetable for Further Review/Action:** TBD.

## Discussion: Potential Revisions to SCHEV Program Approval Process

### Introduction

In accord with SCHEV's response to Executive Directive 6, the Academic Affairs Committee is undertaking a review of the process and criteria for approval of new degree programs at public institutions of higher education. The purpose of this review is to identify modifications in Council policy that would (i) promote enhanced procedural efficiency for SCHEV and institutions, and (ii) preserve or enhance Council's ability to assure new program development that is mission-appropriate, non-duplicative, and well-coordinated with employment opportunity. The discussion outline below articulates parameters of the current process and criteria and describes potential reforms to realize the above-stated purpose.

### I. Background/Context.

The current SCHEV program approval guidelines solicit information to address the following requirements:

- Rigorous, data-based justifications to document:
  - current and future state needs;
  - employment opportunity
  - student interest;
  - duplication;
- Relation to institutional mission
- Adherence to mildly prescriptive curricular specifications
- Provision of a planned budget, which is intended to elicit actual costs of the program
- Provision of planned enrollment for the first five years of the program

When program proposals encounter difficulties—i.e., do not merit staff recommendation to approve on either a “first read” or a first read with relatively minor revisions—it is usually because of issues falling under the first bullet. If SCHEV is to consider a revised process for approving new programs, the greatest impact (for both SCHEV and institutions) would be made by establishing a path toward facilitated approval for programs when documentation of the first bullet is particularly clear and compelling. In addition to fostering more rapid approvals (a desideratum of institutions), a facilitated pathway could also provide stronger implicit direction by Council as to programs that are encouraged in the interest of state needs (a desideratum of SCHEV).

See **Appendix A** for a table showing kinds of program action subject to SCHEV policy, and **Appendix B** for information on resources required as part of a full program proposal.

### II. Potential Facilitated Pathways to Approval.

Two broad approaches are described here for facilitating approval of new degree program proposals submitted to SCHEV. The two approaches are not mutually exclusive.

#### A. Facilitation Based on Inherent Characteristics of the Proposed Program.

This method would establish criteria for a focused set of program characteristics, which, upon verification, would render the proposed program eligible for facilitated approval.

For example:

***If*** a proposed program

- is within the institution's current mission envelope (e.g., defined in terms of CIP and degree level of existing offerings at the institution), and
- is not offered by more than two other institutions, and
- is aligned with at least one occupational track whose most recent 10-year projection (BLS and VWC) is equal to the average for all occupations, and
- can be mounted through internal reallocation and/or enrollment-based funding alone—i.e., no funding request to the General Assembly,

***then*** it would be eligible for facilitated approval, which could involve:

- staff-approval (would save time lag needed for Council action); and/or
- relaxation of some of the documentation currently required for a full program proposal (would save institutions some time and effort).

**B. Procedural Facilitation.**

This method would establish a process-based version of facilitated approval, independently of inherent characteristics of the program being proposed.

For example:

***If*** a proposed program has been subject to an advisement review by SCHEV staff prior to approval by the Board of Visitors, and approvability according to SCHEV criteria has been verified,

***then*** it would be eligible for facilitated approval, which could consist in

- (immediate) staff approval following passage by the Board of Visitors.

**III. Summary.**

Establishing a facilitated approval pathway can be seen as a way to encourage—and make it easier for institutions to gain approval of—high-demand, high-employment programs that are closely related to their established missions and that are not duplicative of other institutions' offerings. It should not make it impossible for institutions to gain approval of programs that constitute new mission departures, or that duplicate other institutions' offerings, but such programs would be held to traditional—or higher—standards of proof. A policy that strikes the right balance would ease both SCHEV and institutions of certain administrative burdens, while simultaneously encouraging Council priorities in program development at public institutions of higher education.

### Appendix A: Types of Public Institution Program Action

	Academic Program Action Sought by Institution	Council Approval	SCHEV Staff Approval	Action Reported to SCHEV	No Action at State Level
1	New Degree Program (including CAGS and EdS)	<b>X</b>			
2	Spin-Off Degree Program		<b>X</b>		
3	Substantial Revisions (e.g., changing program title or CIP code, or adding a degree designation)		<b>X</b>		
4	Program Discontinuance		<b>X</b>		
9	Certificate			<b>X</b>	
6	Various internal curricular changes—e.g., Major, Concentration, Option, Emphasis, Focus, Track.				<b>X</b>

**Appendix B: Information solicited on resource needs for new degree programs.**

**Part B: Fill in the number of FTE and other positions needed for the program**

	Program initiation year 20__ - 20__		Expected by target enrollment year 20__ - 20__	
	On-going and reallocated	Added (New)	Added (New)***	Total FTE positions
Full-time faculty FTE*				0.00
Part-time faculty FTE**				0.00
Adjunct faculty				0.00
Graduate assistants (HDCT)				0.00
Classified positions				0.00
<b>TOTAL</b>	0.00	0.00	0.00	0.00

\* Faculty dedicated to the program. \*\* Faculty effort can be in the department or split with another unit.  
\*\*\* Added after initiation year

**Part C: Estimated resources to initiate and operate the program**

	Program initiation year 20__ - 20__		Expected by target enrollment year 20__ - 20__	
	Full-time faculty			
salaries				
fringe benefits				
Part-time faculty (faculty FTE split with other units)				
salaries				
fringe benefits				
Adjunct faculty				
salaries				
fringe benefits				
Graduate assistants				
salaries				
fringe benefits				
<b>Total personnel cost</b>				
salaries	\$0	\$0	\$0	\$0
fringe benefits	\$0	\$0	\$0	\$0
<b>Total cost</b>	\$0	\$0	\$0	\$0
Equipment				
Library				
Telecommunication costs				
Other costs				
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA  
AGENDA**

SCHEV Offices  
101 N. 14<sup>th</sup> Street  
Richmond, Virginia  
**October 28, 2013**  
**Main Conference Room**  
**2:00 - 3:30 p.m.**

**TJ21 Implementation Committee**

1. Call to Order
2. Approval of Minutes (September 16, 2013) Page TJ1
3. Action on 2014-16 Systemwide Operating Budget Page TJ4
4. Action on 2014-16 Systemwide Capital Outlay Budget Page TJ40
  1. Maintenance Reserve Page TJ43
  2. New Capital Outlay
5. Update from the Higher Education Advisory Committee Page TJ69

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA  
TJ 21 IMPLEMENTATION TASK FORCE MEETING  
SEPTEMBER 16, 2013  
MINUTES**

Mr. Haner called the meeting to order at 1:35 p.m. in the College of Business and Economics, Multipurpose Room, Radford University, Radford, Virginia. Council members present: Martin Briley, Mary Haddad, Stephen Haner, G. Gilmer Minor, and Carlyle Ramsey.

Council members absent: Gary Nakamoto

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

**APPROVAL OF MINUTES**

On a motion by Mr. Minor and seconded by Dr. Ramsey, the minutes from the July 15, 2013, meeting were approved unanimously.

**TJ21 Implementation Task Force**

*Discussion of 2014-16 Systemwide Operating Budget*

Mr. Hix distributed revised pages and explained the changes and answered questions from members.

He mentioned that enrollment growth has not been funded in the past but is now part of the TJ21 legislation.

Mr. Hix provided a summary of the preliminary budget calculations and reminded members of the Erosion of Funding report which was updated on and included in the agenda materials. Staff also included, at the request of the committee last year, the average funding per FTE at its peak. He informed the members that a chart showing the change in TAG funding over time has been included as a result of a request from the July meeting.

Mr. Blake asked members to provide staff with additional input or questions prior to the October meeting.

*Discussion of 2014-16 Systemwide Capital Outlay Budget*

1. Maintenance Reserve

Mr. Hix said this information was shared with the Finance Advisory Committee (FAC) at its last meeting. The budget recommendations will be further discussed with FAC prior to the October Council meeting, at which time the Council will take

action before making the recommendations to the Governor and General Assembly. Dr. Zheng was recognized for her work with the maintenance reserve calculations. She will continue to update the numbers based on input from the FAC.

## 2. New Capital Outlay

Mr. Hix reviewed the recommendations and explained the priority groups. He also answered questions from members.

### *Action on Enrollment Targets and Estimates*

Mr. Massa said he has worked closely with the institutions over the last several months on their enrollment projections, which represent modest increases in most cases. He noted that George Mason University will be submitting a revised set of projections in December as the institutional strategic plan is finalized.

Mr. Massa reported that degree estimates are well on pace to meet the goal of 100,000 cumulative instate undergraduate degrees by 2025. He indicated that all institutions are making efforts to increase student success. Private institutions have been participating in the degree estimates process for the second time, and are also on target to meet their goals.

On a motion by Mr. Minor and seconded by Mr. Briley, the following resolution was approved unanimously:

**BE IT RESOLVED that the State Council of Higher Education for Virginia approves the FY 2013-2020 institutional enrollment targets and degree estimates as provided in Tables 1-8 of Item 6.a and authorized staff to make the detailed enrollment targets and degree estimates available to the public via the SCHEV website.**

**BE IT FURTHER RESOLVED that approval of these institutional enrollment targets does not constitute either implicit or explicit approval of any new program, site, higher education center, or campus determined by an institution as necessary to achieve these targets.**

### **UPDATE ON HIGHER EDUCATION ADVISORY COMMITTEE**

Mr. Blake said there were no actions taken at the last meeting. The committee will meet again on October 24, which will conclude the HEAC meeting under this Governor's leadership. The performance based funding model adopted by Tennessee was reviewed at the last meeting and Mr. Blake briefly reviewed the components of the program.

### **ADJOURNMENT**

The meeting was adjourned at 3:10 p.m.

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Stephen Haner  
Committee Chair

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Lee Ann Rung  
Manager, Executive & Council Affairs

## State Council of Higher Education for Virginia Agenda Item

**Item:** TJ21 Implementation Committee Item #3 – Action on 2014-16 Systemwide Operating Budget

**Date of Meeting:** October 28, 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:** September 16, 2013

**Action:** The council reviewed and discussed staff preliminary calculations and proposed operating budget for the 2014-16 biennium.

**Summary of Major Elements:**

This item is composed of two parts:

1. Virginia Higher Education Opportunity Act/TJ 21 Funding Model
2. SCHEV 2014-16 Budget Items
  - a. Faculty Salaries
  - b. Operation and Maintenance of New Facilities Coming Online
  - c. Undergraduate and Graduate Student Financial Aid
  - d. Higher Education Equipment Trust Fund
  - e. Access and Retention
  - f. Tuition Moderation
  - g. Completion and Efficiency
  - h. TJ21 Initiatives
  - i. Cost Share and Estimated Tuition Increases
  - j. Virtual Library of Virginia
  - k. Tuition Assistance Grant
  - l. Two-Year Transfer Grant
  - m. Virginia Military Survivors and Dependents Program
  - n. Fund for Excellence and Innovation
  - o. SCHEV Initiatives

Part 1 provides a summary of the Higher Education Opportunity Act of 2011 and the estimated funding associated with the provisions of the act. If fully funded, SCHEV staff estimates that the annual additional general fund cost would be \$541.7 million.

Part 2, which begins on page 11, provides a discussion of the Council's specific priorities for 2014-16. Staff recognizes the unlikelihood of the Governor and the General Assembly appropriating an additional \$541.7 million per year in the 2014-16 biennium. Staff also believes that Council needs to describe faithfully the financial support needed to maintain a healthy and effective higher education system in the Commonwealth. What follows in Part 2, therefore, is a set of recommendations for Council's consideration that address policy and funding priorities.

## State Council of Higher Education for Virginia Agenda Item

**Item:** TJ21 Implementation Committee #3.1 – Action on 2014-16 Systemwide Operating Budgets: Virginia Higher Education Opportunity Act/TJ21 Funding Model

**Date of Meeting:** October 28, 2013

- Based on the recommendations of the Governor’s Commission on Higher Education Reform, Innovation and Investment, The 2011 General Assembly enacted “the Virginia Higher Education Opportunity Act of 2011” for the purpose of fueling strong economic growth in the Commonwealth and preparing Virginians for the top job opportunities in the knowledge-driven economy of the 21st century (TJ21).
- The Act provides (i) a new higher education funding policy; (ii) the calculation of the state general fund share of an institution’s basic operations and instruction funding need; (iii) per student enrollment-based funding; (iv) targeted economic and innovation incentives; (v) the creation of a STEM Public-Private Partnership; and (vi) the creation of a Higher Education Advisory Committee.
- TJ21 establishes a new funding model for the Commonwealth with four components in order to provide all capable Virginians with access to a college at an affordable cost and create incentives for Virginia student enrollment growth:
  - Institution’s basic operations and instruction funding need [§23-38.87:13](#)
  - Per student enrollment-based funding [§23-38.87:14](#)
  - Need-based financial aid [§23-38.87:15](#) and
  - Targeted economic and innovation incentives [§23-38.87:16](#)
- A summary of the calculated funding need is presented below according to the funding model. Each item in the table is calculated based on the following assumptions:
  - Cost of education – actual FY2013 student enrollment and institutions’ FY2014 activity-based budget,
  - Faculty salaries – actual 60<sup>th</sup> percentile goal in FY2014,

- Paragraph C of §23-38.87:13 – 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.
  - Per-student enrollment-based funding – additional in-state undergraduate enrollment between the actual FY2014 and the projected FY2016 enrollments. The cost is estimated at \$3,100 per student for four-year institutions and \$2,100 for two-year colleges,
  - Need-based financial aid – 100% funding for undergraduate students in FY2016,
  - Institutional Collaboration, Efficiencies, Degree Attainment and Job Creation – Institutional initiatives related to TJ21 in the six-year plans of 2012.
- What follows are several tables that describe in more detail the financial implications of each element of the Higher Education Opportunity Act. The amounts presented are based on commonly used formulas and approaches that support the four-part funding model. They are not intended to be the sole or definitive means to calculate the totals associated with each element.

**Calculated Higher Education Funding Need  
Based on Higher Education Opportunity Act**  
(In Millions)

Item	Total Cost			
	GF	NGF	Total	
Basic Operations and Instruction Funding (BOIF)				
	100% cost of education (COE) in FY14	\$95.8	\$74.2	\$170.0
	Faculty salary 60th percentile in FY14	\$65.9	\$66.9	\$132.8
Subtotal		\$161.7	\$141.1	\$302.8
Paragraph C of §23-38.87:13*		\$798.7	(\$784.3)	\$170.0
Per-Student Enrollment-Based Funding in FY16		\$9.1	\$0.0	\$9.1
Need-Based Financial Aid in FY16 (100% funding)		\$370.9	\$0.0	\$370.9
Targeted economic and innovation incentives		To be determined		
<b>Total Funding Need (excludes Paragraph C)</b>		<b>\$541.7</b>	<b>\$141.1</b>	<b>\$682.8</b>

Note: \*Total does not add due to institutional variations.

### Estimated 2013-14 Base Adequacy/Cost of Education Funding

Institution	Calculated	Available	% Funding	Funding	GF	Incremental Funding		
	Need <sup>1,2</sup>	Resources <sup>3,4,5</sup>	to Guideline	Shortfall	Share	GF	NGF	Total
Christopher Newport University	\$65,725,547	\$63,638,823	97%	(\$2,086,724)	61%	\$1,277,075	\$809,649	\$2,086,724
College of William and Mary	\$145,753,634	\$172,004,144	>100%		39%	\$0	\$0	\$0
George Mason University	\$427,453,555	\$463,432,362	>100%		50%	\$0	\$0	\$0
James Madison University	\$253,597,415	\$262,115,846	>100%		48%	\$0	\$0	\$0
Longwood University	\$60,614,472	\$60,483,206	99.8%	(\$131,266)	63%	\$83,091	\$48,175	\$131,266
University of Mary Washington	\$62,395,444	\$62,873,993	>100%		58%	\$0	\$0	\$0
Norfolk State University	\$77,007,963	\$68,962,466	90%	(\$8,045,496)	56%	\$4,489,387	\$3,556,109	\$8,045,496
Old Dominion University	\$290,491,765	\$244,188,720	84%	(\$46,303,045)	56%	\$26,114,918	\$20,188,128	\$46,303,045
Radford University	\$114,163,789	\$114,668,048	>100%		62%	\$0	\$0	\$0
University of Virginia	\$491,899,562	\$575,258,063	>100%		35%	\$0	\$0	\$0
University of Virginia at Wise	\$23,459,176	\$22,444,014	96%	(\$1,015,162)	62%	\$632,446	\$382,716	\$1,015,162
Virginia Commonwealth University	\$552,698,112	\$531,789,631	96%	(\$20,908,481)	49%	\$10,328,790	\$10,579,691	\$20,908,481
Virginia Military Institute	\$27,796,313	\$27,441,013	99%	(\$355,300)	40%	\$141,409	\$213,891	\$355,300
Virginia State University	\$69,362,804	\$67,914,793	98%	(\$1,448,010)	47%	\$676,221	\$771,789	\$1,448,010
Virginia Tech	\$596,126,593	\$577,395,425	97%	(\$18,731,169)	41%	\$7,586,123	\$11,145,045	\$18,731,169
Richard Bland College	\$9,683,971	\$10,165,895	>100%		66%	\$0	\$0	\$0
Virginia Community College Sys	\$933,729,692	\$862,777,208	92%	(\$70,952,484)	63%	\$44,487,208	\$26,465,277	\$70,952,484
<b>Total, All Institutions</b>	<b>\$4,201,959,807</b>	<b>\$4,187,553,651</b>	<b>100%</b>	<b>(\$169,977,137)</b>		<b>\$95,816,667</b>	<b>\$74,160,470</b>	<b>\$169,977,137</b>

Notes:

- (1) Based on actual FY 13 student FTE and FY 11-FY 13 3-year average discipline credit hours.
- (2) The blended salary is based on the 2014 ABB.
- (3) Available resources are 2014 ABB, plus FY 15 NGF technical adjustments to DPB.
- (4) Excludes OCR funding at NSU and VSU, and VCCS central office.
- (5) Nongeneral fund resources have the required funding for programs 101-40, 102 and 103 made in October 2009.

### Virginia T&R Faculty Salary Goal in FY14

Inst	Req % Incr to Goal	Estimated Additional Funding		
		GF	NGF	Total
CNU	12.7%	\$1,414,134	\$911,745	\$2,325,879
CWM	11.7%	\$2,836,417	\$4,399,340	\$7,235,757
GMU	20.4%	\$12,146,565	\$12,001,676	\$24,148,241
JMU	9.0%	\$3,601,457	\$3,885,979	\$7,487,436
LU	3.9%	\$372,476	\$217,819	\$590,295
NSU <sup>1</sup>	0.0%	\$0	\$0	\$0
ODU	11.6%	\$4,388,125	\$3,518,407	\$7,906,532
RU	14.5%	\$3,219,778	\$1,973,412	\$5,193,190
UMW	11.9%	\$1,394,897	\$1,026,799	\$2,421,696
UVA <sup>2</sup>	11.4%	\$6,886,151	\$12,145,659	\$19,031,810
UVAW <sup>1</sup>	0.0%	\$0	\$0	\$0
VCU <sup>2</sup>	8.9%	\$6,845,394	\$6,821,836	\$13,667,230
VMI	16.2%	\$589,537	\$902,962	\$1,492,499
VSU	10.1%	\$909,619	\$1,050,767	\$1,960,386
VT	9.5%	\$7,936,077	\$11,562,884	\$19,498,962
RBC <sup>1</sup>	0.0%	\$0	\$0	\$0
VCCS	8.0%	\$10,429,958	\$6,311,547	\$16,741,505
VIMS	11.7%	\$741,820	\$39,043	\$780,864
VSU-E	10.1%	\$172,317	\$9,069	\$181,386
VT-E	9.5%	\$2,043,769	\$107,567	\$2,151,336
<b>Total</b>		<b>\$65,928,491</b>	<b>\$66,886,511</b>	<b>\$132,815,002</b>

Notes:

- (1) Institution's faculty salary is at or above the 60th percentile of peers.
- (2) Funding amount includes family practice program.

**Estimated Base Adequacy/Cost of Education for Paragraph C of §23-38.87:13**

Institution	Calculated Funding Need				Available Resources				Difference		
	GF	NGF	Total	GF Share	GF	NGF	Total	GF Share	GF	NGF	Total
Christopher Newport University	\$40,213,776	\$25,511,771	\$65,725,547	61%	\$25,931,718	\$37,707,105	\$63,638,823	41%	(\$14,282,058)	\$12,195,334	(\$2,086,724)
College of William and Mary	\$57,193,092	\$88,560,541	\$145,753,634	39%	\$40,663,511	\$131,340,633	\$172,004,144	24%	(\$16,529,581)	\$42,780,092	\$0
George Mason University	\$214,408,737	\$213,044,817	\$427,453,555	50%	\$121,882,141	\$341,550,221	\$463,432,362	26%	(\$92,526,596)	\$128,505,404	\$0
James Madison University	\$121,171,596	\$132,425,819	\$253,597,415	48%	\$74,223,176	\$187,892,670	\$262,115,846	28%	(\$46,948,420)	\$55,466,851	\$0
Longwood University	\$38,393,528	\$22,220,943	\$60,614,472	63%	\$25,031,896	\$35,451,310	\$60,483,206	41%	(\$13,361,632)	\$13,230,366	(\$131,266)
University of Mary Washington	\$36,367,018	\$26,028,426	\$62,395,444	58%	\$21,130,259	\$41,743,734	\$62,873,993	34%	(\$15,236,759)	\$15,715,308	\$0
Norfolk State University	\$42,992,230	\$34,015,732	\$77,007,963	56%	\$34,089,000	\$34,873,466	\$68,962,466	49%	(\$8,903,230)	\$857,734	(\$8,045,496)
Old Dominion University	\$163,785,134	\$126,706,631	\$290,491,765	56%	\$108,225,826	\$135,962,894	\$244,188,720	44%	(\$55,559,308)	\$9,256,263	(\$46,303,045)
Radford University	\$70,637,107	\$43,526,682	\$114,163,789	62%	\$45,898,528	\$68,769,520	\$114,668,048	40%	(\$24,738,579)	\$25,242,838	\$0
University of Virginia	\$173,949,879	\$317,949,683	\$491,899,562	35%	\$123,559,088	\$451,698,975	\$575,258,063	21%	(\$50,390,791)	\$133,749,292	\$0
University of Virginia at Wise <sup>5</sup>	\$14,617,747	\$8,841,429	\$23,459,176	62%	\$13,589,256	\$8,854,758	\$22,444,014	61%	(\$1,028,491)	\$13,329	(\$1,015,162)
Virginia Commonwealth University	\$272,859,041	\$279,839,071	\$552,698,112	49%	\$164,620,344	\$367,169,287	\$531,789,631	31%	(\$108,238,697)	\$87,330,216	(\$20,908,481)
Virginia Military Institute	\$11,055,725	\$16,740,588	\$27,796,313	40%	\$6,665,603	\$20,775,410	\$27,441,013	24%	(\$4,390,121)	\$4,034,822	(\$355,300)
Virginia State University	\$32,384,033	\$36,978,770	\$69,362,804	47%	\$23,689,485	\$44,225,308	\$67,914,793	35%	(\$8,694,548)	\$7,246,538	(\$1,448,010)
Virginia Tech	\$241,434,852	\$354,691,741	\$596,126,593	41%	\$149,218,711	\$428,176,714	\$577,395,425	26%	(\$92,216,141)	\$73,484,972	(\$18,731,169)
Richard Bland College <sup>5</sup>	\$6,400,284	\$3,283,687	\$9,683,971	66%	\$5,684,290	\$4,481,605	\$10,165,895	56%	(\$715,994)	\$1,197,918	\$0
Virginia Community College Sys	\$585,604,172	\$348,125,520	\$933,729,692	63%	\$340,688,049	\$522,089,159	\$862,777,208	39%	(\$244,916,123)	\$173,963,639	(\$70,952,484)
<b>Total, All Institutions</b>	<b>\$2,123,467,952</b>	<b>\$2,078,491,855</b>	<b>\$4,201,959,807</b>	<b>51%</b>	<b>\$1,324,790,881</b>	<b>\$2,862,762,770</b>	<b>\$4,187,553,651</b>	<b>32%</b>	<b>(\$798,677,071)</b>	<b>\$784,270,916</b>	<b>(\$169,977,137)</b>

Notes:

- (1) Based on actual FY 13 student FTE and FY11-FY13 3-year average discipline credit hours.
- (2) The blended salary is based on the 2014 ABB.
- (3) Available resources are 2014 ABB, plus FY 15 NGF technical adjustments to DPB.
- (4) Excludes OCR funding at NSU and VSU, and VCCS central office.
- (5) Nongeneral fund resources have the required funding for programs 101-40, 102 and 103 made in October 2009.

### Projected Per-Student Enrollment-Based Funding

Inst	In-State Undergraduate			FTE Change		Estimated GF Need*	
	FY14	FY15	FY16	FY14-FY15	FY14-FY16	FY2015	FY2016
CNU	4,682	4,733	4,735	51	53	\$158,100	\$164,300
CWM	4,040	4,105	4,132	65	92	\$201,500	\$285,200
GMU	16,831	17,301	17,334	470	503	\$1,457,000	\$1,559,300
JMU	13,187	13,315	13,432	128	245	\$396,800	\$759,500
LU	4,049	4,053	4,092	4	43	\$12,400	\$133,300
NSU	4,735	4,535	4,611	(200)	(124)	\$0	\$0
ODU	15,855	16,027	16,212	172	357	\$534,482	\$1,107,416
RU	8,228	8,375	8,500	147	272	\$455,700	\$843,200
UMW	3,571	3,666	3,747	95	176	\$294,500	\$545,600
UVA	10,591	10,723	10,898	132	307	\$409,200	\$951,700
UVAW	1,696	1,705	1,717	9	21	\$27,900	\$65,100
VCU	19,416	19,582	19,653	166	237	\$514,600	\$734,700
VMI	1,126	1,073	1,055	(53)	(71)	\$0	\$0
VSU	3,719	3,867	3,926	148	207	\$457,839	\$640,739
VT	18,130	18,133	18,295	3	165	\$9,300	\$511,500
RBC	1,192	1,216	1,290	24	98	\$50,400	\$205,800
VCCS	113,561	113,561	113,844	0	283	\$0	\$594,300
<b>Total</b>	<b>244,609</b>	<b>245,970</b>	<b>247,473</b>	<b>1,361</b>	<b>2,864</b>	<b>4,979,721</b>	<b>9,101,655</b>

Note: \* Four-year institutions are priced at \$3,100 per FTE and two-year institutions at \$2,100 per FTE.

## Virginia Student Financial Aid Program

Funding 100% of the Partnership Model		2014-15		2015-16	
Institution	FY14 Funds	Total Funds Needed	Increase Needed	Total Funds Needed	Increase Needed
Christopher Newport University	4,577,403	11,084,323	6,506,920	12,416,593	7,839,190
College of William & Mary	3,235,804	5,587,495	2,351,691	6,562,912	3,327,108
George Mason University	15,536,039	50,701,485	35,165,446	54,010,088	38,474,049
James Madison University	7,419,088	18,660,701	11,241,613	20,139,586	12,720,498
Longwood University	4,176,583	11,329,679	7,153,096	12,439,130	8,262,547
Norfolk State University	7,813,592	19,764,984	11,951,392	19,907,136	12,093,544
Old Dominion University	16,693,350	45,854,627	29,161,277	49,171,140	32,477,790
Radford University	7,416,618	19,041,026	11,624,408	20,630,106	13,213,488
University of Mary Washington	1,821,686	6,203,410	4,381,724	6,589,441	4,767,755
University of Virginia	5,776,211	8,168,631	2,392,420	8,868,967	3,092,756
University of Virginia - Wise	2,099,938	4,782,688	2,682,750	5,153,984	3,054,046
Virginia Commonwealth University	21,170,891	55,034,890	33,863,999	57,808,971	36,638,080
Virginia Military Institute	870,928	1,798,680	927,752	2,026,283	1,155,355
Virginia State University	6,006,890	17,721,452	11,714,562	18,042,321	12,035,431
Virginia Tech	15,117,631	32,988,563	17,870,932	35,699,962	20,582,331
<b>Four-Year Institution Totals</b>	<b>119,732,652</b>	<b>308,722,634</b>	<b>188,989,982</b>	<b>329,466,620</b>	<b>209,733,968</b>
Richard Bland College	454,107	1,800,993	1,346,886	1,943,493	1,489,386
Virginia Community College System	37,891,836	178,914,234	141,022,398	197,542,762	159,650,926
<b>Two-Year Institution Totals</b>	<b>38,345,943</b>	<b>180,715,227</b>	<b>142,369,284</b>	<b>199,486,255</b>	<b>161,140,312</b>
<b>Totals</b>	<b>158,078,595</b>	<b>489,437,861</b>	<b>331,359,266</b>	<b>528,952,875</b>	<b>370,874,280</b>

## **State Council of Higher Education for Virginia Agenda Item**

**Item:** TJ21 Implementation Task Force #3.2 – Action on 2014-16 Systemwide Operating Budget: SCHEV 2014-16 Budget Recommendations and Resolution

**Date of Meeting:** October 28, 2013

### **SCHEV 2014-16 Budget Recommendations**

The 2013 General Assembly provided \$46.5 million in additional general fund support to higher education in the 2012-14 biennium for base operations, faculty salaries, enrollment growth, STEM degrees, incentives to support TJ21 initiatives, student financial aid and research. This brings the total additional general fund for higher education institutions to about \$200 million in the 2012-14 biennium. The general fund appropriations for educational and general programs (E&G) increased by 8.8% (5.0% in FY2013 and 3.3% additional increase in FY2014) and the support for undergraduate financial aid increased by 5.7% in FY2014. The additional funding represents a measured step towards the reinvestment in Virginia's public higher education system.

In fall 2012, with concerns of a sluggish economy and a cloudy state budget picture, the Council adopted a phased approach to making the 2012-14 budget amendments. The recommendations represented a combination of funding strategies and priorities designed to meet the goals of the Higher Education Opportunity Act of 2011. Taken together, they provide a balanced approach to improving quality, expanding access, and incentivizing change and improvement. SCHEV staff proposes to continue such a phased approach for the 2014-16 budget recommendations.

SCHEV staff presents the following budget recommendations with the assumptions that the total recommended additional general fund for the 2014-16 biennium is consistent with the amounts appropriated by the General Assembly for the 2012-14 biennium. Staff estimates that general fund increases in this range would result in moderate tuition and fee increases for the 2014-16 biennium. The recommended funding items are grouped into three categories: base operation funding, incentive funding and systemic budget items within the SCHEV budget.

#### **(A) Base Operation Funding**

##### **(a) Faculty Salaries**

- The 2013 General Assembly provided an additional 1% salary increase for faculty at public institutions and \$65 per year of continuing service for other types of employees at all state agencies in FY2014. The increases are on top of the authorized 2% salary increase for all state employees in FY2014 by the 2012 legislation.

- This is the first salary increase for Virginia state employees including faculty in five years since the economy went into recession in 2008. Although most states and all walks of life are experiencing the similar economic situation, the American Association of University Professors reports that faculty salaries have continued to increase moderately over these years nationally. The gap to reach the 60<sup>th</sup> percentile of peers' salaries, the state's goal, widened. The average teaching and research faculty salary at our four-year institutions ranked at the 34<sup>th</sup> percentile in FY2013.
- Including the state authorized 3% salary increase in FY2014 and assuming a 2% salary increase for peers in FY2014, the average teaching and research faculty salary (T&R) at our four-year institutions is estimated to rank at the 36<sup>th</sup> percentile of peers in FY2014. The average for the VCCS will rank at the 49<sup>th</sup> percentile while RBC is at the 67<sup>th</sup> in FY2014. Thus, the gap to reach the goal for Virginia institutions has narrowed somewhat thanks to Virginia's above-average salary increase in FY2014.
- Institutions contend that the absence of significant faculty salary increases for half a decade is the greatest threat to the recruitment and retention of faculty. Institutions also believe salary increases can be used as an incentive for faculty performance. The Governor and the General Assembly made an important investment in salaries for all state employees in the 2013 General Assembly Session. SCHEV staff believes that maintaining the commitment to faculty and staff salaries in the 2014 General Assembly Session is critical to meeting the goals outlined in the Higher Education Opportunity Act.
- Recognizing the disparity of percentile ranking in T&R faculty salary to peers among institutions, staff recommends peer-group-based salary increases in 2014-16. It is proposed to provide an annual 4% salary increase for institutions with ranking below the 40<sup>th</sup> percentile, 3% for institutions between 40<sup>th</sup> and 60<sup>th</sup> percentile, and 2% for institutions that are at or above the 60<sup>th</sup> percentile in the 2014-16 biennium. It is estimated the required additional funding will be \$71.9 million in general fund and \$73.1 million in nongeneral fund for a total of \$145 million in 2014-16 biennium.
- Salary increases for faculty should be based on merit and provided as an incentive for meeting state and institutional priorities.
- While administrative faculty, part-time faculty and other support staff (classified employees) are not included in this recommendation, the institutions and the Commonwealth ultimately will need to address the appropriate level of compensation needed to attract and retain high-performing employees.

(b) Operation and Maintenance of New Facilities Coming Online

- On average, spending for operation and maintenance (O&M) of facilities represents about 13% of the total E&G spending at institutions. This level of spending is comparable to the national average. The 2013 General Assembly provided \$11 million additional funding to support college and university base operations, some of which will be used to support O&M. Without additional funding targeted to maintain new space

coming online in the next biennium, institutions will be required to divert money from their existing budgets to support these needs.

- The 57 institutional requests being considered under this item total \$21.4 million GF and \$20.9 million NGF for the biennium. Requests for operating funds for those projects not included in this request will be included in the 2016-18 biennial recommendations.
- As noted in the Capital Outlay recommendations, staff believes that the Commonwealth should place a higher priority on maintaining its facilities. This applies to both capital appropriations and for operating appropriations, which is why the Council continues to recommend additional support for O&M.

### (c) Undergraduate and Graduate Student Financial Aid

#### (i) *Undergraduate Student Financial Aid*

- The 2013 General Assembly provided additional funding of \$8.6 million in FY2014, increasing the total general fund appropriated for the undergraduate Virginia Student Financial Assistance Program to just over \$158 million. The funds are awarded to Virginia residents demonstrating financial need at public institutions.
- The Commonwealth allocates financial aid funds to institutions based on a funding model, called the Partnership Model. The model assumes shared responsibility among the state, the student and other partners. The total projected need as calculated under the Partnership Model is \$489.4 million in FY2015.
- The current appropriation is estimated to meet 36.6% of the need calculated by the Partnership Model. As recently as 2009-10, state aid met 60.9% of calculated need.
- While student financial need continues to rise due to higher tuition charges and other cost increases, it also is driven by the slow recovery of the economy. As a result, more students are demonstrating financial need. With cost increases and the slow recovery of the economy, the number of students having financial need is projected to rise to 126,716 by FY2015, about 25% more than in FY2013.
- The Partnership Model does not assess affordability directly. Affordability is a term that differs by individual and reflects the value one finds in pursuing higher education. The model also does not specifically address the roles other stakeholders should play in contributing to financial aid or how much a student can or should borrow and work. It also does not project changes in student enrollment or family finances. Rather, the model identifies a fair and equitable allocation of limited funds and establishes a point of reference to determine whether state assistance is, in relative terms, progressing or regressing in providing access to higher education.
- The following table shows the relative change over time of financial aid appropriations, the percent of need met, and the number of students demonstrating need.

	VSFAP Appropriations	Percent Estimated Need Met	Estimated Number of Students Demonstrating Need
2007-08	108,808,782	60.5%	67,077
2008-09	117,967,023	60.5%	64,419
2009-10	127,967,023	60.9%	66,103
2010-11	127,967,023	54.9%	71,033
2011-12	141,206,151	47.8%	80,044
2012-13	149,512,224	41.4%	101,636
2013-14	158,078,595	36.6%	117,461
2014-15	158,078,595	32.3%	126,716

\* 2014-15 VSFAP Appropriations and Percent Estimated Need Met demonstrate the result if no new funds are appropriated.

- The additional general fund needed to maintain FY2014 levels of funding (36.6% system-wide) is \$19.7 million in FY2015 and \$33.7 million in FY2016. Funding at this level would not increase the percent of need met, but it would halt a continuing decline.
- In furtherance of related policy goals, the staff recommends that additional funding for undergraduate financial aid be allocated through a combination of two programs: the Virginia Student Financial Aid Program and the Two-Year College Transfer Grant (see page 20). Under this recommendation, a \$12.9 million increase to VSFAP would be needed to return to 36.6% of need met in FY2015. For FY2016, a \$24.9 million increase to VSFAP would be needed to return to FY2014 levels of VSFAP funding.

*(ii) Graduate Student Financial Aid*

- The 2012 General Assembly provided additional funding of \$1.8 million in FY2014 for the graduate Virginia Student Financial Assistance Program, bringing current funding levels to just under \$18.9 million. Institutions may award graduate financial aid as need-based grants, merit-based scholarships, or awards for duties that require work. Graduate student financial assistance is an essential tool in institutional and student success for graduate education and research.
- SCHEV has recommended restoring the purchasing power of graduate financial aid funds to FY1995 levels but in acknowledgement of the on-going fiscal concerns is recommending that graduate assistance be increased by \$3.6 million in FY2015 and \$5.3 million in FY2016.

(d) Higher Education Equipment Trust Fund (HEETF)

- In 2000, the Council established an equipment allocation methodology for the HEETF based on institutional needs for (1) regular inventory replacement and (2) technology upgrades. A 9-year replacement cycle, issued for instructional and research equipment, is applied to the current institutional equipment inventories in the Educational and General programs of Instruction, Research and Academic Support.

The HEETF addresses half of the identified need and institutional operating funds cover the other half. To continue the progress made in the 2012-14 biennium in updating institutional equipment inventories, the annual replacement need to be covered by the HEETF will be \$57.3 million or \$114.6 million for the 2014-16 biennium. In addition, to continue the progress made in funding workforce development programs, an additional allocation of \$4 million per year is recommended in the traditional guidelines for the Virginia Community College System to purchase equipment for workforce training. Based on the Council's recommendation in 2012, the 2013 General Assembly appropriated \$2 million in support of this initiative.

- In addition, the HEETF model includes funding for computers for student use. The Council established a goal of providing 7% of the full-time equivalent students with a microcomputer. In 2000, this rate was considered adequate to accommodate students' need for access to computer resources. Since then, allocations have been sufficient to maintain this level of coverage. To continue supporting the 14:1 students-to-computer ratio at a cost of \$1,800 per computer, an additional allocation of \$13.7 million per year is needed. This policy allows for computer replacement approximately once every three years.
- For the 2012-14 biennium, the Council recommended and the General Assembly approved the allocation of over \$12 million a year in support of research equipment through HEETF. In light of changing roles and the need for more research at our public institutions, Tom Skalak, vice president for research at the University of Virginia, noted in a June 30, 2013, Richmond Times-Dispatch column that, "American private sector has not invested in early-stage research and development, despite the fact that S&P 500 companies today have a higher ratio of cash to market capitalization than at any time in the past 25 years." He further notes, "What's the value of higher education to the people of Virginia? It is the creation of tomorrow's innovations and innovators who will ensure that top jobs are available to all Virginians." Staff estimates that an additional \$19 million per year would continue the progress made in recent years and sustain a critical investment in the research infrastructure.
- Estimated debt service payments by institution total \$10.5 million for the traditional HEETF recommendation and \$13.5 million including a research component.

## **(B) Incentive Funding**

- SCHEV staff believes that institutional performance is a cornerstone and expectation of higher education funding. Institutions respond to incentives and do not shy away from performance. Therefore, staff recommends a blended approach to provide incentives for state priorities as outlined in TJ21 and elsewhere. Staff has used the most recent updated models that recognize state goals to allocate funds as an incentive to institutions to achieve greater levels of performance. Details of the incentive funding are as follows.

(e) Access and Retention

- The Base Adequacy/Cost of Education calculation, found in TJ21, provides an incentive for student access, enrollment and retention. The model is sensitive to changes in enrollment (which results largely from student retention and progression) by student level and discipline. For example, enrollments in more expensive disciplines, such as science, technology, engineering and math, are funded at higher levels than other enrollments.
- The 2013 General Assembly provided additional general fund support of \$25 million in FY2014 for E&G programs to help address enrollment growth, faculty salaries, STEM degrees, and TJ21 initiatives, and to mitigate the need for tuition increases. This brings the total additional general fund support for E&G programs to over \$100 million in 2012-14 biennium.
- This additional general fund and nongeneral fund support enables institutions to meet core operating budget functions and improves their standing relative to the Commonwealth's base adequacy/cost of education funding model. To determine where institutions stand relative to these funding guidelines, staff used the actual FY2013 student enrollment and institutions' 2014 activity-based budget to calculate the funding need. The result shows nine institutions are at or above 100% funding level. The system average for the remaining institutions is 95%.
- Institutions' base adequacy shortfalls are addressed in other ways in the Council's budget recommendations. Specifically, these recommendations include funding for additional faculty salary increases and operation and maintenance of new facilities. As a means to address the institutions' core functions, as envisioned in the Commonwealth's funding model, the Governor and General Assembly should consider funding these items first. These items would result in an additional \$30 million in general fund and \$32.5 million from nongeneral funds for a total of \$62.5 million for institution operations in FY2015.
- In addition to these recommendations, Council recommends providing additional funds to institutions that have the percent of funding to guidelines below the full funding level. The total recommended additional funding is \$65.7 million in general fund and \$49.5 million from nongeneral funds, for a total of \$115.2 million in 2014-16 biennium. This additional funding would move the system average for base adequacy/cost of education to 97% by FY2016, excluding those institutions above 100 percent.
- The TJ21 legislation also describes a means to incentivize Virginia undergraduate student enrollment growth. In the 2012-14 budget recommendations, the Council included a specific funding recommendation for all institutions that projected enrollment growth. The General Assembly provided additional funds to address continued growth toward 1,700 new in-state undergraduate seats at four institutions: The College of William and Mary, James Madison University, the University of Virginia, and Virginia Tech.

- Council staff believes that the Commonwealth can incentivize enrollment growth through continued and dependable support of the base adequacy/cost of education funding guidelines and, therefore, does not recommend a specific additional category in this year's operating budget recommendation for enrollment-based funding.

(f) Tuition Moderation

- The base adequacy/cost of education calculation reveals that nine institutions currently are at or above 100% of guidelines, when including the recommended funding for FY2015. These institutions reached funding primarily through tuition increases. Like other institutions, they also have a funding shortfall in terms of their general fund share.
- TJ21 describes a policy whereby 67% of an institution's cost of education for Virginia students is funded from the state general fund and 33% from funds other than the state general fund. Based on general fund and nongeneral fund appropriation for FY2014, the state general fund meets approximately 49% of an institution's cost for Virginia undergraduate students.
- SCHEV staff recommends that \$9.0 million in FY2015 and \$18.0 million in FY2016 in additional general fund be provided to institutions to address their fund-share equity issues and as an incentive to mitigate the need for tuition increases. Institutions at or above 100% of guidelines would receive additional state support to reduce their general fund shortfall by 5% over the biennium. Institutions currently above the system average of 95% of guidelines would receive additional state support to reduce their general fund shortfall by 2.5%. In return, these institutions would realize a like reduction in their tuition revenue in each year of the biennium.

(g) Completion and Efficiency

- In 2012, the Governor proposed an incentive program that provided funding in the following areas:
  - In-state undergraduate enrollment growth
  - Retention and graduation
  - Associate and bachelor's degrees, with priority for STEM-H degrees
  - Bachelor-degree completion in four years
  - Degree attainment by underrepresented students
  - Efficiency
- The Council updated and modified the Governor's proposed allocation formula in how it recognized institutional improvement, efficiency and graduation rate. It also adjusted other factors to recognize the difference between larger institutions and smaller institutions.
- Based on these modifications, staff recommends \$21.9 million in FY2015 and \$43.8 million in FY2016 in general fund to allocate to institutions to support college degree attainment and encourage institutional efficiency and effectiveness.

- These amounts (\$21.9 million and \$43.8 million) are equal to the amounts for incentives for access and enrollment as a means to keep the two funding streams balanced.

#### (h) TJ21 Initiatives

- Section 23-38.87:16 of TJ21 includes a provision that allows for incentives for policy objectives listed as follows:
  - Increased enrollment of Virginia students
  - Increase degree completion for Virginia residents who have partial credit completion for a degree
  - Increased degree completion in a timely or expedited manner
  - Improved retention and graduate rates
  - Increased degree production in areas of science, technology, engineering, and mathematics and other high-need areas such as the health care-related professions
  - Increase research, including regional and public-private collaboration
  - Optimal year-round utilization of resources and other efficiency reforms designed to reduce total institutional cost
  - Technology-enhanced instruction, including course redesign, online instruction, and resource sharing among institutions
  - Enhanced community college transfer programs and grants and other enhanced degree path programs
- SCHEV staff recommends \$11 million in general fund in FY2015 and \$22 million in general fund in FY2016 to address TJ21 initiatives such as high-demand programs, STEM degrees, public-private collaborations, and under-represented populations. These amounts are equal to one-half of the amounts for incentives for access and retention and for completion and efficiency.
- Institutions should match the addition general fund either through internal reallocation or tuition revenue.

#### (i) Cost Share and Estimated Tuition Increases in FY2015

- Based on the Commonwealth fund share policy, most of the recommended funding items mentioned above require institutions to generate nongeneral fund revenues to share the total estimated funding cost. Staff estimates that the potential tuition impact of these recommendations would be a range of 0% to 5% in FY2015, with an average of about 2%.
- This estimated range of tuition increases does not take into account ongoing cost increases that institutions are required to manage such as (a) general cost increases in the health care program, (b) costs associated with implementation of the Affordable Care Act, and (c) contribution rate increases for the Virginia Retirement System. If the Commonwealth does not fund its proportionate share of the increases, institutions will have to either reduce expenditures or increase tuition to cover these costs.

## **(C) Systemic Items within the SCHEV Budget**

### **(j) Virtual Library of Virginia (VIVA)**

- The Virtual Library of Virginia (VIVA) is the consortium of the nonprofit academic libraries within the Commonwealth of Virginia. Members include all of Virginia's public colleges and universities, as well as 33 private, nonprofit institutions and the Library of Virginia. SCHEV receives the appropriation to support VIVA and, as such, SCHEV makes requests to support VIVA's operations.
- Staff recommends total additional funding general fund of \$1.9 million in FY2015 and \$2.2 million in FY2016, made of up the following components:
  - \$405,000 in FY2015 and \$590,000 in FY2016 to the new VIVA One Collection initiative. This initiative will dramatically expand the level of collaboration within the commonwealth's higher education community and transform the way in which students and faculty access all library resources.
  - \$1,062,750 in FY2015 and \$1,208,515 in FY2016 to expand the successful e-book initiative by acquiring additional electronic books in key STEM-H and other research areas.
  - \$412,014 in FY2015 (\$396,084 for the public colleges and \$15,930 for the private nonprofit colleges) and \$436,734 in FY2016 (\$419,849 for the public colleges and \$16,886 for the private nonprofit colleges and universities) to sustain current database, e-journal, and e-book collections supported by VIVA due to unavoidable, contractually-obligated cost increases, particularly for STEM-H related journals and e-books.

### **(k) Virginia Tuition Assistance Grant Program (TAG)**

- TAG is designed to make private colleges in Virginia more affordable for Virginia residents and thus increase the level of student choice and access in higher education. TAG was established in 1973 and will provide over \$64.8 million of assistance to over 22,000 students enrolled into 31 institutions in FY2014. The maximum annual undergraduate awards are expected to be \$3,100 while graduate/professional students are expected to receive \$1,550.

**Maximum undergraduate and graduate awards for the previous ten years:**

Fiscal Year	Annual Award Amount
2004-05	\$2,500 / \$1,900
2005-06	\$2,500 / \$1,900
2006-07	\$2,750 / \$1,900
2007-08	\$3,200 / \$1,900
2008-09	\$3,190 / \$1,890
2009-10	\$3,000 / \$1,300
2010-11	\$2,600 / \$1,130
2011-12	\$2,750 / \$1,200
2012-13	\$2,800 / \$1,300
2013-14	\$3,100 / \$1,550 projected

- TAG funding recommendations are based on the projected fall participation by priority students (returning students and on-time new applicants are prioritized; late applicants are not guaranteed an award) and historical trends to determine the average award amounts and attrition rates. Additional factors include the current economic conditions and the periodic addition/deletion of institutions or academic programs.
- The maximum annual TAG award reached a high of \$3,200 in 2007-08 and then declined for three consecutive years until 2011-12. After restrictions were imposed on eligible graduate programs, the participation rate for graduate students declined steadily until FY2013 when participation increased by over 20 percent.
- Considering the recent trends, staff has is projecting a participation growth rate for undergraduate students of 2.0 percent. Adjusting for the increased growth of graduate students, the projected number of TAG-eligible students for fall 2014 and fall 2015 is approximately 22,700 and 23,250 respectively.
- In years past, the Council has affirmed its commitment to increase the TAG award to \$3,700, and staff recommends that the Council reaffirm that commitment. The Council also recognizes the Commonwealth's fiscal condition and competition for resources. In light of these factors, staff recommends an increase of \$3,817,000 in FY2015 and \$6,444,000 in FY2016. These amounts will enable the Commonwealth to support eligible undergraduate students at \$3,250 in FY2015 and \$3,300 in FY2016, with a commensurate increase for graduate students in health profession fields of study. To the extent TAG balances and actual enrollment permit, staff recommends that the undergraduate award be increased to \$3,300 in FY2015.

(l) Two Year Transfer Grant

- The General Assembly enacted the Two-Year College Transfer Grant Program in 2007 to encourage students with financial need to utilize the low cost of Virginia's two year colleges to complete their associate degree program prior to transferring to a participating Virginia four-year institution. This provides an affordable means to complete a four-year degree as well as increase degree completion. The program provides eligible students with a \$1,000 annual award plus another \$1,000 annual award if the student is enrolled into a STEM-H program. Over the five years of

operation, the program has awarded nearly \$3 million to over 1,700 recipients. For the 2013-14, \$1,650,000 is appropriated.

- For the 2014 session of the General Assembly, the VCCS plans to recommend that the transfer grant program be amended to enable eligible students to complete their four-year degree at two-year college prices. This concept would enable the program to maximize its potential to direct and assist students to the transfer model. Eligible students would receive a transfer grant award covering the difference between the average two-year college tuition and education and general fees and that of the public four-year institution. Students transferring to a private nonprofit institution would receive an award equal to the average for a public institution. SCHEV estimates that this proposal would require an additional appropriation of \$8.8 million in FY2015 and \$10 million in FY2016.
- If adopted, this recommendation could be phased-in over a period of years based on available funds. Nonetheless, Council believes that the sooner the funding is put in place, the sooner more Virginians can pursue a more affordable route to higher education. Finally, new transfer grant funds projected to go to public institutions will reduce the amount of new appropriations needed to meet funding goals for undergraduate student financial aid.

(m) Virginia Military Survivors and Dependent Education Program

- The 2013 General Assembly provided additional funding of \$600,000 for FY2014, increasing the total general fund appropriation for the Virginia Military Survivors and Dependent Education Program to \$1.85 million. These funds enable eligible students to receive a \$1,800 stipend to assist with educational costs in addition to the full tuition waiver received at public institutions. The stipends are awarded to qualifying Virginia residents whose spouse or parent has been a prisoner of war, missing in action, or killed in action, or at least 90 percent disabled due active military service.
- Program growth increased by approximately 10% in FY2013, to 1,135 recipients. The number of recipients is projected to be 1,375 in FY2015 and 1,510 in FY2016, based on an annual 10% increase from FY2014 to FY2016. To maintain the current maximum award of \$1,800, the program cost is estimated at \$1.9 million in FY2015 and \$2.1 million in FY2016. As a result, the program requires an increase in general fund of \$50,000 in FY2015 and \$250,000 in FY2016 over the current base.

(n) Fund for Excellence and Innovation

- To encourage change, innovation and quality improvement in the areas of expedited degree completion, optimal use of facilities, and other efficiency reforms designed to reduce total instructional cost, SCHEV staff recommends the creation of a small incentive fund in the SCHEV budget for allocation to public and private institutions on a competitive basis. The fund would advance the Governor's and the General Assembly's interests, as expressed in recent legislative changes, to stimulate change and improvement at and among institutions that enhance quality and obtain greater operational efficiencies. These funds would also be used for evaluation and reporting

of best practices to the higher education community. SCHEV staff recommends a total of \$1,000,000 from the general fund in FY2015 and \$1,500,000 in FY2016 to support this Fund for Excellence and Innovation.

- This proposed incentive fund will encourage innovative reform and efficiency initiatives at public and private institutions, thereby creating measurable cost reductions across the system of higher education. In awarding the funds on a competitive basis and then documenting the outcomes, SCHEV will determine (and then monitor) the most strategic, impactful, and cost-effective uses of the funds toward the goals of the Higher Education Opportunity Act of 2011, which will enhance SCHEV's ability to promote the strategic management of higher education in the Commonwealth.

(o) SCHEV Initiatives

- In September, the Council reviewed a list of budget items to support its core and expended responsibilities. Included in the request were funds to support capacity for higher education research, analysis, and reporting; outreach and collaborative activities with PK-12, economic development, and college and university governing boards; initiatives to support "e-content" and technology innovation; and support for military student initiatives. The total for these items is \$1.6 million in FY2015 and \$1.2 million in FY2016.

**Financial Impact:** See tables.

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

**Recommendations and Resolution:**

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

- **Faculty salaries, \$23.7 million from the general fund and \$24.1 million in nongeneral funds in FY2015 and \$48.2 million from the general fund and \$49.0 million in nongeneral funds in FY2016 for additional salary increases for teaching and research faculty;**
- **Operation and maintenance of new facilities, \$8.7 million from the general fund and \$8.6 million in nongeneral funds in FY2015 and \$12.7 million from the general fund and \$12.3 million in nongeneral funds in FY2016;**
- **Undergraduate student financial aid, \$12.9 million from the general fund in FY2015 and \$24.9 million from the general fund in FY2016;**

- Graduate student financial aid, \$3.6 million from the general fund in FY2015 and \$5.3 million from the general fund in FY2016;
- Higher Education Equipment Trust Fund debt service, \$13.5 million from the general fund in FY2016;
- Access and retention, \$21.9 million from the general fund and \$16.5 million in nongeneral funds in FY2015 and \$43.8 million from the general fund and \$33.0 million in nongeneral funds in FY2016;
- Tuition moderation, \$9.0 million from the general fund in FY2015 and (\$9.0 million) reduction in nongeneral funds in FY2015 and \$18.0 million from the general fund and (\$18.0 million) reduction in FY2016;
- Completion and efficiency, \$21.9 million from the general fund in FY2015 and \$43.8 million from the general fund in FY2016.
- TJ21 initiatives (i.e., high-demand programs, STEM-H degrees, public-private collaborations, and serving underrepresented populations), \$11 million from the general fund and \$11 million in nongeneral funds in FY2015 and \$22 million from the general fund and \$22 million in nongeneral funds in FY2016.
- Virtual Library of Virginia, \$1.9 million from the general fund in FY2015 and \$2.2 million from the general fund in FY2016.
- Tuition Assistance Grant, \$3.8 million from the general fund in FY2015 and \$6.4 million from the general fund in FY2016.
- Two Year Transfer Grant, \$8.8 million from the general fund in FY2015 and \$10.0 million from the general fund in FY2016.
- Virginia Military Survivor and Dependent Education Program, \$50,000 from the general fund in FY2015 and \$250,000 from the general fund in FY2016.
- Fund for Excellence and Innovation, \$1.0 million from the general fund in FY2015 and \$1.5 million from the general fund in FY2016.
- SCHEV initiatives, \$1.6 million from the general fund in FY2015 and \$1.2 million from the general fund in FY2016.

**Summary of Recommended Funding Based on TJ21 Calculated Funding Needs for the 2014-16 Biennium**  
(In Millions)

Item	2014-15		2015-16		Biennial Total	
	GF	NGF	GF	NGF	GF	NGF
<b>(A) Base Operation Funding</b>						
Faculty recruitment and retention	\$23.7	\$24.1	\$48.2	\$49.0	\$71.9	\$73.1
Operation and maintenance of new facilities	\$8.7	\$8.6	\$12.7	\$12.3	\$21.4	\$20.9
Undergraduate financial aid	\$12.9	\$0.0	\$24.9	\$0.0	\$37.8	\$0.0
Graduate financial aid	\$3.6	\$0.0	\$5.3	\$0.0	\$8.9	\$0.0
Higher Education Equipment Trust Fund (debt service)			\$13.5	\$0.0	\$13.5	\$0.0
<b>Subtotal</b>	<b>\$48.9</b>	<b>\$32.7</b>	<b>\$104.6</b>	<b>\$61.3</b>	<b>\$153.5</b>	<b>\$94.0</b>
<b>(B) Incentive Funding</b>						
Access and retention	\$21.9	\$16.5	\$43.8	\$33.0	\$65.7	\$49.5
Tuition moderation	\$9.0	(\$9.0)	\$18.0	(\$18.0)	\$27.0	(\$27.0)
Completion and efficiency	\$21.9	\$0.0	\$43.8	\$0.0	\$65.7	\$0.0
TJ21 initiatives	\$11.0	\$11.0	\$21.9	\$21.9	\$32.9	\$32.9
<b>Subtotal</b>	<b>\$63.8</b>	<b>\$18.5</b>	<b>\$127.5</b>	<b>\$36.9</b>	<b>\$191.3</b>	<b>\$55.4</b>
Subtotal for Operating Budget	\$96.2	\$51.2	\$201.9	\$98.2	\$298.1	\$149.4
Subtotal for Financial Aid	\$16.5	\$0.0	\$30.2	\$0.0	\$46.7	\$0.0
<b>Total</b>	<b>\$112.7</b>	<b>\$51.2</b>	<b>\$232.1</b>	<b>\$98.2</b>	<b>\$344.8</b>	<b>\$149.4</b>
<b>(C) Systemic Budget Items within the SCHEV Budget</b>						
Virtual Library of Virginia (VIVA)	\$1.9	\$0.0	\$2.2	\$0.0	\$4.1	\$0.0
Tuition Assistant Grant (TAG)	\$3.8	\$0.0	\$6.4	\$0.0	\$10.2	\$0.0
Two-year transfer grant	\$8.8	\$0.0	\$10.0	\$0.0	\$18.8	\$0.0
Va military survivor and dependent education program	\$0.1	\$0.0	\$0.2	\$0.0	\$0.3	\$0.0
Fund for excellence and innovation	\$1.0	\$0.0	\$1.5	\$0.0	\$2.5	\$0.0
SCHEV initiatives*	\$1.6	\$0.0	\$1.2	\$0.0	\$2.8	\$0.0
Subtotal	\$17.1	\$0.0	\$21.5	\$0.0	\$38.6	\$0.0
<b>Grand Total</b>	<b>\$129.8</b>	<b>\$51.2</b>	<b>\$253.6</b>	<b>\$98.2</b>	<b>\$383.4</b>	<b>\$149.4</b>

Note: \* includes funding for military student support initiatives, research fellows program, e-content matching grant, technology fellows program, and staff support for TJ 21 initiatives.

**Recommended Salary Increase for Teaching and Research Faculty in 2014-16 Biennium**  
**Effective July 1, 2014**

Institution	Annual Salary Increase	Peer Group Based Salary Increases								
		2014-15			2015-16			Biennial Total		
		GF	NGF	Total	GF	NGF	Total	GF	NGF	Total
CWM	4%	\$986,201	\$1,529,618	\$2,515,819	\$2,011,850	\$3,120,421	\$5,132,271	\$2,998,052	\$4,650,039	\$7,648,091
UVA	4%	\$2,376,833	\$4,283,717	\$6,660,550	\$4,848,740	\$8,738,783	\$13,587,523	\$7,225,573	\$13,022,500	\$20,248,073
VT	4%	\$3,499,933	\$5,163,268	\$8,663,201	\$7,139,863	\$10,533,066	\$17,672,929	\$10,639,796	\$15,696,333	\$26,336,130
VMI	4%	\$151,942	\$229,822	\$381,764	\$309,962	\$468,837	\$778,799	\$461,904	\$698,659	\$1,160,563
VSU	4%	\$367,587	\$419,537	\$787,125	\$749,878	\$855,856	\$1,605,734	\$1,117,465	\$1,275,394	\$2,392,859
NSU	2%	\$173,267	\$137,247	\$310,515	\$350,000	\$277,240	\$627,240	\$523,267	\$414,487	\$937,754
LU	3%	\$312,873	\$181,397	\$494,270	\$635,132	\$368,236	\$1,003,368	\$948,004	\$549,633	\$1,497,637
UMW	4%	\$480,166	\$343,446	\$823,612	\$979,538	\$700,630	\$1,680,168	\$1,459,703	\$1,044,076	\$2,503,779
JMU	3%	\$1,332,286	\$1,454,923	\$2,787,209	\$2,704,541	\$2,953,494	\$5,658,035	\$4,036,827	\$4,408,418	\$8,445,244
RU	4%	\$923,980	\$568,718	\$1,492,698	\$1,884,919	\$1,160,185	\$3,045,104	\$2,808,899	\$1,728,902	\$4,537,802
ODU	4%	\$1,605,144	\$1,240,856	\$2,846,000	\$3,274,494	\$2,531,347	\$5,805,841	\$4,879,639	\$3,772,203	\$8,651,841
VT-extension	4%	\$868,036	\$45,686	\$913,722	\$1,770,794	\$93,200	\$1,863,994	\$2,638,830	\$138,886	\$2,777,716
VSU-extension	4%	\$68,849	\$3,624	\$72,473	\$140,452	\$7,392	\$147,844	\$209,301	\$11,016	\$220,317
VCU	4%	\$2,789,946	\$2,846,841	\$5,636,787	\$5,691,490	\$5,807,556	\$11,499,046	\$8,481,436	\$8,654,397	\$17,135,833
RBC	2%	\$30,647	\$15,717	\$46,364	\$61,906	\$31,749	\$93,655	\$92,553	\$47,467	\$140,019
CNU	4%	\$514,560	\$326,225	\$840,785	\$1,049,703	\$665,498	\$1,715,202	\$1,564,264	\$991,723	\$2,555,987
UVAW	2%	\$86,383	\$52,274	\$138,657	\$174,494	\$105,593	\$280,087	\$260,878	\$157,867	\$418,744
GMU	4%	\$2,848,966	\$2,826,265	\$5,675,230	\$5,811,890	\$5,765,580	\$11,577,470	\$8,660,856	\$8,591,845	\$17,252,700
VCCS	3%	\$3,988,386	\$2,372,676	\$6,361,063	\$8,096,424	\$4,816,533	\$12,912,957	\$12,084,811	\$7,189,209	\$19,274,020
VIMS	4%	\$257,636	\$13,560	\$271,196	\$525,577	\$27,662	\$553,239	\$783,213	\$41,222	\$824,434
Total Funding	3.5%	\$23,663,622	\$24,055,418	\$47,719,040	\$48,211,647	\$49,028,857	\$97,240,505	\$71,875,269	\$73,084,275	\$144,959,545

Notes:

- (1) Faculty base salary is from institutions' Fy2014 activity-based budget.
- (2) General fund share is derived based on the FY13 base adequacy calculation for October council meeting.
- (3) UVA and VCU amounts include funding for family practice program.

**SCHEV Survey of Operation and Maintenance Costs for New E&G and Research Facilities Coming On-Line in FY 2015 and FY 2016**

Institution	Building Name	Building E&G Percent	Building Research Percent	FY 15 Months	FY 16 Months	GF Share	SCHEV GF Recommendation	SCHEV NGF Recommendation	SCHEV GF Recommendation	SCHEV NGF Recommendation
							FY2015	FY2015	FY2016	FY2016
<b>CNU</b>	Student Success Center	100%	0%	0	9	61.2%	\$0	\$0	\$304,470	\$193,030
<b>Total</b>							<b>\$0</b>	<b>\$0</b>	<b>\$304,470</b>	<b>\$193,030</b>
<b>CWM</b>	Tyler Hall	100%	0%	1	12	39.2%	\$4,580	\$7,104	\$56,611	\$87,805
<b>CWM</b>	Integrated Science Center 3	100%	0%	0	2	39.2%	\$0	\$0	\$91,120	\$141,328
<b>CWM</b>	427 Scotland Street	100%	0%	12	12	39.2%	\$17,979	\$27,885	\$18,518	\$28,722
<b>CWM</b>	101 Chandler Court	100%	0%	12	12	39.2%	\$5,901	\$9,152	\$6,078	\$9,426
<b>Total</b>							<b>\$28,460</b>	<b>\$44,141</b>	<b>\$172,326</b>	<b>\$267,282</b>
<b>GMU</b>	Fenwick Addition	100%	0%	2	12	50.2%	\$174,395	\$173,005	\$1,046,670	\$1,038,330
<b>GMU</b>	Central Heat/Cooling Plant Addition	40%	0%	10	12	50.2%	\$29,277	\$116,523	\$35,140	\$139,860
<b>GMU</b>	Life Science Lab PPEA	100%	0.0%	12	12	50.2%	\$527,100	\$522,900	\$527,100	\$522,900
<b>GMU</b>	Point of View Center (new facility)	100%	0.0%	12	12	50.2%	\$190,760	\$189,240	\$190,760	\$189,240
<b>GMU</b>	Potomac Science Center	100%	0.0%	3	12	50.2%	\$88,151	\$87,449	\$352,404	\$349,596
<b>Total</b>							<b>\$1,009,683</b>	<b>\$1,089,117</b>	<b>\$2,152,074</b>	<b>\$2,239,926</b>
<b>JMU</b>	Duke Hall - Renovation/Expansion	100%	0%	12	12	47.8%	\$301,387	\$329,130	\$301,387	\$329,130
<b>JMU</b>	Construct Biotechnology/Centennial Hall	100%	0%	12	12	47.8%	\$931,304	\$1,017,031	\$931,304	\$1,017,031
<b>Total</b>							<b>\$1,232,691</b>	<b>\$1,346,161</b>	<b>\$1,232,691</b>	<b>\$1,346,161</b>
<b>LU</b>	Blackwell	100%	0%	9	12	63.3%	\$50,490	\$29,273	\$67,320	\$39,030
<b>Total</b>							<b>\$50,490</b>	<b>\$29,273</b>	<b>\$67,320</b>	<b>\$39,030</b>
<b>NSU</b>	New Nursing and General Classroom Building	100%	0%	0	2	55.8%	\$0	\$0	\$91,140	\$72,194
<b>Total</b>							<b>\$0</b>	<b>\$0</b>	<b>\$91,140</b>	<b>\$72,194</b>
<b>ODU</b>	ODU Systems Research and Academic Building - Main Campus	100%	0%	12	12	56.4%	\$276,562	\$213,796	\$290,611	\$224,656
<b>ODU</b>	Performing Arts / Fine Arts Building Phase 2 - Main Campus	100%	0%	12	12	56.4%	\$73,601	\$56,898	\$76,974	\$59,504
<b>ODU</b>	New Arts Building - Main Campus	100%	0%	12	12	56.4%	\$166,069	\$128,380	\$174,160	\$134,634
<b>ODU</b>	New Art Studio Building - Main Campus	100%	0%	0	12	56.4%	\$0	\$0	\$124,219	\$96,027
<b>Total</b>							<b>\$516,233</b>	<b>\$399,073</b>	<b>\$665,963</b>	<b>\$514,822</b>
<b>RBC</b>	Ernst Hall	100%	0%	0	12	66.1%	\$0	\$0	\$98,135	\$50,329
<b>Total</b>							<b>\$0</b>	<b>\$0</b>	<b>\$98,135</b>	<b>\$50,329</b>
<b>RU</b>	Center for the Sciences	100%	0%	4	12	61.9%	\$138,595	\$85,306	\$467,382	\$287,677
<b>Total</b>							<b>\$138,595</b>	<b>\$85,306</b>	<b>\$467,382</b>	<b>\$287,677</b>
<b>UMW</b>	Woodard Hall**	100%	0%	6	12	58.3%	\$26,527	\$18,974	\$53,053	\$37,947
<b>UMW</b>	Mercer Hall***	100%	0%	6	12	58.3%	\$11,660	\$8,340	\$23,320	\$16,680
<b>UMW</b>	Seacobeck Hall****	100%	0%	0	12	58.3%	\$0	\$0	\$100,276	\$71,724
<b>UMW</b>	Technology Convergence Center****	100%	0%	11	12	58.3%	\$256,520	\$183,480	\$279,840	\$200,160
<b>Total</b>							<b>\$294,707</b>	<b>\$210,794</b>	<b>\$456,489</b>	<b>\$326,511</b>
<b>UVA</b>	Drama Education Addition	100%	0%	12	12	35.4%	\$130,520	\$238,180	\$130,520	\$238,180
<b>UVA</b>	FM Landscape Shop	100%	0%	12	12	35.4%	\$37,347	\$68,153	\$37,347	\$68,153
<b>UVA</b>	Acquisition of 560 Ray C Hunt	25%	75%	12	12	35.4%	\$290,767	\$1,023,433	\$290,767	\$1,023,433
<b>UVA</b>	Facilities Management Shop Building	100%	0%	6	12	35.4%	\$31,860	\$58,140	\$63,649	\$116,151
<b>UVA</b>	2023 Ivy Road (Cary's Camera)	100%	0%	12	12	35.4%	\$33,347	\$60,853	\$33,347	\$60,853
<b>UVA</b>	Lacy Hall	100%	0%	12	12	35.4%	\$101,315	\$184,885	\$101,315	\$184,885
<b>UVA</b>	New Cabell Hall (Renovation of Existing space with new systems with increm	100%	0%	12	12	35.4%	\$236,578	\$431,722	\$236,578	\$431,722
<b>Total</b>							<b>\$861,733</b>	<b>\$2,065,367</b>	<b>\$893,523</b>	<b>\$2,123,377</b>

<b>UVA-W</b>	New Library	100%	0%	0	6	62.3%	\$0	\$0	\$246,561	\$149,203
<b>Total</b>							<b>\$0</b>	<b>\$0</b>	<b>\$246,561</b>	<b>\$149,203</b>
<b>VCCS</b>	NVCC (Woodbridge)- Phase III Academic Bldg	100%	0%	12	0	62.7%	\$690,349	\$410,686	\$0	\$0
<b>VCCS</b>	PHCC - Motorsports/Workforce Development Ctr. Phase I	100%	0%	12	12	62.7%	\$150,543	\$89,557	\$150,543	\$89,557
<b>VCCS</b>	TCC (Chesapeake) Academic Bldg	100%	0%	12	0	62.7%	\$369,669	\$219,914	\$0	\$0
<b>VCCS</b>	SSVCC (Daniels) - Learning Resource Ctr.	100%	0%	12	12	62.7%	\$296,475	\$176,372	\$296,475	\$176,372
<b>VCCS</b>	NVCC(Loudoun) - Higher Education Ctr.	100%	0%	6	12	62.7%	\$171,057	\$101,761	\$342,114	\$203,522
<b>VCCS</b>	NVCC (Annandale) Expand Brault Building	100%	0%	6	12	62.7%	\$85,006	\$50,570	\$170,012	\$101,140
<b>VCCS</b>	JTCC (Midlothian) - Phase III Academic Bldg.	100%	0%	4	12	62.7%	\$159,637	\$94,968	\$478,913	\$284,903
<b>VCCS</b>	NVCC (Alexandria) Replace Tyler Academic Bldg.	100%	0%	2	12	62.7%	\$110,270	\$65,599	\$661,619	\$393,595
<b>VCCS</b>	PHCC - Motorsports/Workforce Development Ctr. Phase II	100%	0%	2	12	62.7%	\$4,516	\$2,687	\$27,098	\$16,120
<b>VCCS</b>	SSVC( Christianna) - Student Support and Learning Ctr	100%	0%	0	7	62.7%	\$0	\$0	\$211,999	\$126,117
<b>VCCS</b>	BRCC - New Academic Bldg.	100%	0%	0	2	62.7%	\$0	\$0	\$56,056	\$33,348
<b>Total</b>							<b>\$2,037,522</b>	<b>\$1,212,114</b>	<b>\$2,394,828</b>	<b>\$1,424,675</b>
<b>VCU</b>	Information Commons	100%	0%	0	12	49.4%	\$0	\$0	\$281,333	\$288,167
<b>Total</b>							<b>\$0</b>	<b>\$0</b>	<b>\$281,333</b>	<b>\$288,167</b>
<b>VMI</b>	Cormack	100%	0%	2	12	39.8%	\$7,671	\$11,603	\$46,027	\$69,618
<b>VMI</b>	CPTF	100%	0%	0	1	39.8%	\$0	\$0	\$30,760	\$46,527
<b>Total</b>							<b>\$7,671</b>	<b>\$11,603</b>	<b>\$76,787</b>	<b>\$116,145</b>
<b>VSU</b>	Multipurpose Center	85%	0%	2	12	46.7%	\$43,772	\$66,499	\$262,632	\$398,993
<b>VSU</b>	20712 Fourth Avenue	100%	0%	12	12	46.7%	\$11,124	\$12,696	\$11,124	\$12,696
<b>VSU</b>	MT Carter Addition	100%	0%	12	12	46.7%	\$25,280	\$28,852	\$25,280	\$28,852
<b>VSU</b>	Lockett Hall	100%	0%	7	12	46.7%	\$23,040	\$26,297	\$39,497	\$45,080
<b>Total</b>							<b>\$103,216</b>	<b>\$134,344</b>	<b>\$338,533</b>	<b>\$485,621</b>
<b>VT</b>	Davidson Hall Renovation	100%	0%	12	12	40.4%	\$109,517	\$161,565	\$110,398	\$162,865
<b>VT</b>	Signature Engineering Building	100%	0%	12	12	40.4%	\$818,894	\$1,208,071	\$830,203	\$1,224,755
<b>VT</b>	Performing Arts Center	100%	0%	12	12	40.4%	\$345,609	\$509,858	\$350,098	\$516,480
<b>VT</b>	Classroom Building	100%	0%	0	11	40.4%	\$0	\$0	\$313,442	\$462,405
<b>Total</b>							<b>\$1,274,020</b>	<b>\$1,879,494</b>	<b>\$1,604,141</b>	<b>\$2,366,505</b>
<b>VT-Ext.</b>	Human and Agricultural Biosciences Building 1	100%	0%	12	12	95.0%	\$1,137,119	\$59,848	\$1,160,282	\$61,067
<b>Total</b>							<b>\$1,137,119</b>	<b>\$59,848</b>	<b>\$1,160,282</b>	<b>\$61,067</b>
<b>VIMS</b>	Moxley Property	100%	0%	12	12	95.0%	\$7,524	\$396	\$7,524	\$396
<b>VIMS</b>	Abrahamson Property	60%	40%	12	12	95.0%	\$10,868	\$3,432	\$10,868	\$3,432
<b>Total</b>							<b>\$18,392</b>	<b>\$3,828</b>	<b>\$18,392</b>	<b>\$3,828</b>
<b>Grand Total</b>							<b>\$8,710,530</b>	<b>\$8,570,464</b>	<b>\$12,722,369</b>	<b>\$12,355,551</b>

Please note: Both FY 2015 and FY 2016 are stated in dollars incremental to the base.

## Virginia Student Financial Aid Program – Undergraduate Funding

Virginia Student Financial Assistance Program - Undergraduate				2014-15		2015-16	
Institution	FY14 % Need Met	FY14 Funds	Students Projected with Need in FY15	Recommended Increase	Total Funds	Recommended Increase	Total Funds
Christopher Newport University	48.0%	4,577,403	1,416	646,351	5,223,754	1,259,970	5,837,373
College of William & Mary	62.7%	3,235,804	723	37,640	3,273,444	576,167	3,811,971
George Mason University	36.1%	15,536,039	7,285	467,116	16,003,155	1,330,583	16,866,622
James Madison University	46.1%	7,419,088	3,261	1,002,072	8,421,160	1,685,432	9,104,520
Longwood University	43.4%	4,176,583	1,538	582,734	4,759,317	1,030,972	5,207,555
Norfolk State University	39.6%	7,813,592	4,092	20,926	7,834,518	77,273	7,890,865
Old Dominion University	38.5%	16,693,350	8,065	156,868	16,850,218	1,338,992	18,032,342
Radford University	48.5%	7,416,618	3,134	1,490,366	8,906,984	2,221,352	9,637,970
University of Mary Washington	33.6%	1,821,686	951	89,449	1,911,135	206,594	2,028,280
University of Virginia	76.8%	5,776,211	1,331	-	5,776,211	-	5,776,211
University of Virginia - Wise	45.2%	2,099,938	901	29,488	2,129,426	192,355	2,292,293
Virginia Commonwealth University	39.9%	21,170,891	8,803	-	21,170,891	525,211	21,696,102
Virginia Military Institute	50.6%	870,928	255	37,438	908,366	152,277	1,023,205
Virginia State University	37.3%	6,006,890	2,942	593,859	6,600,749	711,590	6,718,480
Virginia Tech	49.7%	15,117,631	4,849	27,642	15,145,273	1,164,300	16,281,931
<b>Four-Year Institution Totals</b>	<b>42.6%</b>	<b>119,732,652</b>	<b>49,546</b>	<b>5,181,949</b>	<b>124,914,601</b>	<b>12,473,068</b>	<b>132,205,720</b>
Richard Bland College	19.8%	454,107	634	-	454,107	-	454,107
Virginia Community College System	25.5%	37,891,836	76,536	7,709,133	45,600,969	12,457,101	50,348,937
<b>Two-Year Institution Totals</b>	<b>25.4%</b>	<b>38,345,943</b>	<b>77,170</b>	<b>7,709,133</b>	<b>46,055,076</b>	<b>12,457,101</b>	<b>50,803,044</b>
<b>Totals</b>	<b>36.6%</b>	<b>158,078,595</b>	<b>126,716</b>	<b>12,891,082</b>	<b>170,969,677</b>	<b>24,930,169</b>	<b>183,008,764</b>

## Virginia Two Year College Transfer Grant Program

In order to maintain the FY2013-14 percentage of need met (36.6%) for undergraduate financial aid, the system would require approximately \$19.7 million increase in FY2014-15 and \$33.7 million increase in FY2015-16.

SCHEV proposes that amount be divided between the Two Year College Transfer Grant Program and the balance as increases to undergraduate student financial aid and.

Institution	FY15	FY16
Christopher Newport University	92,624	118,002
College of William & Mary	232,093	305,533
George Mason University	2,292,506	2,622,950
James Madison University	182,114	180,575
Longwood University	160,895	194,465
Norfolk State University	-	-
Old Dominion University	780,955	874,036
Radford University	330,928	370,897
University of Mary Washington	173,622	186,209
University of Virginia	901,132	1,050,371
University of Virginia - Wise	34,679	39,819
Virginia Commonwealth University	1,214,337	1,349,915
Virginia Military Institute	2,605	3,039
Virginia State University	13,710	15,742
Virginia Tech	1,243,874	1,454,274
<b>Four-Year Institution Totals</b>	<b>7,656,074</b>	<b>8,765,827</b>
Richard Bland College	-	-
Virginia Community College System	-	-
<b>Two-Year Institution Totals</b>	<b>-</b>	<b>-</b>
<b>Totals</b>	<b>7,656,074</b>	<b>8,765,827</b>

Private Institutions	1,093,926	1,184,173
<b>Systemic Totals</b>	<b>8,750,000</b>	<b>9,950,000</b>

## Virginia Student Financial Aid Program – Graduate Aid

Institution	Incremental Funding	
	FY2015	FY2016
Christopher Newport University	\$9,823	\$14,732
College of William & Mary	\$130,354	\$195,532
George Mason University	\$679,346	\$1,019,018
James Madison University	\$303,320	\$454,980
Longwood University	\$14,565	\$21,848
Norfolk State University	\$91,725	\$137,588
Old Dominion University	\$398,318	\$597,478
Radford University	\$203,873	\$305,810
University of Mary Washington	\$12,112	\$18,167
University of Virginia	\$698,723	\$1,048,084
Virginia Commonwealth University	\$442,844	\$664,267
Va. Institute of Marine Sciences	\$4,068	\$6,102
Virginia State University	\$77,424	\$116,137
Virginia Tech	\$489,211	\$733,817
<b>Total</b>	<b>\$3,555,706</b>	<b>\$5,333,560</b>

## Virginia Tuition Assistance Grant Program

Incremental Cost of Increasing the Maximum Annual TAG Award  
FY2014 Base Appropriation = \$64,812,665

Projected TAG Award	2014-15		2015-16	
	Appropriation Needed	Change in FY2014 Appropriations	Appropriations Needed	Change in FY2014 Appropriations
<b>\$3,100 / \$1,550</b>	\$65,456,813	\$644,148	\$66,938,074	\$2,125,409
<b>\$3,200 / \$1,600</b>	\$67,568,324	\$2,755,659	\$69,097,366	\$4,284,701
<b>\$3,300 / \$1,650</b>	\$69,679,834	\$4,867,169	\$71,256,659	\$6,443,994
<b>\$3,400 / \$1,700</b>	\$71,791,344	\$6,978,679	\$73,415,952	\$8,603,287
<b>\$3,500 / \$1,750</b>	\$73,902,854	\$9,090,189	\$75,575,244	\$10,762,579
<b>\$3,750 / \$1,800</b>	\$79,098,343	\$14,285,678	\$80,880,196	\$16,067,531

## 2014-16 Higher Education Equipment Trust Fund Recommended Allocation

2014-15 HEETF Guidelines						2015-16 HEETF Guidelines					
Institutions	9-Year Cycle, Annual Replacement Need	Computer Component	Total	Research Initiative <sup>(1)</sup>	Grand Total	Institutions	9-Year Cycle, Annual Replacement Need	Computer Component	Total	Research Initiative <sup>(1)</sup>	Grand Total
GMU	\$3,038,990	\$1,118,430	\$4,157,420	\$683,635	\$4,841,055	GMU	\$3,038,990	\$1,118,430	\$4,157,420	\$683,635	\$4,841,055
ODU	\$3,509,328	\$834,840	\$4,344,168	\$447,158	\$4,791,327	ODU	\$3,509,328	\$834,840	\$4,344,168	\$447,158	\$4,791,327
UVA	\$11,198,911	\$1,027,620	\$12,226,531	\$6,796,211	\$19,022,742	UVA	\$11,198,911	\$1,027,620	\$12,226,531	\$6,796,211	\$19,022,742
VCU	\$7,114,668	\$1,221,300	\$8,335,968	\$3,320,820	\$11,656,788	VCU	\$7,114,668	\$1,221,300	\$8,335,968	\$3,320,820	\$11,656,788
VT	\$10,537,565	\$1,388,250	\$11,925,815	\$6,672,940	\$18,598,755	VT	\$10,537,565	\$1,388,250	\$11,925,815	\$6,672,940	\$18,598,755
W&M	\$1,408,627	\$352,440	\$1,761,067	\$550,695	\$2,311,763	W&M	\$1,408,627	\$352,440	\$1,761,067	\$550,695	\$2,311,763
W&M-VIMS	\$228,997	\$3,375	\$232,372	\$566,542	\$798,914	W&M-VIMS	\$228,997	\$3,375	\$232,372	\$566,542	\$798,914
CNU	\$496,284	\$225,180	\$721,464	\$0	\$721,464	CNU	\$496,284	\$225,180	\$721,464	\$0	\$721,464
UVA-Wise	\$131,560	\$77,220	\$208,780	\$0	\$208,780	UVA-Wise	\$131,560	\$77,220	\$208,780	\$0	\$208,780
JMU	\$1,381,351	\$857,250	\$2,238,601	\$0	\$2,238,601	JMU	\$1,381,351	\$857,250	\$2,238,601	\$0	\$2,238,601
LU	\$537,234	\$198,000	\$735,234	\$0	\$735,234	LU	\$537,234	\$198,000	\$735,234	\$0	\$735,234
UMW	\$474,680	\$193,275	\$667,955	\$0	\$667,955	UMW	\$474,680	\$193,275	\$667,955	\$0	\$667,955
NSU	\$845,455	\$264,195	\$1,109,650	\$0	\$1,109,650	NSU	\$845,455	\$264,195	\$1,109,650	\$0	\$1,109,650
RU	\$1,611,025	\$409,815	\$2,020,840	\$0	\$2,020,840	RU	\$1,611,025	\$409,815	\$2,020,840	\$0	\$2,020,840
VMI	\$930,757	\$80,460	\$1,011,217	\$0	\$1,011,217	VMI	\$930,757	\$80,460	\$1,011,217	\$0	\$1,011,217
VSU	\$1,063,244	\$252,360	\$1,315,604	\$0	\$1,315,604	VSU	\$1,063,244	\$252,360	\$1,315,604	\$0	\$1,315,604
RBC	\$112,678	\$46,980	\$159,658	\$0	\$159,658	RBC	\$112,678	\$46,980	\$159,658	\$0	\$159,658
VCCS <sup>(2)</sup>	\$12,039,575	\$5,115,465	\$17,155,040	\$0	\$17,155,040	VCCS <sup>(2)</sup>	\$12,039,575	\$5,115,465	\$17,155,040	\$0	\$17,155,040
SWVHEC	\$131,884	\$0	\$131,884	\$0	\$131,884	SWVHEC	\$131,884	\$0	\$131,884	\$0	\$131,884
RHEA	\$72,083	\$0	\$72,083	\$0	\$72,083	RHEA	\$72,083	\$0	\$72,083	\$0	\$72,083
IALR	\$213,761	\$0	\$213,761	\$0	\$213,761	IALR	\$213,761	\$0	\$213,761	\$0	\$213,761
SVHEC	\$180,478	\$0	\$180,478	\$0	\$180,478	SVHEC	\$180,478	\$0	\$180,478	\$0	\$180,478
NCI	\$25,331	\$0	\$25,331	\$0	\$25,331	NCI	\$25,331	\$0	\$25,331	\$0	\$25,331
<b>TOTAL</b>	<b>\$57,284,465</b>	<b>\$13,666,455</b>	<b>\$70,950,920</b>	<b>\$19,038,002</b>	<b>\$89,988,922</b>	<b>TOTAL</b>	<b>\$57,284,465</b>	<b>\$13,666,455</b>	<b>\$70,950,920</b>	<b>\$19,038,002</b>	<b>\$89,988,922</b>

<sup>(1)</sup> Additional funding provided for original Commonwealth Research Initiative (CRI) institutions.

<sup>(2)</sup> Includes \$4 million additional recommendation to support workforce development.

<b>2014-16 Higher Education Equipment Trust Fund Estimated Debt Service Payments<sup>(1)</sup></b>			
<b>Institutions</b>	<b>HEETF Estimated Debt Service</b>	<b>Research Initiative Debt Service<sup>(2)</sup></b>	<b>Total Equipment</b>
GMU	\$557,034	\$107,727	\$664,761
ODU	\$643,245	\$70,463	\$713,708
UVA	\$2,052,713	\$1,070,944	\$3,123,657
VCU	\$1,304,088	\$523,293	\$1,827,382
VT	\$1,931,491	\$1,051,519	\$2,983,010
W&M	\$258,195	\$86,778	\$344,974
W&M-VIMS	\$41,974	\$89,275	\$131,250
CNU	\$90,967	\$0	\$90,967
UVA-Wise	\$24,114	\$0	\$24,114
JMU	\$253,196	\$0	\$253,196
LU	\$98,473	\$0	\$98,473
UMW	\$87,007	\$0	\$87,007
NSU	\$154,968	\$0	\$154,968
RU	\$295,294	\$0	\$295,294
VMI	\$170,604	\$0	\$170,604
VSU	\$194,888	\$0	\$194,888
RBC	\$20,653	\$0	\$20,653
VCCS	\$2,206,803	\$0	\$2,206,803
SWVHEC	\$24,174	\$0	\$24,174
RHEA	\$13,212	\$0	\$13,212
IALR	\$39,182	\$0	\$39,182
SVHEC	\$33,081	\$0	\$33,081
NCI	\$4,643	\$0	\$4,643
<b>TOTAL</b>	<b>\$10,500,000</b>	<b>\$3,000,000</b>	<b>\$13,500,000</b>

(1) Assumes a 7 year period of debt service with the first payment made in the second year of the biennium. Estimated payments are based on the institutions' share of the recommended total allocation for 2014-15.

(2) Additional funding provided for original Commonwealth Research Initiative (CRI) institutions.

**Recommended Incremental Funding for Access and Retention in 2014-16 Biennium**

Inst	Calculated Need <sup>1,2</sup>	Available Resources <sup>3,4,5</sup>	Recommended Additions in FY15 <sup>6</sup>	Total Resources	% Funding to Guide	Funding Shortfall	GF Share	Incremental Funding over Four Years <sup>9</sup>							
								2014-15				2015-16			
								GF	NGF	Total	New % to Guide	GF	NGF	Total	New % to Guide
CNU	\$65,725,547	\$63,638,823	\$840,785	\$64,479,608	98%	(\$1,245,939)	61%	\$190,629	\$120,856	\$311,485	99%	\$381,257	\$241,712	\$622,969	99%
CWM	\$145,753,634	\$172,004,144	\$2,588,420	\$174,592,564	>100%		39%	\$0	\$0	\$0		\$0	\$0	\$0	
GMU	\$427,453,555	\$463,432,362	\$7,774,030	\$471,206,392	>100%		50%	\$0	\$0	\$0		\$0	\$0	\$0	
JMU	\$253,597,415	\$262,115,846	\$5,366,061	\$267,481,907	>100%		48%	\$0	\$0	\$0		\$0	\$0	\$0	
LU	\$60,614,472	\$60,483,206	\$574,033	\$61,057,238	>100%		63%	\$0	\$0	\$0		\$0	\$0	\$0	
NSU	\$77,007,963	\$68,962,466	\$310,515	\$69,272,981	90%	(\$7,734,982)	56%	\$1,079,030	\$854,715	\$1,933,745	92%	\$2,158,060	\$1,709,431	\$3,867,491	95%
ODU	\$290,491,765	\$244,188,720	\$3,761,306	\$247,950,027	85%	(\$42,541,739)	56%	\$5,998,385	\$4,637,050	\$10,635,435	89%	\$11,996,770	\$9,274,099	\$21,270,869	93%
RU	\$114,163,789	\$114,668,048	\$1,716,599	\$116,384,647	>100%		62%	\$0	\$0	\$0		\$0	\$0	\$0	
UMW	\$62,395,444	\$62,873,993	\$1,329,112	\$64,203,105	>100%		58%	\$0	\$0	\$0		\$0	\$0	\$0	
UVA	\$491,899,562	\$575,258,063	\$9,587,650	\$584,845,714	>100%		35%	\$0	\$0	\$0		\$0	\$0	\$0	
UVAW	\$23,459,176	\$22,444,014	\$138,657	\$22,582,671	96%	(\$876,505)	62%	\$136,516	\$82,611	\$219,126	97%	\$273,031	\$165,221	\$438,252	98%
VCU	\$552,698,112	\$531,789,631	\$5,636,787	\$537,426,418	97%	(\$15,271,694)	49%	\$1,886,054	\$1,931,869	\$3,817,923	98%	\$3,772,108	\$3,863,739	\$7,635,847	99%
VMI <sup>7</sup>	\$27,796,313	\$27,441,013	\$401,038	\$27,842,051	100%		40%	\$0	\$0	\$0		\$0	\$0	\$0	
VSU	\$69,362,804	\$67,914,793	\$1,024,685	\$68,939,478	99%	(\$423,325)	47%	\$49,423	\$56,408	\$105,831	100%	\$98,846	\$112,816	\$211,663	100%
VT	\$596,126,593	\$577,395,425	\$11,816,715	\$589,212,139	99%	(\$6,914,454)	41%	\$700,088	\$1,028,525	\$1,728,614	99%	\$1,400,177	\$2,057,050	\$3,457,227	99%
RBC	\$9,683,971	\$10,165,895	\$46,364	\$10,212,259	>100%		66%	\$0	\$0	\$0		\$0	\$0	\$0	
VCCS	\$933,729,692	\$862,777,208	\$9,610,699	\$872,387,907	93%	(\$70,952,484)	63%	\$11,121,802	\$6,616,319	\$17,738,121	95%	\$22,243,604	\$13,232,638	\$35,476,242	97%
<b>Total</b>	<b>\$4,201,959,807</b>	<b>\$4,187,553,651</b>	<b>\$62,523,456</b>	<b>\$4,250,077,107</b>	<b>&gt;100%</b>	<b>(\$145,961,121)</b>	<b>51%</b>	<b>\$21,161,927</b>	<b>\$15,328,353</b>	<b>\$36,490,280</b>		<b>\$42,323,854</b>	<b>\$30,656,706</b>	<b>\$72,980,561</b>	
System Average <sup>8</sup>					95%						96%				97%
EVMS	\$69,184,174	\$61,465,965		\$61,465,965	89%	(\$7,718,209)	39%	\$752,583	\$1,176,969	\$1,929,552		\$1,505,166	\$2,353,939	\$3,859,104	
<b>Grand Total</b>	<b>\$4,271,143,981</b>	<b>\$4,249,019,616</b>				<b>(\$153,679,330)</b>		<b>\$21,914,510</b>	<b>\$16,505,323</b>	<b>\$38,419,833</b>		<b>\$43,829,020</b>	<b>\$33,010,645</b>	<b>\$76,839,665</b>	

Notes:

- (1) Based on actual FY13 student FTE and FY11-FY13 3-year average discipline credit hours.
- (2) The blended salary is based on the FY14 ABB.
- (3) Available resources are FY14 ABB, plus NGF technical adjustments.
- (4) GF adjustments are OCR funding at NSU and VSU, and VCCS central office (FY16 adjustment).
- (5) NGF includes required funding for programs 101-40, 102 and 103 made in October 2009.
- (6) Includes recommended additional funding for faculty salaries and O&M in FY2015.
- (7) Available resources are adjusted for "uniquely military" mission.
- (8) Excludes institutions above 100% of funding to guidelines.
- (9) Funding is provided for institutions with % of funding to guidelines below the full funding level.

### Tuition Moderation

Inst	Calculated Funding Need			Available Resources			Funding Shortfall			% of Funding to Guidelines	Reduce GF Shortfall*	
	GF	NGF	Total	GF	NGF	Total	GF	NGF	Total		2014-15	2015-16
											GF	GF
CNU	\$40,213,776	\$25,511,771	\$65,725,547	\$26,446,278	\$38,033,330	\$64,479,608	(\$13,767,497)	\$12,521,559	(\$1,245,939)	98%	\$172,094	\$344,187
CWM	\$57,193,092	\$88,560,541	\$145,753,634	\$41,678,172	\$132,914,393	\$174,592,564	(\$15,514,921)	\$44,353,851	\$28,838,931	>100%	\$387,873	\$775,746
GMU	\$214,408,737	\$213,044,817	\$427,453,555	\$125,740,789	\$345,465,603	\$471,206,392	(\$88,667,948)	\$132,420,786	\$43,752,837	>100%	\$2,216,699	\$4,433,397
JMU	\$121,171,596	\$132,425,819	\$253,597,415	\$76,788,153	\$190,693,754	\$267,481,907	(\$44,383,443)	\$58,267,935	\$13,884,492	>100%	\$1,109,586	\$2,219,172
LU	\$38,393,528	\$22,220,943	\$60,614,472	\$25,395,259	\$35,661,980	\$61,057,238	(\$12,998,270)	\$13,441,036	\$442,767	>100%	\$324,957	\$649,913
RU	\$70,637,107	\$43,526,682	\$114,163,789	\$46,961,103	\$69,423,544	\$116,384,647	(\$23,676,004)	\$25,896,862	\$2,220,858	>100%	\$591,900	\$1,183,800
UMW	\$36,367,018	\$26,028,426	\$62,395,444	\$21,905,131	\$42,297,974	\$64,203,105	(\$14,461,887)	\$16,269,548	\$1,807,661	>100%	\$361,547	\$723,094
UVA	\$173,949,879	\$317,949,683	\$491,899,562	\$126,797,655	\$458,048,059	\$584,845,714	(\$47,152,224)	\$140,098,376	\$92,946,151	>100%	\$1,178,806	\$2,357,611
UVAW	\$14,617,747	\$8,841,429	\$23,459,176	\$13,675,639	\$8,907,032	\$22,582,671	(\$942,108)	\$65,603	(\$876,505)	96%	\$11,776	\$23,553
VCU	\$272,859,041	\$279,839,071	\$552,698,112	\$167,410,290	\$370,016,128	\$537,426,418	(\$105,448,751)	\$90,177,057	(\$15,271,694)	97%	\$1,318,109	\$2,636,219
VMI	\$11,055,725	\$16,740,588	\$27,796,313	\$6,825,216	\$21,016,835	\$27,842,051	(\$4,230,508)	\$4,276,247	\$45,738	100%	\$105,763	\$211,525
VSU	\$32,384,033	\$36,978,770	\$69,362,804	\$24,160,288	\$44,779,190	\$68,939,478	(\$8,223,745)	\$7,800,420	(\$423,325)	99%	\$102,797	\$205,594
VT	\$241,434,852	\$354,691,741	\$596,126,593	\$153,992,664	\$435,219,476	\$589,212,139	(\$87,442,188)	\$80,527,734	(\$6,914,454)	99%	\$1,093,027	\$2,186,055
RBC	\$6,400,284	\$3,283,687	\$9,683,971	\$5,714,937	\$4,497,323	\$10,212,259	(\$685,347)	\$1,213,635	\$528,288	>100%	\$17,134	\$34,267
<b>Total</b>	<b>\$712,120,958</b>	<b>\$843,756,913</b>	<b>\$1,555,877,871</b>	<b>\$465,266,261</b>	<b>\$1,274,505,307</b>	<b>\$1,739,771,568</b>	<b>(\$246,854,696)</b>	<b>\$430,748,393</b>	<b>\$183,893,697</b>		<b>\$8,992,067</b>	<b>\$17,984,135</b>

Note: \* Institutions at or above 100% of guidelines will receive additional state support to reduce their general fund shortfall by 5% over the biennium. Institutions above the system average of 95% of guidelines will receive additional state support to reduce their general fund shortfall by 2.5%.

**Estimated FY2015 General Fund Increase for E&G Programs over FY2014 GF appropriations**

	2013-14 GF	Recommended Additional General Fund in FY2015						
	Appropriations	Faculty Salary	O&M	Access & Retention	Tuition Moderation	Completion & Efficiency	Total GF Additions	% Change
CNU	\$24,479,716	\$514,560	\$0	\$190,629	\$172,094	\$518,080	\$1,395,363	5.7%
CWM	\$38,343,452	\$986,201	\$28,460	\$0	\$387,873	\$547,762	\$1,950,296	5.1%
GMU	\$116,066,517	\$2,848,966	\$1,009,683	\$0	\$2,216,699	\$2,289,171	\$8,364,518	7.2%
JMU	\$69,808,843	\$1,332,286	\$1,232,691	\$0	\$1,109,586	\$1,718,150	\$5,392,713	7.7%
LU	\$23,618,254	\$312,873	\$50,490	\$0	\$324,957	\$401,675	\$1,089,995	4.6%
NSU	\$40,473,227	\$173,267	\$0	\$1,079,030	\$0	\$471,674	\$1,723,971	4.3%
ODU	\$103,809,827	\$1,605,144	\$516,233	\$5,998,385	\$0	\$1,923,700	\$10,043,462	9.7%
RU	\$43,456,527	\$923,980	\$138,595	\$0	\$591,900	\$859,733	\$2,514,207	5.8%
UMW	\$19,800,128	\$480,166	\$294,707	\$0	\$361,547	\$477,588	\$1,614,007	8.2%
UVA	\$119,515,037	\$2,376,833	\$861,733	\$0	\$1,178,806	\$1,440,146	\$5,857,518	4.9%
UVAW	\$12,937,643	\$86,383	\$0	\$136,516	\$11,776	\$174,158	\$408,833	3.2%
VCU	\$154,889,637	\$2,789,946	\$0	\$1,886,054	\$1,318,109	\$2,354,696	\$8,348,805	5.4%
VMI	\$8,332,004	\$151,942	\$7,671	\$0	\$105,763	\$121,384	\$386,760	4.6%
VSU	\$30,167,239	\$367,587	\$103,216	\$49,423	\$102,797	\$372,202	\$995,226	3.3%
VT	\$140,532,623	\$3,499,933	\$1,274,020	\$700,088	\$1,093,027	\$2,394,496	\$8,961,564	6.4%
RBC	\$5,473,340	\$30,647	\$0	\$0	\$17,134	\$105,482	\$153,262	2.8%
VCCS	\$341,255,372	\$3,988,386	\$2,037,522	\$11,121,802	\$0	\$5,729,902	\$22,877,612	6.7%
TJ21							\$11,000,000	
<b>Total</b>	<b>\$1,292,959,386</b>	<b>\$22,469,101</b>	<b>\$7,555,019</b>	<b>\$21,161,927</b>	<b>\$8,992,067</b>	<b>\$21,900,000</b>	<b>\$93,078,115</b>	<b>7.2%</b>

**Estimated FY2015 Nongeneral Fund Increase for E&G Programs over FY2014 NGF appropriations**

Inst	2013-14 NGF Appropriations	Recommended Additional Nongeneral Fund in FY15					
		Faculty Salary	O&M	Access & Retention	Tuition Moderation	Total NGF Additions	% Change
CNU	\$35,255,306	\$326,225	\$0	\$120,856	(\$172,094)	\$274,987	0.8%
CWM	\$128,564,391	\$1,529,618	\$44,141	\$0	(\$387,873)	\$1,185,887	0.9%
GMU	\$307,415,108	\$2,826,265	\$1,089,117	\$0	(\$2,216,699)	\$1,698,683	0.6%
JMU	\$181,146,987	\$1,454,923	\$1,346,161	\$0	(\$1,109,586)	\$1,691,498	0.9%
LU	\$33,014,347	\$181,397	\$29,273	\$0	(\$324,957)	(\$114,287)	-0.3%
NSU	\$34,028,682	\$137,247	\$0	\$854,715	\$0	\$991,963	2.9%
ODU	\$128,190,945	\$1,240,856	\$399,073	\$4,637,050	\$0	\$6,276,979	4.9%
RU	\$62,332,549	\$568,718	\$85,306	\$0	(\$591,900)	\$62,124	0.1%
UMW	\$41,465,630	\$343,446	\$210,794	\$0	(\$361,547)	\$192,692	0.5%
UVA	\$428,557,309	\$4,283,717	\$2,065,367	\$0	(\$1,178,806)	\$5,170,278	1.2%
UVAW	\$8,202,018	\$52,274	\$0	\$82,611	(\$11,776)	\$123,108	1.5%
VCU	\$343,941,014	\$2,846,841	\$0	\$1,931,869	(\$1,318,109)	\$3,460,601	1.0%
VMI	\$25,617,847	\$229,822	\$11,603	\$0	(\$105,763)	\$135,662	0.5%
VSU	\$40,351,274	\$419,537	\$134,344	\$56,408	(\$102,797)	\$507,493	1.3%
VT	\$401,249,494	\$5,163,268	\$1,879,494	\$1,028,525	(\$1,093,027)	\$6,978,260	1.7%
RBC	\$4,485,940	\$15,717	\$0	\$0	(\$17,134)	(\$1,416)	0.0%
VCCS	\$525,950,266	\$2,372,676	\$1,212,114	\$6,616,319	\$0	\$10,201,110	1.9%
TJ21 Initiatives						\$11,000,000	
<b>TOTAL</b>	<b>\$2,729,769,107</b>	<b>\$23,992,548</b>	<b>\$8,506,788</b>	<b>\$15,328,353</b>	<b>(\$8,992,067)</b>	<b>\$49,835,622</b>	<b>1.8%</b>

**Estimated FY2015 Total Recommended Incremental Funding for E&G Programs over FY2014 Total Appropriations**

	2013-14 Total Appropriations	Recommended Total Additional Funding in FY2015						
		Faculty Salary	O&M	Access & Retention	Tuition Moderation	Completion & Efficiency	Total Additions	% Change
CNU	\$59,735,022	\$840,785	\$0	\$311,485	\$0	\$518,080	\$1,670,350	2.8%
CWM	\$166,907,843	\$2,515,819	\$72,601	\$0	\$0	\$547,762	\$3,136,183	1.9%
GMU	\$423,481,625	\$5,675,230	\$2,098,800	\$0	\$0	\$2,289,171	\$10,063,202	2.4%
JMU	\$250,955,830	\$2,787,209	\$2,578,852	\$0	\$0	\$1,718,150	\$7,084,211	2.8%
LU	\$56,632,601	\$494,270	\$79,763	\$0	\$0	\$401,675	\$975,708	1.7%
NSU	\$74,501,909	\$310,515	\$0	\$1,933,745	\$0	\$471,674	\$2,715,934	3.6%
ODU	\$232,000,772	\$2,846,000	\$915,306	\$10,635,435	\$0	\$1,923,700	\$16,320,441	7.0%
RU	\$105,789,076	\$1,492,698	\$223,901	\$0	\$0	\$859,733	\$2,576,331	2.4%
UMW	\$61,265,758	\$823,612	\$505,500	\$0	\$0	\$477,588	\$1,806,699	2.9%
UVA	\$548,072,346	\$6,660,550	\$2,927,100	\$0	\$0	\$1,440,146	\$11,027,796	2.0%
UVAW	\$21,139,661	\$138,657	\$0	\$219,126	\$0	\$174,158	\$531,941	2.5%
VCU	\$498,830,651	\$5,636,787	\$0	\$3,817,923	\$0	\$2,354,696	\$11,809,406	2.4%
VMI	\$33,949,851	\$381,764	\$19,274	\$0	\$0	\$121,384	\$522,422	1.5%
VSU	\$70,518,513	\$787,125	\$237,560	\$105,831	\$0	\$372,202	\$1,502,718	2.1%
VT	\$541,782,117	\$8,663,201	\$3,153,514	\$1,728,614	\$0	\$2,394,496	\$15,939,824	2.9%
RBC	\$9,959,280	\$46,364	\$0	\$0	\$0	\$105,482	\$151,846	1.5%
VCCS	\$867,205,638	\$6,361,063	\$3,249,636	\$17,738,121	\$0	\$5,729,902	\$33,078,722	3.8%
TJ21							\$22,000,000	
<b>Total</b>	<b>\$4,022,728,493</b>	<b>\$46,461,649</b>	<b>\$16,061,807</b>	<b>\$36,490,280</b>	<b>\$0</b>	<b>\$21,900,000</b>	<b>\$142,913,737</b>	<b>3.6%</b>

# State Council of Higher Education for Virginia Agenda Item

**Item:** TJ21 Implementation Committee Item #4.1 – Action on 2014-16 Systemwide  
Capital Outlay Budget: Maintenance Reserve

**Date of Meeting:** October 28, 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:**

In 1982, following the Council's recommendations, the Commonwealth established the maintenance reserve program to provide funding for facility repairs that are not addressed in the institutions' operating budget and are usually too small to qualify for capital outlay funding. Examples of typical maintenance reserve projects are roof repair and replacement, boiler and chiller replacement, major electrical system upgrades, *etc.*

In order to make meaningful budget recommendations, in 1999 SCHEV staff developed a ten-year maintenance reserve funding formula using institutions' detailed information of the condition of their buildings and infrastructure assets such as the current replacement value and the deficiencies. 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 funding. The "Good" condition represents the dollar value of deficiencies is 5% or less of the current replacement value.

However, as resources are always limited, the Commonwealth has provided about \$65 million per year for the maintenance reserve program over the past ten years. The program funding has fallen far short of Council's recommendations. The cumulative shortfall grew to over \$501 million by 2011. While funding for deferred maintenance has lagged, the Commonwealth has provided two significant capital initiatives for new construction and major renovations at the public institutions through bond proceeds over the past ten years. This has helped improve the institutions' overall facility conditions. The Commonwealth changed the funding source for the program from the general fund to bond proceeds in FY2009. As a result, the state bond funding for new construction, renovation and deferred maintenance is constrained by the annual debt capacity.

Recognizing the Commonwealth's priority for new construction, but seeing the need for addressing an appropriate amount of deferred maintenance, SCHEV staff proposes to apply an annual capital renewal and reinvestment budget methodology commonly used in facility management for the SCHEV maintenance reserve recommendations for the 2014-16 biennium. The purpose of the capital reinvestment is to keep a facility in reliable operating condition for its present value and prevent further accumulation of deferred maintenance. The National Association of College and University Business Officers (NACUBO) recommends an annual capital reinvestment rate of between 1.5% and 3.5% of the present replacement value. The annual capital reinvestment rates set by the U.S. Government Accountability Office (GAO) vary from 1% for the U.S. Air Force to 4% for NASA.

The Commonwealth established the Facility Inventory and Condition Assessment System (FICAS) to standardize the assessment and reporting of all types of facilities for various programs in 2008. While the Commonwealth no longer funds the system centrally due to budget reductions, the institutions have continued to update their facility inventory and condition data annually. As the maintenance reserve program provides funding only for facilities used for Educational and General Programs (E&G), in late August, SCHEV staff asked institutions to identify each facility's percentage use of E&G programs in their FICAS database. After the September meeting, staff made a follow-up survey to institutions. The result showed that most institutions only provided building information to FICAS. Just four institutions included infrastructure information in their FICAS. Therefore staff suggests the funding recommendation should focus on buildings only for consistency. The following table shows the current total E&G building replacement value at each institution. SCHEV staff proposes to use a 1% annual reinvestment rate to derive the funding need for the maintenance reserve program in 2014-16 biennium. The estimated funding need is \$98,177,400 annually in the 2014-16 biennium.

**Materials Provided:**

- SCHEV 2014-16 Maintenance Reserve Funding Recommendation

**Financial Impact:** See attached table.

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

**Resolution:**

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

**SCHEV Funding Recommendation for the Maintenance Reserve Program  
in 2014-16 Biennium**

<b>Institution</b>	<b>E&amp;G Building Replacement Value<sup>1</sup></b>	<b>Annual Funding Need<sup>2</sup></b>
Christopher Newport University	\$257,368,063	\$2,573,600
College of William and Mary	\$659,989,889	\$6,599,800
George Mason University	\$571,106,918	\$5,711,000
James Madison University	\$703,400,060	\$7,034,000
Longwood University	\$194,840,689	\$1,948,400
Norfolk State University	\$244,942,197	\$2,449,400
Old Dominion University	\$374,803,980	\$3,748,000
Radford University	\$270,112,477	\$2,701,100
University of Mary Washington	\$101,584,721	\$1,015,800
University of Virginia	\$2,052,907,899	\$20,529,000
University of Virginia at Wise	\$81,121,079	\$811,200
Virginia Commonwealth University	\$918,443,640	\$9,184,400
Virginia Military Institute	\$427,671,085	\$4,276,700
Virginia State University	\$253,434,160	\$2,534,300
Virginia Tech <sup>3</sup>	\$1,137,040,555	\$11,370,400
Richard Bland College	\$54,776,224	\$547,700
Virginia Community College Sys	\$1,514,265,995	\$15,142,600
<b>Total</b>	<b>\$9,817,809,630</b>	<b>\$98,177,400</b>

Notes:

(1) Data sources are FICAS Replacement Value and SCHEV survey of Educational and General facilities, excluding infrastructure.

(2) Calculation is derived by 1% reinvestment rate.

(3) Replacement value contains E&G buildings on main campus only.

# State Council of Higher Education for Virginia Agenda Item

**Item:** TJ21Implementation Committee Item #4.2 – Action on 2014-16 Systemwide  
Capital Outlay Budget: New Capital Outlay

**Date of Meeting:** October 28, 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:** September 16, 2013

**Action:** Staff presented preliminary prioritization of institutions' capital outlay project requests to the council for discussion purposes.

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

The State Council of Higher Education (SCHEV), under authority of the Code of Virginia, evaluates the need among the Commonwealth's public institutions of higher education for new academic and administrative space under its Fixed Asset Guidelines. These guidelines also address the prioritization of requests for major renovations and capital improvements. Having developed a comprehensive data collection system which captures essential information related to the level and discipline of instructional activity, the size and condition of existing facilities and the productivity with which these facilities are used, SCHEV produces empirically based recommendations for the equitable distribution of financial resources among the colleges to support their primary missions of instruction, research and public service. The Council's capital outlay recommendations have long been regarded as an important source of impartial and objective analysis in the development of the Commonwealth's long-range fixed asset planning for higher education.

Higher education institutions requested a total of 373 capital outlay projects for 2014-2020. The requests included new construction, renovation, infrastructure improvements, land acquisition, and planning. Based on the Council's Fixed Assets Guidelines, staff reviewed 272 capital outlay project requests that have a general fund component for 2014-2020. Research-related projects account for \$750 million, or 9% of the total project costs. Projects for both E&G and research use account for \$1.6 billion, or 19% of the total project costs. Staff provided comments, assigned SCHEV priorities, and made recommendations in the following groups:

**Priority Group 1** – These are projects which are fully justified under the Council’s Fixed Asset Guidelines or which are considered critical to supporting the capital outlay needs of Virginia’s system of higher education. Also included in this group are requests for equipment of projects previously authorized by the General Assembly (Included in the resolution amount).

**Priority Group 1.B** – These are projects which address critical state wide capital outlay needs and which meet some but not all of the space and productivity criteria in the Council’s Fixed Asset Guidelines (Included in the resolution amount).

**Priority Group 2** – These are projects which meet one but not both of the space and productivity criteria in the Council’s Fixed Asset Guidelines (Not included in the resolution amount).

**Priority Group 3** – These are projects which do not meet either the space or productivity criteria in the Council’s Fixed Asset Guidelines but which have a compelling programmatic justification (Not included in the resolution amount).

**Priority Group 4** -- These are projects which SCHEV currently does not have guidelines for evaluation. They are deferred for further study (Not included in the resolution amount).

#### **Definition of 9(c) and 9(d) Debt**

Article X, Section 9 of the Constitution of Virginia outlines the Constitutional provisions for State debt. State debt can be divided into two broad categories according to restrictions in the Constitution:

- General Obligation Debt – Debt issued by the Commonwealth and supported by the full faith and credit of the State (Section 9(a), 9(b) and 9(c) debt): and
- Non-General Obligation Debt – Debt issued by Commonwealth agencies, institutions and authorities not supported by the full faith and credit of the State (Section 9(d) debt).

Section 9(c) Debt is long-term debt for revenue-producing capital projects. This debt is issued as “double-barrelled” bonds which are backed by both the net revenues of the projects and the full faith and credit of the Commonwealth. Net revenues derived from the projects are pledged and expected to provide for the payment of debt service. Issuance of 9(c) debt requires a two-thirds vote of each house of the General Assembly and certifications by the Governor that net revenues from the projects will be sufficient to meet both principal and interest payments on the debt. Section 9(c) bonds are issued through the Treasury Board. These bonds have largely replaced auxiliary enterprise debt issued directly by higher education institutions and backed by such projects as dorm revenues and the Department of the Transportation toll road bonds backed by toll revenues.

Section 9(d) Debt is considered to be non-general obligation debt of the Commonwealth because it is not backed by the full faith and credit of the

Commonwealth. The issuance of Section 9(d) bonds is authorized by general law. Such debt is repaid from a number of sources, including, appropriations of general and non-general fund revenues by the General Assembly, revenues of self-supporting enterprise systems, or payments from local governments.

**Materials Provided:**

SCHEV's Higher Education Capital Outlay Recommendations for 2014-2020

**Financial Impact:** The attachment shows SCHEV recommendation and priority by institution and project.

**SCHEV Capital Outlay Recommendations  
For Project Requests with a General Fund Component in 2014-2020**

**Table 1: Total Requested Funding by Fund and Priority Group**

Priority Group	General Fund	Nongeneral Funds	9(C) Debt	9(D) Debt	Total Requested Funding	Total Projects
Priority Group 1	\$2,295,830,196	\$1,465,000	\$0	\$413,756,675	\$2,711,051,871	82
Priority Group 1.B	\$874,692,572	\$1,962,000	\$0	\$16,490,250	\$893,144,822	62
<b>Included in Resolution</b>	<b>\$3,170,522,768</b>	<b>\$3,427,000</b>	<b>\$0</b>	<b>\$430,246,925</b>	<b>\$3,604,196,693</b>	<b>144</b>
Priority Group 2	\$2,535,918,144	\$89,371,000	\$0	\$318,667,000	\$2,943,956,144	65
Priority Group 3	\$1,506,909,700	\$58,875,500	\$0	\$167,765,250	\$1,733,550,450	59
Priority Group 4	\$78,449,000	\$0	\$4,200,000	\$0	\$82,649,000	4
<b>Not included in Resolution</b>	<b>\$4,121,276,844</b>	<b>\$148,246,500</b>	<b>\$4,200,000</b>	<b>\$486,432,250</b>	<b>\$4,760,155,594</b>	<b>128</b>
<b>Total Requests</b>	<b>\$7,291,799,612</b>	<b>\$151,673,500</b>	<b>\$4,200,000</b>	<b>\$916,679,175</b>	<b>\$8,364,352,287</b>	<b>272</b>

**Table 2: Total Requested Funding by Fund and Institution**

Inst	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt	Total Requested Funding	Total Projects
CNU	\$97,880,741	\$0	\$0	\$0	\$97,880,741	2
CWM	\$355,389,000	\$0	\$0	\$0	\$355,389,000	16
GMU	\$525,425,825	\$0	\$0	\$104,124,175	\$629,550,000	15
JMU	\$616,910,414	\$0	\$0	\$0	\$616,910,414	15
LU	\$156,561,000	\$0	\$0	\$5,666,000	\$162,227,000	17
NSU	\$261,516,000	\$12,100,000	\$4,200,000	\$0	\$277,816,000	10
ODU	\$516,376,000	\$0	\$0	\$4,572,000	\$520,948,000	15
RU	\$119,590,542	\$1,700,000	\$0	\$30,000,000	\$151,290,542	8
RBC	\$57,594,000	\$3,608,000	\$0	\$0	\$61,202,000	5
UMW	\$220,506,640	\$0	\$0	\$0	\$220,506,640	9
UVA	\$437,359,000	\$87,751,000	\$0	\$0	\$525,110,000	11
UVAW	\$43,440,000	\$100,000	\$0	\$0	\$43,540,000	2
VCU	\$995,193,000	\$0	\$0	\$524,527,000	\$1,519,720,000	28
VCCS	\$726,456,000	\$7,225,000	\$0	\$0	\$733,681,000	34
VMI	\$186,444,200	\$12,189,500	\$0	\$20,211,250	\$218,844,950	24
VSU	\$225,705,000	\$0	\$0	\$0	\$225,705,000	15
VT	\$1,749,452,250	\$27,000,000	\$0	\$227,578,750	\$2,004,031,000	46
<b>Total</b>	<b>\$7,291,799,612</b>	<b>\$151,673,500</b>	<b>\$4,200,000</b>	<b>\$916,679,175</b>	<b>\$8,364,352,287</b>	<b>272</b>

**Table 3: Total General Fund Requests by Institution and Priority Group**

<b>Inst</b>	<b>Priority 1</b>	<b>Priority 1.B</b>	<b>Priority 2</b>	<b>Priority 3</b>	<b>Priority 4</b>	<b>Total GF Request</b>
CNU	\$46,747,590	\$0	\$51,133,151	\$0	\$0	\$97,880,741
CWM	\$7,695,000	\$183,500,000	\$52,322,000	\$111,872,000	\$0	\$355,389,000
GMU	\$480,225,825	\$0	\$0	\$45,200,000	\$0	\$525,425,825
JMU	\$210,127,139	\$41,945,882	\$364,837,393	\$0	\$0	\$616,910,414
LU	\$1,441,000	\$25,067,000	\$72,190,000	\$57,863,000	\$0	\$156,561,000
NSU	\$53,216,000	\$13,900,000	\$59,400,000	\$125,200,000	\$9,800,000	\$261,516,000
ODU	\$200,071,000	\$25,395,000	\$290,910,000	\$0	\$0	\$516,376,000
RU	\$35,087,442	\$15,544,200	\$68,958,900	\$0	\$0	\$119,590,542
RBC	\$1,500,000	\$595,000	\$0	\$55,499,000	\$0	\$57,594,000
UMW	\$26,960,000	\$40,172,840	\$41,343,000	\$112,030,800	\$0	\$220,506,640
UVA	\$119,500,000	\$13,207,000	\$280,500,000	\$24,152,000	\$0	\$437,359,000
UVAW	\$0	\$0	\$43,440,000	\$0	\$0	\$43,440,000
VCU	\$462,935,000	\$0	\$472,258,000	\$60,000,000	\$0	\$995,193,000
VCCS	\$431,530,000	\$169,118,000	\$28,584,000	\$97,224,000	\$0	\$726,456,000
VMI	\$31,475,700	\$95,959,650	\$6,207,700	\$52,801,150	\$0	\$186,444,200
VSU	\$10,136,000	\$104,209,000	\$37,000,000	\$74,360,000	\$0	\$225,705,000
VT	\$177,182,500	\$146,079,000	\$666,834,000	\$690,707,750	\$68,649,000	\$1,749,452,250
<b>Total</b>	<b>\$2,295,830,196</b>	<b>\$874,692,572</b>	<b>\$2,535,918,144</b>	<b>\$1,506,909,700</b>	<b>\$78,449,000</b>	<b>\$7,291,799,612</b>

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

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

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
Christopher Newport University	Construct Library Phase II	This project is authorized for detailed planning in Chapter 806, 2013.	1	\$46,747,590	\$46,747,590	\$0	\$0	\$0
Christopher Newport University	Construct and Renovate Fine Arts and Rehearsal Space	Preplanning is authorized for this project in Chapter 806, 2013. The campus has surplus in E&G space and does not meet SCHEV productivity standards.	2	\$51,133,151	\$51,133,151	\$0	\$0	\$0
College of William and Mary	Renovate Tyler Hall	This request is for equipment. The project is authorized for detailed planning in Chapter 806, 2013	1	\$16,364,000	\$1,195,000	\$0	\$0	\$0
College of William and Mary	Construct: Population Lab	The campus has a deficit of 31,611 sqft in research space.	1	\$6,500,000	\$6,500,000	\$0	\$0	\$0
College of William and Mary	Construct: West Utility Plant	The campus current cooling plant is overloaded.	1.B	\$19,700,000	\$19,700,000	\$0	\$0	\$0
College of William and Mary	Construct: Sanitary Sewer	This project addresses critical infrastructure needs.	1.B	\$3,000,000	\$3,000,000	\$0	\$0	\$0
College of William and Mary	Improve: Blow Hall Exterior Envelope	This project addresses critical infrastructure needs.	1.B	\$5,400,000	\$5,400,000	\$0	\$0	\$0
College of William and Mary	Construct: Facilities Maintenance Shops	This project addresses critical infrastructure needs.	1.B	\$17,000,000	\$17,000,000	\$0	\$0	\$0
College of William and Mary	Renovate: Ewell Hall	This project addresses critical infrastructure needs.	1.B	\$21,600,000	\$21,600,000	\$0	\$0	\$0
College of William and Mary	Renovate: Morton Hall	The campus has surplus in E&G space. But this project addresses critical life safety issues.	1.B	\$28,800,000	\$28,800,000	\$0	\$0	\$0
College of William and Mary	Renovate: Hugh Jones Hall	The campus has surplus in E&G space. But this project addresses critical life safety issues.	1.B	\$30,400,000	\$30,400,000	\$0	\$0	\$0
College of William and Mary	Renovate: Adair Hall	The campus has surplus in E&G space. But this project addresses critical life safety issues.	1.B	\$31,600,000	\$31,600,000	\$0	\$0	\$0
College of William and Mary	Renovate: Washington Hall	The campus has surplus in E&G space. But this project addresses critical life safety issues.	1.B	\$26,000,000	\$26,000,000	\$0	\$0	\$0
College of William and Mary	Construct: Fine and Performing Arts Complex, Phase 1	This project is included in the Commonwealth six-year plan, Chapter 309. The campus has surplus in instructional space.	2	\$52,322,000	\$52,322,000	\$0	\$0	\$0
College of William and Mary	Plan: IT Data Center	The campus has surplus in E&G space and does not meet SCHEV productivity standards.	3	\$250,000	\$250,000	\$0	\$0	\$0
College of William and Mary	Construct: Fine and Performing Arts Complex, Phase 2	The campus has surplus in E&G space and does not meet SCHEV productivity standards.	3	\$59,522,000	\$59,522,000	\$0	\$0	\$0
College of William and Mary	Construct: IT Data Center	The campus has surplus in E&G space and does not meet SCHEV productivity standards.	3	\$20,000,000	\$20,000,000	\$0	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
College of William and Mary	Construct: Fine and Performing Arts Complex, Phase 3	The campus has surplus in E&G space and does not meet SCHEV productivity standards.	3	\$32,100,000	\$32,100,000	\$0	\$0	\$0
George Mason University	Expand the Central Utility Plan, Fairfax Campus	This request is for equipment of a previously authorized project.	1	\$175,000	\$175,000	\$0	\$0	\$0
George Mason University	Construct Academic VII / Research III, Phase I	This request is for furnishing and equipment of the project authorized for detailed planning in Chapter 806, 2013.	1	\$8,002,000	\$8,002,000	\$0	\$0	\$0
George Mason University	Construct Life Sciences Lab Building, Prince William	This request is for furnishing and equipment of the project authorized for detailed planning in Chapter 806, 2013.	1	\$4,560,000	\$4,560,000	\$0	\$0	\$0
George Mason University	Renovate Robinson Hall and Harris Theater (Phased)	This request is to change the project in the Commonwealth six-year plan, Chapter 309 from renovation to demolition and new construction. The campus has a deficit in instructional space and met SCHEV productivity standards.	1	\$98,504,000	\$95,955,000	\$0	\$0	\$2,549,000
George Mason University	Improvements to Utility Distribution Infrastructure - Fairfax	This project addresses energy efficiency issues.	1	\$45,234,000	\$45,234,000	\$0	\$0	\$0
George Mason University	Renovate Campus Library, Phase II	This project was recommended as SCHEV Priority 1 in 2011	1	\$40,300,000	\$40,300,000	\$0	\$0	\$0
George Mason University	Construct Housing VIII	The request is for general fund supplement of a previous authorized project.	1	\$15,661,000	\$15,661,000	\$0	\$0	\$0
George Mason University	Improvements to Telecommunications Infrastructure	This projet is included in the Commonwealth six-year plan, Chapter 309. It addresses critical telecommunication infrastructure issues.	1	\$7,758,000	\$7,758,000	\$0	\$0	\$0
George Mason University	Renovate Science & Tech I	This project was recommended as SCHEV Priority 1 in 2011	1	\$43,682,000	\$43,682,000	\$0	\$0	\$0
George Mason University	Renovate King Hall & Construct New Addition	This facility has an FCI=51%. This project includes additional 60,000 sqft of E&G space. After Academic VIII/Resaerch IV construction, the campus still has a deficit of 65,000 sqft in instructional space. This project is space justified.	1	\$66,727,000	\$56,443,825	\$0	\$0	\$10,283,175
George Mason University	Renovate Johnson Center, Learning Commons and Dining Phases 2&3	This project was recommended as SCHEV Priority 1 in 2011	1	\$26,095,000	\$5,000,000	\$0	\$0	\$21,095,000

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
George Mason University	Construct Facilities Complex, Fairfax Campus	This project retitles the project of "Physical Plant Addition" in the Commonwealth six-year plan, Chapter 309. The campus has a deficit in plant space and met SCHEV productivity standards.	1	\$43,379,000	\$43,379,000	\$0	\$0	\$0
George Mason University	Construct Academic VIII / Research IV	The campus had a deficit of 136,079 sqft in instructional space and 88,875 sqft in research space and met SCHEV productivity standards. The project has a 50/50 space use between E&G and research.	1	\$126,164,000	\$70,967,000	\$0	\$0	\$55,197,000
George Mason University	Renovate Enterprise Hall	The facility has an FCI=33%. The campus has a deficit in instructioanl space and met SCHEV productivity standards.	1	\$43,109,000	\$43,109,000	\$0	\$0	\$0
George Mason University	Construct Prince William Academic/Research IV Building	The campus had a surplus in instructional and research space and does not meet SCHEV productivity standards.	3	\$60,200,000	\$45,200,000	\$0	\$0	\$15,000,000
James Madison University	Health & Engineering Academic Facility - East Tower Replacement	The project is authorized for detailed planning in Chapter 806, 2013.	1	\$67,959,434	\$57,451,908	\$0	\$0	\$0
James Madison University	Renovate and Expand Carrier Library	The campus is short of library space based on two studies using different guidelines. The current building is not sufficient to support both library operations and educational technology services.	1	\$98,234,076	\$98,234,076	\$0	\$0	\$0
James Madison University	Improve Storm & Surface Water Infrastructure - Phase 2	This project addresses critical infrastructure needs.	1	\$30,609,447	\$30,609,447	\$0	\$0	\$0
James Madison University	Cancer Center Renovation	Preplanning is authorized for this project in Chapter 806, 2013. The building used to be a medical facility and needs reconfiguration and renovation in order to be utilized for instruction.	1	\$29,813,761	\$23,831,708	\$0	\$0	\$0
James Madison University	Jackson Hall Renovation	This project was recommended as SCHEV Priority 1.B in 2011. The facility has an FCI=34%.	1.B	\$11,787,316	\$11,787,316	\$0	\$0	\$0
James Madison University	Wilson Hall Renovation	The campus has a surplus in E&G space but met SCHEV productivity standards. The facility has an FCI=25%. The facility is a swing space for Jackson Hall project.	1.B	\$30,558,566	\$30,158,566	\$0	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
James Madison University	Renovate Johnston Hall	The campus has a surplus in E&G space but met SCHEV productivity standards. The facility has an FCI=38%	2	\$20,522,749	\$20,522,749	\$0	\$0	\$0
James Madison University	College of Business	The campus has a surplus in E&G space but met SCHEV productivity standards.	2	\$89,453,688	\$89,453,688	\$0	\$0	\$0
James Madison University	Renovate Keezell Hall	The campus has a surplus in E&G space but met SCHEV productivity standards. The facility has an FCI=29%	2	\$24,215,834	\$24,215,834	\$0	\$0	\$0
James Madison University	Renovate Burress Hall	The facility which once housed nursing and biology departments had specialized labs that need space reconfiguration so that other academic programs can use.	2	\$51,103,289	\$51,103,289	\$0	\$0	\$0
James Madison University	Renovate Roop Hall	The campus has a surplus in E&G space but met SCHEV productivity standards. The facility has an FCI=22%	2	\$45,910,650	\$45,910,650	\$0	\$0	\$0
James Madison University	Renovate Moody Hall	This project addresses life safety issues and replace electrical, mechanical, plumbing and	2	\$17,824,721	\$17,824,721	\$0	\$0	\$0
James Madison University	Renovate Sheldon Hall	The campus has a surplus in E&G space but met SCHEV productivity standards. The facility has an FCI=24%	2	\$16,413,130	\$16,413,130	\$0	\$0	\$0
James Madison University	East Tower Expansion	The campus has a surplus in E&G space but met SCHEV productivity standards.	2	\$69,923,985	\$69,923,985	\$0	\$0	\$0
James Madison University	Renovate Cleveland Hall	The campus has a surplus in E&G space but met SCHEV productivity standards. The facility has an FCI=23%	2	\$29,469,347	\$29,469,347	\$0	\$0	\$0
Longwood University	Construct University Technology Center	This request is for equipment of a previously authorized project.	1	\$590,000	\$590,000	\$0	\$0	\$0
Longwood University	Construct Student Success Center	This request is for furnishing and equipment of the project authorized for detailed planning in Chapter 806, 2013.	1	\$851,000	\$851,000	\$0	\$0	\$0
Longwood University	Renovate Lankford Building	The project addresses system replacements of HVAC, plumbing, eletrical and fire detection/alarm, and adds a sprinkler system. The facility has an FCI=96%.	1.B	\$17,242,000	\$14,483,000	\$0	\$0	\$2,759,000
Longwood University	Improvements: Campus-Wide Building Efficiency	This project was recommended as SCHEV Priority 1.B in 2011	1.B	\$6,904,000	\$4,694,000	\$0	\$0	\$2,210,000

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
Longwood University	Construct New University Police Dispatch Center	This project was recommended as SCHEV Priority 1.B in 2011	1.B	\$1,803,000	\$1,803,000	\$0	\$0	\$0
Longwood University	Construct Campus-Wide Stormwater Management System	This project addresses critical infrastructure issues.	1.B	\$3,517,000	\$3,517,000	\$0	\$0	\$0
Longwood University	Renovate Heating Plant Facility	This project is listed in Chapter 309 but not funded. It addresses energy efficiency issues.	1.B	\$25,052,000	\$570,000	\$0	\$0	\$697,000
Longwood University	Construct New Academic Building	Preplanning is authorized for this project in Chapter 806, 2013. The campus has surplus in E&G space and does not meet SCHEV productivity standards.	2	\$24,446,000	\$24,446,000	\$0	\$0	\$0
Longwood University	Construct Admissions Office	Preplanning is authorized for this project in Chapter 806, 2013. The campus has surplus in E&G space and does not meet SCHEV productivity standards.	2	\$9,887,000	\$9,887,000	\$0	\$0	\$0
Longwood University	Construct New Physical Plant Building	This project is included in the Commonwealth six-year plan, Chapter 309. The campus has surplus in E&G space and does not meet SCHEV productivity standards.	2	\$30,333,000	\$30,333,000	\$0	\$0	\$0
Longwood University	Renovate South Tabb Hall	The facility has historic values as it is the oldest building on campus. It is currently vacant and will house the College of Graduate and Professional Studies after renovation. The facility has an FCI=68%.	2	\$6,794,000	\$6,794,000	\$0	\$0	\$0
Longwood University	Renovate Wygal Hall	This project is in the Commonwealth six-year plan, Chapter 309. The campus has surplus in E&G space and does not meet SCHEV productivity standards.	2	\$11,591,000	\$730,000	\$0	\$0	\$0
Longwood University	Renovate Greenwood Library Building	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=52%.	3	\$25,392,000	\$22,936,000	\$0	\$0	\$0
Longwood University	Renovate Coyner Hall	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=89%.	3	\$6,028,000	\$5,267,000	\$0	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
Longwood University	Construct Performing Arts Center	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$28,389,000	\$28,389,000	\$0	\$0	\$0
Longwood University	Expand and Renovate Bristow Building	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=62%.	3	\$12,850,000	\$661,000	\$0	\$0	\$0
Longwood University	Construct Multipurpose Center	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$54,369,000	\$610,000	\$0	\$0	\$0
Norfolk State University	Replace Brown Hall	The request is for furnishing and equipment of the project authorized for detailed planning in Chapter 806, 2013.	1	\$52,758,000	\$3,016,000	\$0	\$0	\$0
Norfolk State University	Replacement of the Hamm Fine Arts Building	This project was recommended as SCHEV Priority 1 in 2011	1	\$50,200,000	\$50,200,000	\$0	\$0	\$0
Norfolk State University	Improve Wayfinding, Vehicular Circulation and Campus Boundary	This project addresses critical infrastructure needs.	1.B	\$13,900,000	\$13,900,000	\$0	\$0	\$0
Norfolk State University	Construct New Science Building	This project is included in the Commonwealth six-year plan, Chapter 309. The campus has surplus in instructional space and does not meet SCHEV productivity	2	\$59,400,000	\$59,400,000	\$0	\$0	\$0
Norfolk State University	Construct Multipurpose Center	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$62,200,000	\$62,200,000	\$0	\$0	\$0
Norfolk State University	Renovate Echols Hall	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=9%.	3	\$9,600,000	\$6,700,000	\$2,900,000	\$0	\$0
Norfolk State University	Renovate and Expand Brambleton Center	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=16%.	3	\$5,700,000	\$5,700,000	\$0	\$0	\$0
Norfolk State University	Renovate Phyllis Wheatley Building	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=20%.	3	\$22,900,000	\$13,700,000	\$9,200,000	\$0	\$0
Norfolk State University	Construct New Business School and General Classroom Building	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$36,900,000	\$36,900,000	\$0	\$0	\$0
Norfolk State University	Acquire Property for Future Use	Recommendations on this nonguideline request were deferred for further study in 2011	4	\$14,000,000	\$9,800,000	\$0	\$4,200,000	\$0
Old Dominion University	Fund New Education Building Equipment	This request is for equipment of the project authorized for detailed planning in Chapter 806, 2013.	1	\$45,977,000	\$1,448,000	\$0	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
Old Dominion University	Construct a Joint Policing Facility	This request is for equipment of the project authorized for detailed planning in Chapter 806, 2013.	1	\$12,102,000	\$7,821,000	\$0	\$0	\$0
Old Dominion University	Construct a New Chemistry Building	This project was recommended as SCHEV Priority 1 in 2011	1	\$70,969,000	\$70,969,000	\$0	\$0	\$0
Old Dominion University	Improve Campus Security, ADA and Other Regulatory Compliance	This project was recommended as SCHEV Priority 1 in 2011	1	\$4,842,000	\$4,842,000	\$0	\$0	\$0
Old Dominion University	Construct a New Biology Building	The campus has a deficit of 117,810 qsft in instructional space and met SCHEV productivity standards.	1	\$75,146,000	\$75,146,000	\$0	\$0	\$0
Old Dominion University	Construct a New Facilities Support Building	This project is included in the Commonwealth six-year plan, Chapter 309. The campus has a deficit of 27,648 sqft in plant space.	1	\$39,845,000	\$39,845,000	\$0	\$0	\$0
Old Dominion University	Improve Stormwater Management, Phase I	This project addresses critical infrastructure needs	1.B	\$426,000	\$426,000	\$0	\$0	\$0
Old Dominion University	Renovate the Godwin Life Sciences Building	This project was recommended as SCHEV Priority 1.B in 2011	1.B	\$24,184,000	\$24,184,000	\$0	\$0	\$0
Old Dominion University	Improve Stormwater Management, Phase II	This project addresses critical infrastructure needs	1.B	\$785,000	\$785,000	\$0	\$0	\$0
Old Dominion University	Construct a Student Services Building	The planned new chemistry and biology buildings have used up the additional space need. This project has zero space justified but the campus met SCHEV productivity standards.	2	\$62,763,000	\$58,191,000	\$0	\$0	\$4,572,000
Old Dominion University	Construct a New Administration Building	The planned new chemistry and biology buildings have used up the additional space need. This project has zero space justified but the campus met SCHEV productivity standards.	2	\$30,079,000	\$30,079,000	\$0	\$0	\$0
Old Dominion University	Construct a New Health Sciences Building	The planned new chemistry and biology buildings have used up the additional space need. This project has zero space justified but the campus met SCHEV productivity standards.	2	\$92,696,000	\$92,696,000	\$0	\$0	\$0
Old Dominion University	Expand School of Business, Phase II	The planned new chemistry and biology buildings have used up the additional space need. This project has zero space justified but the campus met SCHEV productivity standards.	2	\$29,916,000	\$29,916,000	\$0	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
Old Dominion University	Construct a New Performance Hall	The planned new chemistry and biology buildings have used up the additional space need. This project has zero space justified but the campus met SCHEV productivity standards.	2	\$70,948,000	\$70,948,000	\$0	\$0	\$0
Old Dominion University	Expand the Perry Library Learning Commons	The campus is short of learning commons-style space in this library, especially with increased graduate enrollment.	2	\$9,080,000	\$9,080,000	\$0	\$0	\$0
Radford University	Whitt Hall Renovation	This project is authorized for detailed planning in Chapter 806, 2013.	1	\$6,283,642	\$6,283,642	\$0	\$0	\$0
Radford University	Renovate Curie Hall	This project is included in the Commonwealth six-year plan, Chapter 309. The campus has surplus in E&G space but met SCHEV productivity standards. The facility has an FCI=39%	1	\$28,803,800	\$28,803,800	\$0	\$0	\$0
Radford University	Renovate McConnell Hall (1965 Addition)	This project addresses energy efficiency issues.	1.B	\$12,044,200	\$12,044,200	\$0	\$0	\$0
Radford University	Improve Campus Security Infrastructure	This project addresses critical infrastructure needs.	1.B	\$3,500,000	\$3,500,000	\$0	\$0	\$0
Radford University	Porterfield Hall Renovation and Addition	This project includes additional 12,000 sqft E&G space. The campus has a surplus in E&G space but met SCHEV productivity standards. The facility has an FCI=70%	2	\$22,958,900	\$22,958,900	\$0	\$0	\$0
Radford University	Construct Student Success Center	The campus has a surplus in E&G space but met SCHEV productivity standards.	2	\$13,700,000	\$12,000,000	\$1,700,000	\$0	\$0
Radford University	Construct Main Campus Data and Records Center	The campus has a surplus in E&G space but met SCHEV productivity standards.	2	\$4,000,000	\$4,000,000	\$0	\$0	\$0
Radford University	Construct University Convocation Center	The campus has a surplus in E&G space but met SCHEV productivity standards.	2	\$60,000,000	\$30,000,000	\$0	\$0	\$30,000,000
Richard Bland College	Equipment - Ernst Hall Renovation	This request is for equipment of the project authorized for detailed planning in Chapter 806, 2013.	1	\$11,932,000	\$1,500,000	\$0	\$0	\$0
Richard Bland College	Renovate Humanites and Social Sciences Building	This project was recommended as SCHEV Priority 1.B in 2011	1.B	\$595,000	\$595,000	\$0	\$0	\$0
Richard Bland College	Construct Academic Innovation and Resource Center	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$23,300,000	\$23,300,000	\$0	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
Richard Bland College	Renovation and Conversion of Library/Student Center Building	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. This facility underwent renovation in 2006 and 2012.	3	\$13,094,000	\$9,486,000	\$3,608,000	\$0	\$0
Richard Bland College	Construct Classroom and Auditorium Building	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$22,713,000	\$22,713,000	\$0	\$0	\$0
University of Mary Washington	Dahlgren Campus Phase II	This campus is newly created by the General Assembly and expects to help King George county economic development and civilian employees and contractors of the nearby the naval base taking classes without going to the base.	1	\$26,960,000	\$26,960,000	\$0	\$0	\$0
University of Mary Washington	Renovate Seacobeck Hall	This project addresses critical infrastructure needs.	1.B	\$25,075,120	\$25,075,120	\$0	\$0	\$0
University of Mary Washington	Improvements to Gari Melcher's Museum	This project addresses critical infrastructure needs.	1.B	\$3,510,420	\$3,510,420	\$0	\$0	\$0
University of Mary Washington	Repair/replace underground utilities	This project is included in the Commonwealth six-year plan, Chapter 309. The project addresses critical infrastructure needs.	1.B	\$6,975,000	\$6,975,000	\$0	\$0	\$0
University of Mary Washington	Install university card access system	This project is included in the Commonwealth six-year plan, Chapter 309. The project addresses critical life safety issues.	1.B	\$4,612,300	\$4,612,300	\$0	\$0	\$0
University of Mary Washington	Construct Jepson Science Center addition	This project is included in the Commonwealth six-year plan, Chapter 309. The campus has surplus in E&G space and does not meet SCHEV productivity standards.	2	\$41,343,000	\$41,343,000	\$0	\$0	\$0
University of Mary Washington	Renovate Simpson Library	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=41%.	3	\$19,577,500	\$19,577,500	\$0	\$0	\$0
University of Mary Washington	Renovate George Washington Hall	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=62%.	3	\$35,498,000	\$35,498,000	\$0	\$0	\$0
University of Mary Washington	College of Graduate and Professional Studies Building 3	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$56,955,300	\$56,955,300	\$0	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
University of Virginia	Alderman Library Renewal	This facility is the university's main library and has an FCI-24.7%. The project addresses critical infrastructure and life safety issues, and enhance technology capability.	1	\$120,000,000	\$119,500,000	\$500,000	\$0	\$0
University of Virginia	Main Heat Plant Biomass	This project addresses energy efficiency issues.	1.B	\$2,600,000	\$1,650,000	\$950,000	\$0	\$0
University of Virginia	Science/Engineering Plant Expansion: AFC Chiller #6	This project addresses energy efficiency issues.	1.B	\$6,650,000	\$6,318,000	\$332,000	\$0	\$0
University of Virginia	North Grounds to Old Ivy Ductbank	This project addresses critical infrastructure needs	1.B	\$5,600,000	\$5,239,000	\$361,000	\$0	\$0
University of Virginia	Renovate Gilmer Hall and Chemistry Building - Construction Phase	Preplanning is authorized for this project in Chapter 806, 2013. The campus has surplus in E&G space and does not meet SCHEV productivity standards.	2	\$134,000,000	\$134,000,000	\$0	\$0	\$0
University of Virginia	Science and Engineering Teaching and Research Facility	The institution plans to increase enrollment and courses in STEM disciplines. This facility will support the increased activities of collaborative learning and research across multiple schools.	2	\$147,290,000	\$66,450,000	\$80,840,000	\$0	\$0
University of Virginia	Physics Building Renewal	The configuration of the teaching labs and the technology components in this facility are ill-situated for today's research and instruction.	2	\$35,000,000	\$34,570,000	\$430,000	\$0	\$0
University of Virginia	Thornton Hall D-Wing and B-Wing Renovation	The configuration of the teaching labs and the technology components in this facility are ill-situated for today's research and instruction. And the facility needs updates of mechanical and eletrical systems and energy improvements.	2	\$27,340,000	\$26,980,000	\$360,000	\$0	\$0
University of Virginia	Rugby Administrative Building	This project is included in the Commonwealth six-year plan, Chapter 309. The campus has surplus in E&G space.	2	\$18,500,000	\$18,500,000	\$0	\$0	\$0
University of Virginia	Fiske Kimball Fine Arts Library	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$18,710,000	\$18,500,000	\$210,000	\$0	\$0
University of Virginia	Expand Cavalier Substation	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$9,420,000	\$5,652,000	\$3,768,000	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
UVA's College at Wise	Wyllie Library Conversion	This project is included in the Commonwealth six-year plan, Chapter 309. The campus has surplus in E&G space.	2	\$8,700,000	\$8,600,000	\$100,000	\$0	\$0
UVA's College at Wise	Proscenium Theatre	This project is included in the Commonwealth six-year plan, Chapter 309. The campus has surplus in E&G space.	2	\$34,840,000	\$34,840,000	\$0	\$0	\$0
Virginia Commonwealth University	Information Commons Equipment Request	This request is for equipment of the project authorized for detailed planning in Chapter 806, 2013..	1	\$52,415,563	\$4,860,000	\$0	\$0	\$0
Virginia Commonwealth University	VTCC Replacement Facility Equipment Request	This request is for equipment of a previously authorized project.	1	\$56,000,000	\$4,000,000	\$0	\$0	\$0
Virginia Commonwealth University	Renovate Sanger Hall, Phase II	This project is authorized for detailed planning in Chapter 806, 2013.	1	\$24,309,000	\$17,554,000	\$0	\$0	\$6,755,000
Virginia Commonwealth University	Renovate Raleigh Building	This project is authorized for detailed planning in Chapter 806, 2013.	1	\$8,421,000	\$8,421,000	\$0	\$0	\$0
Virginia Commonwealth University	Construct School of Allied Health Professions Building	The campus has a deficit of 116,503 sqft in instructional space and met SCHEV productivity standards. The new facility will add 14,379 sqft.	1	\$60,000,000	\$60,000,000	\$0	\$0	\$0
Virginia Commonwealth University	STEM-H1 Building (Biotech Block)	The campus has deficit of 362,901 in research space. The project will add 81,900 sqft.	1	\$83,600,000	\$41,800,000	\$0	\$0	\$41,800,000
Virginia Commonwealth University	STEM Research Building	The campus has a deficit of 116,503 sqft in instructional space and met SCHEV productivity standards. The new facility will add 48,360 sqft.	1	\$72,000,000	\$54,000,000	\$0	\$0	\$18,000,000
Virginia Commonwealth University	School of Education Building	The campus has a deficit of 116,503 sqft in instructional space and met SCHEV productivity standards. The new facility will add 81,250 sqft.	1	\$50,000,000	\$50,000,000	\$0	\$0	\$0
Virginia Commonwealth University	STEM-H2 Building (Biotech Block)	The campus has deficit of 362,901 in research space. The project will add 29,640 sqft.	1	\$83,600,000	\$41,800,000	\$0	\$0	\$41,800,000
Virginia Commonwealth University	Renovate Oliver Hall Education Wing	This project is in the Commonwealth six-year plan, Chapter 309. The campus has a deficit of instructional space. The facility has an FCI=41%.	1	\$33,500,000	\$33,500,000	\$0	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
Virginia Commonwealth University	College of Humanities and Sciences	The campus has a deficit of 116,503 sqft in instructional space and met SCHEV productivity standards. The new facility will add 39,000 sqft.	1	\$24,000,000	\$24,000,000	\$0	\$0	\$0
Virginia Commonwealth University	Life Sciences II	This project was recommended as SCHEV Priority 1 in 2011	1	\$65,000,000	\$32,500,000	\$0	\$0	\$32,500,000
Virginia Commonwealth University	Research Building (Public Safety Block)	The campus has deficit of 362,901 in research space. The project will add 79,560 sqft.	1	\$73,400,000	\$36,700,000	\$0	\$0	\$36,700,000
Virginia Commonwealth University	Research Building (Low Rise Block)	The campus has deficit of 362,901 in research space. The project will add 38,811 sqft.	1	\$107,600,000	\$53,800,000	\$0	\$0	\$53,800,000
Virginia Commonwealth University	West Hospital Renovation	The campus has exhausted additional space need for E&G but met SCHEV productivity standards. This facility has an FCI=55%. The project addresses building code and functional requirements.	2	\$35,000,000	\$35,000,000	\$0	\$0	\$0
Virginia Commonwealth University	New School of Pharmacy Building	The campus has exhausted additional space need for E&G but met SCHEV productivity standards.	2	\$140,000,000	\$70,000,000	\$0	\$0	\$70,000,000
Virginia Commonwealth University	Academic Building 1 - 500 Centre Block	The campus has exhausted additional space need for E&G but met SCHEV productivity standards.	2	\$16,000,000	\$16,000,000	\$0	\$0	\$0
Virginia Commonwealth University	School of Dentistry Addition	The campus has exhausted additional space need for E&G but met SCHEV productivity standards.	2	\$25,000,000	\$12,500,000	\$0	\$0	\$12,500,000
Virginia Commonwealth University	School of Dentistry Renovation - Wood and Lyons	The campus has exhausted additional space need for E&G but met SCHEV productivity standards. This facility has an FCI=46%.	2	\$60,000,000	\$30,000,000	\$0	\$0	\$30,000,000
Virginia Commonwealth University	School of Engineering - East	The campus has exhausted additional space need for E&G but met SCHEV productivity standards.	2	\$71,530,000	\$71,530,000	\$0	\$0	\$0
Virginia Commonwealth University	Oliver Hall Expansion	The campus has exhausted additional space need for E&G but met SCHEV productivity standards.	2	\$17,000,000	\$17,000,000	\$0	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
Virginia Commonwealth University	Classroom Building	This project is included in the Commonwealth six-year plan, Chapter 309. The campus has exhausted additional space need for E&G but met SCHEV productivity standards.	2	\$53,000,000	\$53,000,000	\$0	\$0	\$0
Virginia Commonwealth University	Academic Building 2 - 500 Centre Block	The campus has exhausted additional space need for E&G but met SCHEV productivity standards.	2	\$14,000,000	\$14,000,000	\$0	\$0	\$0
Virginia Commonwealth University	Founders Hall Renovation	The campus has exhausted additional space need for E&G but met SCHEV productivity standards. This facility has an FCI=51%.	2	\$3,500,000	\$3,500,000	\$0	\$0	\$0
Virginia Commonwealth University	Singleton Center Renovation	The campus has exhausted additional space need for E&G but met SCHEV productivity standards. This facility has an FCI=38%.	2	\$17,000,000	\$17,000,000	\$0	\$0	\$0
Virginia Commonwealth University	Replacement of West Hospital	The campus has exhausted additional space need for E&G but met SCHEV productivity standards.	2	\$226,000,000	\$113,000,000	\$0	\$0	\$113,000,000
Virginia Commonwealth University	Sanger Hall Renovations, Phase III	The campus has exhausted additional space need for E&G but met SCHEV productivity standards. This facility has an FCI=46%.	2	\$27,400,000	\$19,728,000	\$0	\$0	\$7,672,000
Virginia Commonwealth University	Research Building - Biotech Block	The campus has exhausted additional space need for research.	3	\$120,000,000	\$60,000,000	\$0	\$0	\$60,000,000
Virginia Community College System	Construct Phase III Academic Building, John Tyler	This request is for equipment funding of the project authorized for detailed planning in Chapter 806, 2013.	1	\$2,590,000	\$2,590,000	\$0	\$0	\$0
Virginia Community College System	Renovate Bayside Building, Virginia Beach Campus, Tidewater	This request is for equipment funding of the project authorized for detailed planning in Chapter 806, 2013.	1	\$2,884,000	\$2,884,000	\$0	\$0	\$0
Virginia Community College System	Construct New Classroom and Administration Building, Blue Ridge	This request is for equipment funding of the project authorized for detailed planning in Chapter 806, 2013.	1	\$1,000,000	\$1,000,000	\$0	\$0	\$0
Virginia Community College System	Renovate Building B, Parham Road Campus, J. Saregenat Reynolds	This request is for equipment funding of the project authorized for detailed planning in Chapter 806, 2013.	1	\$372,000	\$372,000	\$0	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
Virginia Community College System	Renovate Reynolds Academic Building, Loudoun Campus, Northern Virginia	This request is for equipment funding of the project authorized for detailed planning in Chapter 806, 2013.	1	\$1,500,000	\$1,500,000	\$0	\$0	\$0
Virginia Community College System	Acquire/Construct Motorsports/Workforce Development Center, Patrick Heny	This request is for equipment funding of the project authorized for detailed planning in Chapter 806, 2013.	1	\$1,500,000	\$1,500,000	\$0	\$0	\$0
Virginia Community College System	Renovate Anderson Hall, Virginia Western	This request is for equipment funding of the project authorized for detailed planning in Chapter 806, 2013.	1	\$3,575,000	\$3,575,000	\$0	\$0	\$0
Virginia Community College System	Construct Science and Engineering Building (CN6), Chesapeake Campus, Tidewater	This project is retitled and rescoped of a project in in the Commonwealth six-year plan, Chapter 309. The campus has a deficit of 47,004 sqft in instructional space and met SCHEV productivity standards.	1	\$48,871,000	\$48,871,000	\$0	\$0	\$0
Virginia Community College System	Renovate Phase I Academic and Administration Building, Eastern Shore	This project is authorized for detailed planning in Chapter 806, 2013. The request is to change from renovation to replace the facility.	1	\$21,528,000	\$21,528,000	\$0	\$0	\$0
Virginia Community College System	Replace Diggs/Harrison/Moore Halls, Hampton Campus, Thomas Nelson	This project addresses critical infrastructure needs. This campus currently has a deficit of 21,729 sqft in E&G space and met SCHEV productivity standards.	1	\$49,808,000	\$49,808,000	\$0	\$0	\$0
Virginia Community College System	Renovate Library and Learning Resource Center, Virginia Highlands	This project was recommended as SCHEV Priority 1 in 2011	1	\$12,586,000	\$12,586,000	\$0	\$0	\$0
Virginia Community College System	Renovate and Expand Princess Anne Building, Virginia Beach Campus, Tidewater	The building has an FCI=35%. This campus currently has a deficit of 51,124 sqft in E&G space and met SCHEV productivity standards.	1	\$17,786,000	\$17,786,000	\$0	\$0	\$0
Virginia Community College System	Construct Extended Learning Support Building, Manassas Campus, Northern Virginia	The campus currently has a deficit of 13,896 sqft in E&G space and met SCHEV productivity standards.	1	\$40,666,000	\$40,666,000	\$0	\$0	\$0
Virginia Community College System	Renovate Bird and Renovate/Expand Nicholas Center, Chester Campus, John Tyler	This project is retitled and rescoped of a project in in the Commonwealth six-year plan, Chapter 309. The campus has a deficit of 47,004 sqft in instructional space and met SCHEV productivity standards.	1	\$29,530,000	\$29,530,000	\$0	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
Virginia Community College System	Renovate Howsman/Colgan Halls and Power Tech Building, Manassas Campus, Northern Virginia	This project was recommended as SCHEV Priority 1 in 2011	1	\$45,844,000	\$45,844,000	\$0	\$0	\$0
Virginia Community College System	Renovate Houff Student Center, Blue Ridge	This project was recommended as SCHEV Priority 2 in 2011. The campus currently has a 10,394 sqft deficit in E&G space and met SCHEV productivity standards.	1	\$7,882,000	\$6,917,000	\$965,000	\$0	\$0
Virginia Community College System	Renovate Brown Library, Virginia Western	This project was recommended as SCHEV Priority 1.B in 2011	1	\$18,640,000	\$18,640,000	\$0	\$0	\$0
Virginia Community College System	Construct Phase IV Academic Building/Demolish Old Tyler Bldg., Alexandria Campus, Northern Virginia	This project was recommended as SCHEV Priority 1 in 2011	1	\$36,443,000	\$36,443,000	\$0	\$0	\$0
Virginia Community College System	Construct Academic Building for Emerging and Applied Technology, Virginia Beach Campus, Tidewater	This project was recommended as SCHEV Priority 1 in 2011	1	\$36,764,000	\$36,764,000	\$0	\$0	\$0
Virginia Community College System	Renovate Stone Hall Building, Patrick Henry	This project was recommended as SCHEV Priority 1 in 2011. The building has an FCI=37%.	1	\$11,256,000	\$11,256,000	\$0	\$0	\$0
Virginia Community College System	Construct Library and Student Services Center, Chesapeake Campus, Tidewater	The campus currently has a deficit of 51,124 sqft in E&G space and met SCHEV productivity standards.	1	\$41,470,000	\$41,470,000	\$0	\$0	\$0
Virginia Community College System	Renovate Seefeldt Academic Building/Replace Building Envelope, Woodbridge Campus, Northern Virginia	This project was recommended as SCHEV Priority 1.B in 2011	1.B	\$56,261,000	\$56,261,000	\$0	\$0	\$0
Virginia Community College System	Renovate Amherst Hall Auditorium & Campbell Hall, Central Virginia	This project was recommended as SCHEV Priority 1.B in 2011	1.B	\$12,361,000	\$12,361,000	\$0	\$0	\$0
Virginia Community College System	Umbrella Request: Improve Life Safety and Security Systemwide, Phase 1	This project was recommended as SCHEV Priority 1.B in 2011	1.B	\$16,090,000	\$16,090,000	\$0	\$0	\$0
Virginia Community College System	Umbrella Request: Major Mechanical Northern Virginia, New River and Mountain Empire Community Colleg	This project was recommended as SCHEV Priority 1.B in 2011	1.B	\$19,390,000	\$19,390,000	\$0	\$0	\$0
Virginia Community College System	Renovate Franklin Campus, Paul D. Camp	This project was recommended as SCHEV Priority 1.B in 2011	1.B	\$19,319,000	\$19,000,000	\$319,000	\$0	\$0
Virginia Community College System	Renovate and Expand Fincastle Hall, Wytheville	This project addresses critical infrastructure needs. But this campus currently has a surplus in E&G space and does not meet the SCHEV productivity standards.	1.B	\$20,597,000	\$20,597,000	\$0	\$0	\$0
Virginia Community College System	Renovate Business Science Building, Enclosed Pedestrian Corridor and Bridge, Virginia Western	This project was recommended as SCHEV Priority 1.B in 2011	1.B	\$25,419,000	\$25,419,000	\$0	\$0	\$0
Virginia Community College System	Construct Student Success & Learning Resources Center, Piedmont Virginia	The campus currently has a surplus in E&G space but met SCHEV productivity standards.	2	\$23,765,000	\$17,824,000	\$5,941,000	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
Virginia Community College System	Renovate and Construct Addition to Workforce Development Center, Piedmont Virginia	This request is to change the projet in the Commonwealth six-year plan. The campus has surplus in E&G space but met SCHEV productivity standards.	2	\$10,760,000	\$10,760,000	\$0	\$0	\$0
Virginia Community College System	Replace French Slaughter Building, Locust Grove Campus, Germanna	This project was recommended as SCHEV Priority 3 in 2011. The campus currently has a surplus in E&G space.	3	\$24,412,000	\$24,412,000	\$0	\$0	\$0
Virginia Community College System	Renovate Buchanan/Tazewell Halls, Southwest Virginia	The building has an FCI=46%. The campus currently has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$20,721,000	\$20,721,000	\$0	\$0	\$0
Virginia Community College System	Renovate and Expand Rooker for Advanced Manufacturing and Credentialing Center, New River	This project was recommended as SCHEV Priority 3 in 2011. The campus currently has a surplus in E&G space.	3	\$39,263,000	\$39,263,000	\$0	\$0	\$0
Virginia Community College System	Renovate Academic Classroom Building (Phase II), Glenss and Warsaw Campuses, Rappahannock	The campus has surplus in E&G space and does not meet SCHEV productivity standards.	3	\$12,828,000	\$12,828,000	\$0	\$0	\$0
Virginia Military Institute	Improve Post Infrastructure Phase I	This project is included in the Commonwealth six-year plan, Chapter 309. It addresses critical energy efficiency issues.	1	\$23,590,100	\$19,215,100	\$0	\$0	\$4,375,000
Virginia Military Institute	Renovate Moody Hall	This project is included in the Commonwealth six-year plan, Chapter 309. The project addresses critical life safety issues.	1	\$12,260,600	\$12,260,600	\$0	\$0	\$0
Virginia Military Institute	Renovate Preston Library	This project was recommended as SCHEV Priority 1.B in 2011	1.B	\$12,209,500	\$12,209,500	\$0	\$0	\$0
Virginia Military Institute	New Market Battlefield State Historic Park Improvements	This project addresses the unique military mission. The facility has not undegone major renovation since 1967.	1.B	\$5,519,000	\$3,133,000	\$0	\$0	\$2,386,000
Virginia Military Institute	Historic Preservation Improvements Phase I	This project is included in the Commonwealth six-year plan, Chapter 309. The project addresses system replacements such as eletrical, plumbing and HVAC.	1.B	\$2,631,200	\$2,631,200	\$0	\$0	\$0
Virginia Military Institute	Improve Post Infrastructure, Phase II	This project addresses critical infrastructure needs.	1.B	\$11,497,800	\$8,648,350	\$0	\$0	\$2,849,450
Virginia Military Institute	Barracks Energy Efficiency Improvements	This project addresses energy efficiency issues.	1.B	\$21,278,000	\$20,103,000	\$0	\$0	\$0
Virginia Military Institute	Improve Building 46 - Engineering Laboratories	This project addresses critical instructional needs. The facility has an FCI=71%.	1.B	\$1,054,500	\$1,054,500	\$0	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

<b>Institution</b>	<b>Project Title</b>	<b>SCHEV Comments</b>	<b>SCHEV Priority</b>	<b>Total Project Costs</b>	<b>General Fund</b>	<b>Nongeneral Fund</b>	<b>9(C) Debt</b>	<b>9(D) Debt</b>
Virginia Military Institute	Construct Corps Aquatic Training Facility	This project supports the unique military mission and addresses deficiencies of the current facility for Cadets' physical and military training.	1.B	\$19,955,300	\$16,410,900	\$0	\$0	\$3,544,400
Virginia Military Institute	American Legion Improvements	This project addresses critical infrastructure needs.	1.B	\$2,056,400	\$2,056,400	\$0	\$0	\$0
Virginia Military Institute	Renovate Outdoor Running Track	This project addresses critical instructional needs.	1.B	\$1,255,000	\$1,088,000	\$0	\$0	\$0
Virginia Military Institute	Post Infrastructure Improvements Phase III	This project addresses critical infrastructure needs.	1.B	\$11,666,000	\$8,712,600	\$0	\$0	\$2,044,400
Virginia Military Institute	George C. Marshall Research Library Improvements	This project addresses critical infrastructure needs.	1.B	\$11,089,200	\$11,064,200	\$0	\$0	\$0
Virginia Military Institute	Renovate Richardson Hall and Kilbourne Hall Annex	This project was recommended as SCHEV Priority 1.B in 2011	1.B	\$9,529,000	\$8,848,000	\$0	\$0	\$0
Virginia Military Institute	Renovate Old Hospital	This project is included in the Commonwealth six-year plan, Chapter 309. It is the oldest house on campus and need modernization and various kinds of system replacements.	2	\$1,170,700	\$1,170,700	\$0	\$0	\$0
Virginia Military Institute	Historic Preservation Improvements Phase II	The facility contributes to VMI historic district. The building needs modernization and improve operational efficiency.	2	\$5,037,000	\$5,037,000	\$0	\$0	\$0
Virginia Military Institute	450 Institute Hill Renovation and Change of Use	The campus has surplus in E&G space. The facility has an FCI=37%.	3	\$1,639,400	\$1,639,400	\$0	\$0	\$0
Virginia Military Institute	Turman House Renovations	The campus has surplus in E&G space. The facility has an FCI=21%.	3	\$1,861,250	\$1,861,250	\$0	\$0	\$0
Virginia Military Institute	Renovate Cameron Hall	The campus has surplus in E&G space. The facility has an FCI=59%.	3	\$27,123,000	\$13,189,500	\$12,189,500	\$0	\$0
Virginia Military Institute	Renovate Scott Shipp Hall	The campus has surplus in E&G space. The facility has an FCI=17%.	3	\$3,971,000	\$3,971,000	\$0	\$0	\$0
Virginia Military Institute	Renovate Smith Hall	The campus has surplus in E&G space. The facility has an FCI=62%.	3	\$8,851,000	\$8,208,000	\$0	\$0	\$0
Virginia Military Institute	Improvements to Lackey Park	This project addresses transportation improvements between sites. The campus has surplus in E&G space.	3	\$11,890,000	\$6,096,000	\$0	\$0	\$5,012,000
Virginia Military Institute	Renovate Carroll Hall	The campus has surplus in E&G space. The facility has an FCI=40%.	3	\$11,516,000	\$10,558,000	\$0	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
Virginia Military Institute	Renovate Shell Hall	The campus has surplus in E&G space. The facility has an FCI=56%.	3	\$7,931,000	\$7,278,000	\$0	\$0	\$0
Virginia State	Water Storage Tank and Campus Water Distribution Piping	This project is authorized in Chapter 806. The request is for supplemental funding.	1	11,736,000	10,136,000	0	0	0
Virginia State University	Renovate Harris Hall	This project was recommended as SCHEV Priority 1.B in 2011	1.B	\$33,760,000	\$33,760,000	\$0	\$0	\$0
Virginia State University	Exterior Lighting Replacement	The campus has surplus in E&G space. But this project addresses critical life safety issues.	1.B	\$5,325,000	\$5,325,000	\$0	\$0	\$0
Virginia State University	Renovate Vawter Hall	This project addresses critical infrastructure needs	1.B	\$5,345,000	\$5,345,000	\$0	\$0	\$0
Virginia State University	Renovate Colson Hall	This project addresses critical infrastructure needs	1.B	\$4,960,000	\$4,960,000	\$0	\$0	\$0
Virginia State University	Renovate Jesse Bolling Hall	This project addresses critical infrastructure needs.	1.B	\$4,276,000	\$4,276,000	\$0	\$0	\$0
Virginia State University	Replacement of Steam Distribution System	This project addresses critical infrastructure needs.	1.B	\$8,800,000	\$8,800,000	\$0	\$0	\$0
Virginia State University	Renovate Virginia Hall	This project addresses critical infrastructure needs.	1.B	\$8,800,000	\$8,800,000	\$0	\$0	\$0
Virginia State University	Site Infrastructure Renewals and Replacements - Paving and Sidewalks	This project was recommended as SCHEV Priority 1.B in 2011	1.B	\$10,825,000	\$10,825,000	\$0	\$0	\$0
Virginia State University	Convert Foster Hall Into An Administrative Office Building	This project addresses critical infrastructure needs.	1.B	\$17,473,000	\$17,473,000	\$0	\$0	\$0
Virginia State University	Provide for Landscaping and Road Circulation, Phase II	This project was recommended as SCHEV Priority 1.B in 2011	1.B	\$4,645,000	\$4,645,000	\$0	\$0	\$0
Virginia State University	Construct A Multi-purpose Administative And Academic Office Building	This project is included in the Commonwealth six-year plan in Chapter 309. The project construct a 130,000 GSF one stop support service building to students. However the campus has surplus in E&G space and does not meet SCHEV productivity standards.	2	\$37,000,000	\$37,000,000	\$0	\$0	\$0
Virginia State University	Renovate And Expand Daniel Gym	This project is included in the Commonwealth six-year plan, Chapter 309. The projet plans to add 170,000 GSF besides renovation. The campus has surplus in E&G space and does not meet SCHEV productivity standards.	3	\$39,344,000	\$39,344,000	\$0	\$0	\$0
Virginia State University	Renovation and Addition to Johnston Memorial Library	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$29,700,000	\$29,700,000	\$0	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
Virginia State University	Renovate Fourth Avenue Buildings for Faculty Development Center	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=45%.	3	\$5,316,000	\$5,316,000	\$0	\$0	\$0
Virginia Tech	Construct Chiller Plant, Phase II	This project is included in the Commonwealth six-year plan, Chapter 309. The campus has a deficit of 35,600 sqft in plant space.	1	\$44,282,000	\$38,966,000	\$0	\$0	\$5,316,000
Virginia Tech	Renovate Robeson Hall	This project was recommended as SCHEV Priority 1 in 2011	1	\$60,800,000	\$48,640,000	\$0	\$0	\$12,160,000
Virginia Tech	Construct Vivarium and Research Laboratory	This project was recommended as SCHEV Priority 1 in 2011. The campus has a deficit of 142,934 sqft in research space. This project constructs additional 29,575 ASF.	1	\$44,038,000	\$22,019,000	\$0	\$0	\$22,019,000
Virginia Tech	Construct Comparative Medicine Research Facility	The campus has a deficit of 142,934 ASF in research space. This project constructs additional 9,750 ASF.	1	\$13,984,000	\$6,992,000	\$0	\$0	\$6,992,000
Virginia Tech	Construct ICTAS, Phase III	The campus has a deficit of 142,934 ASF in research space. This project constructs additional 19,500 ASF.	1	\$28,216,000	\$14,108,000	\$0	\$0	\$14,108,000
Virginia Tech	Construct VTCRI Health Sciences Offices and Research Laboratory	The campus has a deficit of 142,934 ASF in research space. This project constructs additional 19,500 ASF.	1	\$10,176,000	\$5,088,000	\$0	\$0	\$5,088,000
Virginia Tech	Construct VTTI Research Building IV	The campus has a deficit of 142,934 ASF in research space. This project constructs additional 32,500 ASF.	1	\$9,589,000	\$4,794,500	\$0	\$0	\$4,794,500
Virginia Tech	Construct Translational Medicine Laboratory	This project is included in the Commonwealth six-year plan in Chapter 309. The project constructs 90,000 GSF facility for instruction and research. The campus has surplus in ininstructional space but need additinoal research space.	1	\$55,000,000	\$36,575,000	\$0	\$0	\$18,425,000
Virginia Tech	Renovate Derring Hall, Phase I	This project was recommended as SCHEV Priority 1.B in 2011	1.B	\$55,800,000	\$55,800,000	\$0	\$0	\$0
Virginia Tech	Renew Burruss Hall Infrastructure	This project addresses critical infrastructure needs.	1.B	\$75,206,000	\$75,206,000	\$0	\$0	\$0
Virginia Tech	Health and Safety Improvements	The campus has surplus in E&G space. But this project addresses critical life safety issues.	1.B	\$15,073,000	\$15,073,000	\$0	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
Virginia Tech	Renovate/Renew Academic Buildings	The project is authorized for detailed planning in Chapter 806, 2013. The campus has surplus in E&G space	2	\$33,700,000	\$33,700,000	\$0	\$0	\$0
Virginia Tech	Renovate Holden Hall	The facility has an FCI=43%. This project includes demolition and addition of 81,072 sqft space and will serve as swing space for other facilities' renovation. The campus currently has a surplus in E&G space.	2	\$75,500,000	\$67,950,000	\$0	\$0	\$7,550,000
Virginia Tech	Renovate Newman Library	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. This facility has an FCI=22%.	2	\$89,300,000	\$89,300,000	\$0	\$0	\$0
Virginia Tech	Renovate Randolph Hall	This project was recommended as SCHEV Priority 2 in 2011	2	\$172,800,000	\$155,520,000	\$0	\$0	\$17,280,000
Virginia Tech	Renovate Southgate Center	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=38%.	2	\$10,326,000	\$10,326,000	\$0	\$0	\$0
Virginia Tech	Renovate Norris Hall	The facility has an FCI=41%. This project addresses critical mechanical, electrical, and plumbing systems and fire protection. The campus has surplus in E&G space.	2	\$37,320,000	\$32,655,000	\$0	\$0	\$4,665,000
Virginia Tech	Renovate Hillcrest Hall	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=47%	2	\$15,542,000	\$15,542,000	\$0	\$0	\$0
Virginia Tech	Renovate Price Hall	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=53%.	2	\$30,719,000	\$30,719,000	\$0	\$0	\$0
Virginia Tech	Construct Power Plant / Substation	The campus has a deficit of 35,600 sqft in physical plant space but does not meet SCHEV productivity standards.	2	\$53,569,000	\$32,141,000	\$0	\$0	\$21,428,000
Virginia Tech	Renovate Hutcheson/Smyth Hall	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=31%.	2	\$59,094,000	\$59,094,000	\$0	\$0	\$0
Virginia Tech	Renovate Squires for Academics	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=30%	2	\$128,100,000	\$128,100,000	\$0	\$0	\$0
Virginia Tech	Rehabilitate Lane Hall	This project was recommended as SCHEV Priority 2 in 2011	2	\$11,787,000	\$11,787,000	\$0	\$0	\$0

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
Virginia Tech	Construct Undergraduate Science Laboratory Building	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$66,000,000	\$66,000,000	\$0	\$0	\$0
Virginia Tech	Construct Sciences Building Laboratory I	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$46,450,000	\$31,450,000	\$15,000,000	\$0	\$0
Virginia Tech	Construct Corps Leadership and Military Science Building	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$45,127,000	\$40,127,000	\$5,000,000	\$0	\$0
Virginia Tech	Construct New College of Business Building	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$90,378,000	\$90,378,000	\$0	\$0	\$0
Virginia Tech	Classroom Building FF&E	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$4,061,000	\$4,061,000	\$0	\$0	\$0
Virginia Tech	Construct Library Storage Facility	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$6,772,000	\$6,772,000	\$0	\$0	\$0
Virginia Tech	Construct Wood Science Department Building	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$52,933,000	\$39,699,750	\$7,000,000	\$0	\$6,233,250
Virginia Tech	Construct Electrical and Computer Engineering Building	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$123,668,000	\$98,934,000	\$0	\$0	\$24,734,000
Virginia Tech	Replace Femoyer Hall	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$30,132,000	\$30,132,000	\$0	\$0	\$0
Virginia Tech	Renovate Wallace Hall	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=15%.	3	\$4,868,000	\$4,868,000	\$0	\$0	\$0
Virginia Tech	Replace Food Science and Technology Building	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$44,735,000	\$38,025,000	\$0	\$0	\$6,710,000
Virginia Tech	Construct International Affairs Building	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$11,467,000	\$11,467,000	\$0	\$0	\$0
Virginia Tech	Construct Data Center	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$36,992,000	\$27,744,000	\$0	\$0	\$9,248,000
Virginia Tech	Construct Manufacturing Prototype and Demonstration Facility	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$16,456,000	\$12,342,000	\$0	\$0	\$4,114,000
Virginia Tech	Replace Center for Molecular Medicine and Infectious Disease Laboratories	The campus has exhausted additional research space. This project includes construction additional space of 25,000 ASF.	3	\$23,980,000	\$11,990,000	\$0	\$0	\$11,990,000

**SCHEV Capital Outlay Recommendations  
for Project Rquests with a General Fund Component in FY2015-FY2020**

Institution	Project Title	SCHEV Comments	SCHEV Priority	Total Project Costs	General Fund	Nongeneral Fund	9(C) Debt	9(D) Debt
Virginia Tech	Renovate Patton Hall	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=35%.	3	\$29,937,000	\$22,453,000	\$0	\$0	\$7,484,000
Virginia Tech	Construct Bishop-Favrao Hall Expansion	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$40,023,000	\$35,023,000	\$0	\$0	\$5,000,000
Virginia Tech	Construct New Natural Resources Building	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$81,596,000	\$69,356,000	\$0	\$0	\$12,240,000
Virginia Tech	Renovate Pamplin Hall	The campus has a surplus in E&G space and does not meet SCHEV productivity standards.	3	\$38,912,000	\$38,912,000	\$0	\$0	\$0
Virginia Tech	Renovate Sterrett Facility	The campus has a surplus in E&G space and does not meet SCHEV productivity standards. The facility has an FCI=25%.	3	\$10,974,000	\$10,974,000	\$0	\$0	\$0
Virginia Tech	Construct Campus Road Package, Phase I	Recommendations on this nonguideline request were deferred for further study in 2011	4	\$44,018,000	\$44,018,000	\$0	\$0	\$0
Virginia Tech	Construct Campus Road Package, Phase II	Recommendations on this nonguideline request were deferred for further study.	4	\$16,191,000	\$16,191,000	\$0	\$0	\$0
Virginia Tech	Construct Falls Church Facility Expansion	This project is an off-site project. Recommendation on this nonguideline request is deferred for further study.	4	\$8,440,000	\$8,440,000	\$0	\$0	\$0

# State Council of Higher Education for Virginia Agenda Item

**Item:** TJ21 Implementation Committee Item #5 – Update from the Higher Education Advisory Committee

**Date of Meeting:** October 28, 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, July 2013, September 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 met October 24. This is the last meeting under Governor McDonnell.

**Materials Provided:** October 24, 2013, HEAC agenda.

**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  
October 24, 2013-1:00-3:30 p.m.  
Patrick Henry Building- West Reading Room**

**Welcome**

**Opening Remarks from Governor**

**Update from Independent Colleges**

Dr. Robert Lindgren, President, Randolph Macon College  
Tim Klopfenstein, Executive Director,  
Council of Independent Colleges of Virginia Benefits Consortium

**President's Perspective on Performance/Incentive Funding**

Dr. Keith Miller, Vice Chair, Council of Presidents  
President, Virginia State University

**SCHEV's Pending Budget Recommendations**

Peter Blake, Executive Director, State Council on Higher Education for Virginia

**Break**

**SCHEV's Response to Executive Directive #6**

Julius Smith, Council member, State Council on Higher Education for Virginia  
Gil Minor, Vice-Chair, State Council on Higher Education for Virginia

**Efficiency/Collaborative Initiatives**

Institutional Efficiency Initiatives

Colette Sheehy, Vice President for Management and Budget,  
University of Virginia

George Mason Efficiency Initiatives

JJ Davis, Senior Vice President for Administration and Finance,  
George Mason University

Other Updates

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA  
AGENDA**

SCHEV Offices  
101 N. 14<sup>th</sup> Street  
Richmond, Virginia  
**October 28, 2013**  
**Main Conference Room**  
**3:30 - 4:30 p.m.**

**Strategic Planning Task Force**

1. Chair's remarks
2. Review of Executive Directive No. 6 Response Page SP1
3. Discussion of Request for Proposal for Strategic Plan Services Page SP3
4. Discussion of Timeline for Development of Strategic Plan Page SP7

# State Council of Higher Education for Virginia Agenda Item

**Item:** Strategic Planning Task Force Item #2 – Review of Executive Directive No. 6 Response

**Date of Meeting:** October 28, 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:** July 2013, September 2013

**Action:** Council authorized the Director to transmit a report to the Secretary of Education by the October 1 deadline.

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

In May 2013, Governor Bob McDonnell issued Executive Directive #6 specifically charging SCHEV to undertake the following activities:

- review its functions for the purpose of enhancing its ability to engage in strategic planning, policy formulation and implementation, and research and analysis to support decision making at the state and institutional levels;
- organize its staff and resources to enhance its ability to promote the goals of *The Virginia Higher Education Opportunity Act*, or TJ 21;
- maintain a database of key data elements and analysts to support these responsibilities and decision making at both the state and institutional levels;
- propose to the Secretary of Education and institutions policies and activities that would increase collaboration and enhance quality and efficiency; and
- continually seek ways to promote the flexibility, responsiveness and accountability of Virginia's system of higher education in pursuing the goals of *The Virginia Higher Education Opportunity Act* and House Bill 2311.

**Materials Provided:**

A copy of the report submitted to Secretary of Education Laura Fornash is enclosed.

**Financial Impact:**

The Council staff has submitted a budget request that includes initiatives associated with the executive directive response. The request is pending with the Governor.

**Timetable for Further Review/Action:**

The Council will review and make recommendations as needed.

**Resolution:**

None.



## **State Council of Higher Education for Virginia**

### ***Report to the Secretary of Education on Activities Related to Executive Directive #6, “Sustaining and Enhancing Higher Education Reform, Innovation and Investment—State Council of Higher Education for Virginia”***

October 1, 2013

#### Introduction

In 2011, the General Assembly enacted and the Governor signed into law The Virginia Higher Education Opportunity Act of 2011(TJ21). It set forth a path to fuel strong economic growth in the Commonwealth and prepare Virginians for the top job opportunities in the knowledge-driven economy of the 21<sup>st</sup> century. The 2013 General Assembly approved and the Governor signed House Bill 2311, which affirms SCHEV’s role in advocacy, planning, research and analysis, policy development and implementation, board development, and institutional collaboration. It also expands the Council membership to include the president of the Virginia Economic Development Partnership, a school superintendent, and a former college or university president.

At the March 2013 meeting, Council members discussed SCHEV’s duties in light of the 2013 legislation and other Council priorities. Chairman Gil Bland appointed Council member Julious (Joey) Smith to initiate SCHEV deliberations for a new higher education strategic plan, including an internal review of Council’s statutory duties, and input from multiple stakeholders, including state government, higher education institutions, business leaders, pre-K-12 education, and others. These discussions proceeded continuously through the spring and resulted in a variety of useful strategies to address emerging higher education needs.

In May 2013, Governor Bob McDonnell issued Executive Directive #6 (Appendix A) specifically charging SCHEV to undertake the following activities:

- review its functions for the purpose of enhancing its ability to engage in strategic planning, policy formulation and implementation, and research and analysis to support decision making at the state and institutional levels;
- organize its staff and resources to enhance its ability to promote the goals of *The Virginia Higher Education Opportunity Act*, or TJ 21;
- maintain a database of key data elements and analysts to support these responsibilities and decision making at both the state and institutional levels;

- propose to the Secretary of Education and institutions policies and activities that would increase collaboration and enhance quality and efficiency; and
- continually seek ways to promote the flexibility, responsiveness and accountability of Virginia's system of higher education in pursuing the goals of *The Virginia Higher Education Opportunity Act* and House Bill 2311 (Appendix B).

This report describes consultations and deliberations SCHEV has undertaken among Council members, staff, and a comprehensive array of stakeholders and constituents, as well as a set of actions aimed at accomplishing the charges articulated in TJ 21 and Executive Directive #6. These actions include code revisions, policy revisions, functional adjustments to SCHEV's work, examination and realignment of staff responsibilities, and preparation for a major strategic planning effort. This report is submitted in confidence that the actions proposed herein will enhance SCHEV's ability to lead strategic planning for the commonwealth, and to develop and implement data-based policies and collaborative initiatives that support the goals of TJ21 and meet the Council's priorities.

The ever-changing dynamics of higher education and its societal contexts will require constant self-reflection and thoughtful change on the part of SCHEV and its many partners and collaborators. SCHEV pledges to continue that process of reflection and change relentlessly to realize its mission "to advocate and promote the development of an educationally and economically sound, vigorous, progressive, and coordinated system of higher education" for the Commonwealth of Virginia.

### Stakeholder Involvement

Over the past several months, Council members and staff have increased their engagement with stakeholders around the state. Some of them have been identified above.

At its July 15, 2013, meeting, Council held a forum with presentations from 12 prominent stakeholders on the future of higher education in Virginia and ways in which the Council can lead and assist in the ongoing development of a strong system of higher education. (See Appendix C for list of presenters, and Appendix D for a summary of their remarks.) Andrew Fogarty, former interim director of SCHEV, acted as facilitator of Council discussion following the presentations. (See Appendix E for minutes of this discussion.) The thrust of Council's discussion concluded that in fulfilling the direction of Executive Directive #6, SCHEV should act as a strategic coordinator of, and advocate for, higher education in the 21<sup>st</sup> century. SCHEV is needed to identify state needs, marshalling the resources both for and within higher education that will enable meeting those needs, and in stimulating change and improvement to ensure that institutions remain accessible and affordable for students and their families. This document embodies many of the recommendations made by our stakeholders.

Council members subsequently met September 10 and September 17 to discuss stakeholder comments and to advance a draft response to Executive Directive #6. The Council authorized its director to revise the document in accordance with these discussions and to forward the final report to the Secretary of Education by October 1, 2013.

### Reformations of SCHEV's Policies and Functional Duties

As a result of internal discussions between Council members and SCHEV staff, external discussions between Council members and leading stakeholders, and deliberations among Council members, SCHEV is proceeding with the following near- and intermediate-term actions. These actions are intended, *in toto*, to respond directly to Executive Directive #6 and to promote the following:

- SCHEV’s effectiveness as a coordinating and policy development body;
- collaboration between SCHEV and institutions and among institutions, and with pre-K-12 education;
- unrelenting attention to access, quality and affordability;
- the effective use of data as a tool for policy, accountability, and public information;
- and
- the alignment of higher education with an improved quality of life and the economic well-being of Virginians.

A preliminary summary of specific proposed reformations of SCHEV’s policies and functional duties is included as Appendix F.

#### A Strategic Plan for Virginia Higher Education

On July 16, 2013, Mr. Smith presented a brief summary of the conclusions reached in the session the previous day. He advised Council that the comments from stakeholders and Council members not only informed the Council’s thinking on the Executive Directive but also marked the beginning of its strategic planning process.

As required by Code of Virginia § 23-9.6:1, SCHEV will initiate the process of developing a new strategic plan for higher education. The development of the plan will be guided by goals and priorities of TJ21, House Bill 2311, Executive Directive #6, and inputs that Council has received in its informal and formal consultations in 2012 and 2013. Accordingly, the strategic plan will be informed by the following four broad priorities:

TJ 21 provides a road map for SCHEV to use in its articulation of numerous specific goals created by the Governor and the General Assembly. That road map suggests the following roles for SCHEV:

1. Leading the planning and implementation for achieving the long-term degree attainment goals set out in TJ 21.
2. Leading the planning and implementation for optimal economic development impact by Virginia’s higher education system.
3. Leading the planning and implementation for instructional and administrative innovation.
4. Leading the planning and implementation for affordable access and excellence.

Council believes inputs from stakeholders have identified a need for SCHEV to assume a changed and, in many respects, expanded role for higher education in the Commonwealth.

House Bill 2311 defined the need for change by adding to the Council representatives of pre-K-12, economic development, and the university and college presidents. Simply stated, House Bill 2311 directed SCHEV to be more strategic. This will entail the Council adding value by acting as a true coordinator of, and advocate for, higher education.

Council will form a task force to lead it through the statutorily required planning process. To begin this planning process and the path to SCHEV's renewed focus, Council recommends that the following steps be taken immediately:

First, SCHEV will develop budget and policy recommendations to aid the Commonwealth to attain and sustain the four goals of TJ 21 set out above.

Secondly, SCHEV will expand its role as a strategic resource for all colleges, both public and private, and their governing bodies. It will be a statewide resource on planning, governance, outcome measures and best practices for higher education in the Commonwealth. It will provide guidance on efficiency and affordability while enhancing quality. It will encourage institutions to focus on their respective missions, the overall higher education needs of the Commonwealth, and the employability and quality of life of graduates.

Thirdly, SCHEV will foster collaboration among public and private institutions to help make education more accessible and affordable. This effort will extend to institutions of higher education and local school divisions with a goal of making high school graduates better prepared for higher education. SCHEV already has been engaged vigorously in developing a roster of policies and activities to promote inter-institutional collaboration and efficiency, and vetting them with institutions. Attached as Appendix G is a report setting forth certain opportunities in academic collaboration that have the potential to enhance quality and obtain greater efficiencies. In addition, the Council will undertake an assessment of areas in which higher education and pre-K-12 can be more collaborative. The assessment will identify areas need to be strengthened and expanded, and how that can occur.

Finally, SCHEV will continue a rigorous review the resources available to Council and staff and the alignment of those resources. This evaluation of duties is ongoing and comprehensive. It has focused on the skills and depth of staff and its ability to meet the expanded role of SCHEV and to attain the goals set out above. The review also encompasses financial resources available to Council and the need, if any, to increase those resources to meet SCHEV's new objectives. The goal of this undertaking will be to enhance SCHEV's role as a strategic partner with its stakeholders and to improve the way in which Council organizes itself and carries out its mission.

### Summary and Conclusion

The above summaries reflect intensive discussions and deliberations undertaken by SCHEV to support the fulfillment of Executive Directive #6. We feel confident that the actions

described here will support that fulfillment completely and robustly. The Council is grateful for Governor McDonnell's attention to, and concern for, higher education as a cornerstone of the development of Virginia's citizenry. We stand ready to dedicate the efforts of Council members and staff to realize the charge with which the Governor concludes Executive Directive #6:

Virginia's higher education institutions will fuel strong economic growth and prepare Virginians for the top job opportunities in the knowledge-driven economy of the 21st century. The Council members and staff will lead and implement a long-term commitment, policy, and framework for sustained investment and innovation that will enable the Commonwealth to build upon the strengths of its excellent higher education system and achieve national and international leadership in college degree attainment and personal income, and that will ensure these educational and economic opportunities are accessible and affordable for Virginians for years to come.

## APPENDIX A

### *Executive Directive No. 6 (2013)*

#### **Sustaining and Enhancing Higher Education Reform, Innovation and Investment - State Council of Higher Education for Virginia**

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On March 26, 2010, I signed Executive Order 9 (2010) establishing the: “Governor’s Commission on Higher Education Reform, Innovation and Investment,” stating as follows:

*With great national universities, a higher education system distinguished by both its quality and diversity, and a vibrant knowledge-based economy, Virginia has a unique opportunity to show the way to a new era of American leadership in advanced education, ground-breaking research, and economic growth. Our country's security, our state's prosperity, and our citizens' opportunity all depend on a sustained commitment to higher education excellence and access.*

On December 20, 2010, the Commission issued its interim report recommending passage of landmark higher education in the 2011 session of the Virginia General Assembly to articulate a clear and achievable vision of national and international leadership in college degree attainment and personal income for Virginians. The Commission proposed a name for the comprehensive forward-focused effort: “*Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Opportunity Act of 2011.*” On June 16, 2011, I signed that legislation into law.

The State Council of Higher Education for Virginia (SCHEV) is the Commonwealth's coordinating body for higher education. Its mission is "to promote the development of an educationally and economically sound, vigorous, progressive, and coordinated system of higher education" in Virginia. It therefore has the primary state-level responsibility to guide Virginia's colleges and universities in achieving the vision articulated in “*The Virginia Higher Education Opportunity Act of 2011.*”

Accordingly, I direct the State Council of Higher Education to accomplish the following by October 1, 2013, to ensure that the goals and objectives of *The Virginia Higher Education Opportunity Act of 2011* are executed efficiently and effectively:

- Undertake an in-depth review of the Council’s essential functions with the aim of enhancing its ability to engage in strategic planning, policy formulation and implementation, and research and analysis on current and developing trends and best practices to support planning policy development and decision making at the state and institutional levels. Council’s review should be conducted in collaboration with stakeholders, including representatives from public and private higher education institutions, legislators, legislative and executive branch staff, business leaders, and other key education policy makers in the Commonwealth, and result in recommendations to the

Secretary of Education on the elimination, reassignment, reprioritization, or addition of duties to ensure the alignment of the Council’s work with the essential functions described above while preserving to institutional boards of visitors their independence and responsibility for the operation and management of institutions.

- Organize staff and resources to increase the focus on strategic planning, policy formulation and implementation, and research and analysis of current and developing trends and best practices to support planning, policy development, and decision making at the state and institutional levels in achieving the goals of *The Virginia Higher Education Opportunity Act of 2011*.
- Maintain a database of key data elements and analysts to support these responsibilities and decision making at both the state and institutional levels.
- Propose to the Secretary of Education and the institutions specific policies and activities to increase collaboration among the institutions that would enhance quality and obtain greater operational efficiencies through shared resources, including partnerships among public and private institutions and others involved in higher education, and partnering on board member development.
- Continually seek ways to ensure that Virginia’s system of higher education is flexible, responsive, and accountable and that it remains the finest in the nation and achieves the objective and purposes of *The Virginia Higher Education Act of 2011*.

Virginia’s higher education institutions will fuel strong economic growth and prepare Virginians for the top job opportunities in the knowledge-driven economy of the 21st century. The Council members and staff will lead and implement a long-term commitment, policy, and framework for sustained investment and innovation that will enable the Commonwealth to build upon the strengths of its excellent higher education system and achieve national and international leadership in college degree attainment and personal income, and that will ensure these educational and economic opportunities are accessible and affordable for Virginians for years to come.

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Robert F. McDonnell, Governor

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Janet V. Kelly, Secretary of the Commonwealth

## APPENDIX B

### CHAPTER 605

*An Act to amend and reenact § 23-9.3 of the Code of Virginia, relating to the State Council of Higher Education.*

[HB 2311, Del. Kirk Cox]  
Approved March 20, 2013

Be it enacted by the General Assembly of Virginia:

1. That § 23-9.3 of the Code of Virginia is amended and reenacted as follows:

§ 23-9.3. State Council of Higher Education for Virginia created; purpose; membership; terms; officers.

~~(a)~~A. There is hereby created a State Council of Higher Education for Virginia, hereinafter sometimes referred to as the Council. The purpose of the Council shall be, through the exercise of the powers and performance of the duties set forth in this chapter, to *advocate and* promote the development and operation of an educationally and economically sound, vigorous, progressive, and coordinated system of higher education in the Commonwealth of Virginia *and to lead state-level strategic planning and policy development and implementation based on research and analysis and in accordance with § 23-38.87:10 and subsection B of § 23-38.88.* The Council shall also seek to facilitate collaboration among institutions of higher education that will enhance quality and create operational efficiencies and shall work with institutions of higher education and their boards on board development.

B. The Council shall be composed of persons selected from the Commonwealth at large without regard to political affiliation but with due consideration of geographical representation. *Appointees shall have demonstrated experience, knowledge, and understanding of higher education and workforce needs.* Appointees shall be selected for their ability and all appointments shall be of such nature as to aid the work of the Council and to inspire the highest degree of cooperation and confidence. No officer, employee, trustee, or member of the governing board of any institution of higher education, ~~no~~ employee of the Commonwealth, ~~except the Superintendent of Public Instruction, or~~ member of the General Assembly, or member of the State Board of Education shall be eligible for appointment to the Council except as ~~hereinafter~~

specified *in this section*. All members of the Council shall be deemed members at large charged with the responsibility of serving the best interests of the whole Commonwealth. No member shall act as the representative of any particular region or of any particular institution of higher education.

~~(b)~~-C. The Council shall consist of ~~eleven~~ *13 members: 12 members* appointed by the Governor and subject to confirmation by the General Assembly at its next regular session and *one ex officio member. At least one appointee shall have served as a president or chief executive of a public institution of higher education in the Commonwealth. At least one member shall be a sitting Virginia school superintendent, either at the state or local level. The President of the Virginia Economic Development Partnership shall serve ex officio with voting privileges.* All terms shall begin July 1. Members shall be appointed for four-year terms, except that appointments to fill vacancies occurring shall be for the unexpired term.

~~(c)~~-D. No person having served on the Council for two terms of four years shall be eligible for reappointment to the Council for two years thereafter.

~~(d)~~ [Repealed.]

~~(e)~~-E. The Council shall elect a chairman and a vice-chairman from its own membership and appoint a secretary and such other officers as it deems necessary or advisable; and shall prescribe their duties and term of office.

*F. At each meeting, the Council shall involve the presidents of the public institutions of higher education in its agenda. The presidents shall present information and comment on issues of common interest. The presidents shall choose presenters to the Council from among themselves who reflect the diversity of the institutions.*

*At each meeting, the Council may involve other groups, including the presidents of private, nonprofit institutions of higher education, in its agenda.*

## APPENDIX C

### **Stakeholders Participating in Council Forum July 15, 2013**

The Honorable Laura Fornash, Secretary of Education  
Rick Hurley, President, University of Mary Washington/Chairman, Council of Presidents  
John Doswell, Former Rector, Virginia Commonwealth University  
David Foster, President, State Board of Education  
Glenn DuBois, Chancellor, Virginia Community College System  
Tom Kramer, Executive Director, Virginia21  
The Honorable Don Finley, President, Virginia Business Higher Education Council  
The Honorable Kirk Cox, Virginia House of Delegates  
Robert Lambeth, President, Council of Independent Colleges in Virginia  
Mark Singer, Executive Director, Virginia Career College Association  
Carol Simpson, Provost, Old Dominion University  
Barry DuVal, President, Virginia Chamber of Commerce

## APPENDIX D

### Summary of Stakeholder Remarks Council Forum, July 15, 2013

<b>Speaker</b>	<b>Title</b>	<b>Comments</b>
Laura Fornash	Virginia Secretary of Education	TJ21 passed unanimously and should provide the framework for your efforts.
		Sustainability is your first priority.
		The system needs to continue working toward additional autonomy with accountability.
Rick Hurley	President, University of Mary Washington President, Council of Presidents	SCHEV can help make sense of technological advances, such as MOOCs and the questions they raise about credits, tuition, and accreditation issues.
		There is a tremendous push for STEM but there is only so much the institutions can do. This effort must start in K12. SCHEV could facilitate and coordinate work with K12 and higher education to develop STEM activities and initiatives early and often in K12.
		The decentralization (restructuring) process began long ago and progress has been made. SCHEV can help the institutions hold on to the gains we've made and help others understand what it is and why it's important.
John Doswell	Former Rector, Virginia Commonwealth University	SCHEV should help the institutions get more state funding.
		We need a better dialogue among institutions at the Board of Visitors level.
		The current Board of Visitors turnover schedule creates a lack of continuity. SCHEV should look at supporting longer terms.
David Foster	President, Virginia Board of Education	SCHEV needs to help with college and career readiness. One area in particular is teacher preparation.
		SCHEV needs to work on making sure diplomas and credential are meaningful.

Glenn DuBois	Chancellor, Virginia Community College System (VCCS)	There is great diversity in Virginia in terms of income and educational attainment. If 14 of the 23 community colleges in rural areas formed their own state, they'd be dead last nationally in terms of income and educational attainment. NOVA would be 1 <sup>st</sup> or 2 <sup>nd</sup> .
		The community colleges helped build the middle class, now it may be up to the community colleges to save the middle class, with a chance to earn a sustainable wage. We need SCHEV's help to get this funded.
		SCHEV should continue to support the Career Coaches program because it makes a difference and helps with access and making good and timely decisions.
Tom Kramer	Executive Director, VA21	Student debt and the ability to pay that debt off is an enormous problem.
		The emphasis is often on efficiencies and keeping tuition increases down, but what about quality? Quality in higher education should be the focus of SCHEV which could start by defining what "quality" means.
		Continue to support access programs. They do make a difference.
Delegate Kirk Cox	House Appropriations Committee	Big picture—SCHEV should be focused on strategic vision, and examining old processes and ways of doing things to see if they're still fulfilling a purpose. SCHEV should integrate various perspectives and be future-looking; no one else is in a position to do it.
		Balance state needs and accountability with institutional autonomy. Institutions should have distinct missions, and not each be all things to all students. Example: research is important, but perhaps should be focused. SCHEV is in a position to examine financial aid policies and tuition. SCHEV should study the directions some institutions have taken in these areas and the implications on the system as a whole.
		SCHEV should be forward looking and play a role in coordinating sharing of resources. Examples: course and program sharing among institutions, particularly in a distance education context; employability certification for veterans, many of whom come out of their service without the right skills for available jobs.
Don Finley	President, Virginia	The Joint Legislative Audit and Review Commission

	Business Higher Education Council	(JLARC) study promises to identify directions for efficiency gains, which is important. We need also to be concerned with quality, and SCHEV has an essential role in articulating that balance.
		The current environment is the most challenging we've faced, especially with changes in delivery of instruction, which will affect the business models of institutions. Different institutions will be differently affected. There is a need for a high level discussion about how to respond to challenges—VBHEC would like to work with SCHEV.
		Request: need to work together to sustain the gains to higher education that TJ 21 ushered in. (Related back to Secretary's comment re sustainability.)
Robert Lambeth	President, Council of Independent Colleges in Virginia	Be leaders. Don't shy away from the hard and/or controversial decisions.
		Support more state funding of private institutions. Figure out what the public/private balance should be.
		Recognize and support the liberal arts as important. Science is always a component of these degrees.
		Look at how the glitz being implemented at public colleges affects the whole system.
		Follow the money when looking at funding models. Focus on return on investment for Virginia's citizens not just the public institutions.
		The private colleges serve a need for the non-academically elite.
		Create a small advisory group of presidents to figure out an implement the "low hanging fruit" of collaborative initiatives.
Mark Singer	Executive Director, Virginia Career College Association	Seek VCCA input on policy decisions.
		Support VCCA being eligible for the benefits of the Virtual Library of Virginia, the Virginia Wizard student portal and other collaborative programs.
		Hold a SCHEV meeting at a VCCA school.
Barry Duval	President, Virginia	Blueprint Virginia, business plan for the Commonwealth.

	Chamber of Commerce	The blueprint will recognize regional and industry strategies to establish statewide investment priorities.
		Blueprint focuses on strategies for three main priorities of the business community: Workforce & Education; Economic Development and Retention; Transportation.
		Higher education has a great impact on workforce development, which is the number one issue, no matter what the region.
Carol Simpson	Provost, Old Dominion University	SCHEV should serve as an advocate for the diverse institutions, which have independent Boards of Visitors and diverse missions and populations. SCHEV should put data in appropriate context, given the unique missions.
		Be proactive in assessing current and future demand for certain occupations. Conduct ongoing analyses of workforce trends to guide program investments.
		<p>SCHEV can help the institutions streamline processes and become more efficient in the following ways. SCHEV should be a repository for information on degree programs, but regarding outcomes, should use the assessments that are already built into accrediting processes. This would not be a retreat from assessment, but just an acknowledgement that SACS review is already quite rigorous and SCHEV's process is duplicative.</p> <p>SCHEV should change the way it interacts with the institutions. The degree program approval process needs revision. It takes a huge effort by several staff to get SCHEV approval, even after spending much time evaluating in-house.</p>

## APPENDIX E

### **Draft Minutes of Special Council Meeting July 15, 2013**

Mr. Smith called the meeting to order at 1:30 p.m. and asked Mr. Fogarty to facilitate. Mr. Fogarty provided a recap of Executive Directive No. 6 and asked that the Council focus on any new priorities that should be adopted and what existing activities, if any, should be diminished. Members were asked to provide their input.

Mr. Fralin said a strong SCHEV is in the best interest of everyone and the state, but he felt that in today's environment, some of SCHEV's duties could be handled elsewhere. If necessary, the Council should consider submitting legislation to make these changes. In order to make SCHEV more relevant to the Governor and legislators, he felt the Council should provide suggestions and information that is not available elsewhere. He also felt that SCHEV should be able to determine the efficiency of each institution and provide that information to the legislators. Mr. Fralin said SCHEV should continue to find ways to determine the quality of the education, including better ways to follow students after graduation. He felt that SCHEV should produce cost models showing the difficulty institutions have in recruiting faculty. Overall, he felt that SCHEV should provide a balanced viewpoint in providing an accurate story of Virginia's higher education system.

Ms. DiGennaro felt the Council should look to staff to inform members of duties that need to be added and any that are no longer necessary to its role. She felt that access and affordability are important, but the "third leg" is quality - how to define and then assess what students are learning. She acknowledged that this is the purview of the institutional boards, but she felt SCHEV should ascertain what is needed for a core curriculum without micromanaging the institutions. Ms. DiGennaro felt the Council should consider taking action to lead a one-day session to explore private/public partnerships to increase the availability of research funding for public and private colleges in Virginia, including a report comparing state intellectual property policies.

Mr. Haner said being an advocate for higher education does not mean advocating for the university's viewpoint. Rather, he felt that SCHEV is being asked to provide leadership, which could at times "upset the applecart." He felt that the Council will not add value if it is "rubber stamping" someone else's position.

Mr. Lockhart felt SCHEV should determine how the state should spend the scarce dollars it has in higher education by creating a model that demonstrates how it is constantly improving. He felt aggressive benchmarking was needed in order to get hard facts to answer those questions. Mr. Lockhart felt there could be other sources of information SCHEV could publish related to quality that would be useful.

Mr. Bland said Virginia currently enjoys great diversity in its institutions. He felt the Council should grab hold of its advocacy role and all that it means (a different way of doing things or sometimes saying no), but he felt SCHEV should not sit by and watch the passing parade. Mr. Bland felt the Council must be fully engaged in funding and tuition policies and should look at the system as a whole in order to better understand ways in which more collaboration can be achieved between privates, for-profits, and community colleges. He suggested that the Council be bold in its efforts.

Mr. Smith felt the Council needed to better understand the link between new construction projects and the increased use of technology in order to determine what higher education should look like in the next decade.

Mr. Minor felt the Council should be part of the conversation and not just absorb and process information. He stressed the need for a strategic plan which will require establishing priorities. He felt SCHEV should re-establish the fact that it is part of a team and determine whether it looks at things from a 5,000, 20,000 or 50,000 foot perspective. Mr. Minor suggested that in order to look at the total picture, SCHEV should raise its sights and look beyond daily activities to determine how to accomplish the goals. He felt that Council members should consider their willingness to be more involved in complementing the staff to become the voice of SCHEV.

Mr. Nakamoto said SCHEV's mission and scope seems to keep increasing while the budget is decreasing. He urged members to be mindful of mission creep and felt the Council should establish priorities to ensure its own sustainability. He said SCHEV could be lost in the mix if it fails to maintain access and affordability. Mr. Nakamoto felt leadership was the key to meeting the deliverables and viewing SCHEV as a trusted partner. He reiterated an earlier comment which likened SCHEV's role to that of an umpire.

Mr. Fogarty felt the Council should be prepared to approach the General Assembly with a proposal explaining what is required to accomplish the goals of the Executive Directive. Likewise, he stressed that if the Council considers giving up certain duties to enable it to take on a more strategic role, this is the time to do it.

Ms. Haddad agreed with something mentioned by one of the morning speakers, i.e., that every institution does not need to be everything to all people. She felt that the Council continues to do well with regard to Boards of Visitors development, and that the Council should continue to champion liberal arts and promote distance learning. She suggested that the Council consider forming an advisory group of presidents from the public and private institutions. Ms. Haddad felt it was important to develop a better relationship with the General Assembly by regularly reporting SCHEV activities and then informing the Council how the information was received.

Mr. Blake said members mentioned more things the Council should be doing, in addition to what has already been mentioned in recent legislation. He spoke about the history of SCHEV and its role as buffer between the Governor, General Assembly, and institutions. He also provided a summary of the speaker comments from the morning session and reviewed some things that are already being implemented.

The meeting adjourned at 3:10 p.m.

## Appendix F

<b>Preliminary Summary of Reformatations of SCHEV's Policies and Functional Duties (Numbers are for identification purposes only and do not represent prioritization)</b>	
<b>Description</b>	<b>Justification/Purpose/Outcome</b>
<b>1. Eliminate SCHEV Duty #10—assessment of student learning</b>	Institutional assessment programs have matured since this duty was introduced in the '80s, rendering it unnecessary; elimination will relieve an institutional reporting burden.
<b>2. Seek authorization to administer Virginia's participation in multi-state distance education reciprocity consortia.</b>	Collaboration between SCHEV and Virginia institutions will afford institutions a more efficient, and less costly, path toward securing authorizations from other states needed to offer distance education programs nationally.
<b>3. Review the program approval process for efficiency and focused enhancement of institutional autonomy.</b>	Administrative relief, while preserving the commonwealth's interest in exercising scrutiny over significant mission and program enhancements, and guarding against unnecessary duplication. Staff will work collaboratively with institutions and other stakeholders to put these modifications in place.
<b>4. Revise code and improve policy related to student transfer and student mobility issues.</b>	Some provisions in code require updating to reflect current initiatives and priorities, such as guaranteed admission agreements. The State Policy on College Transfer requires updating to reflect current realities in student mobility, including (but not limited to) dual enrollment, prior learning assessment, and sophisticated use of data.
<b>5. Pilot a multi-institution collaborative to serve Virginia's veterans at institutions of higher education.</b>	The pilot will seek to establish a common portal to educational opportunity, enhanced services, and a greater extent of flexibility for military-related students. If successful, it can be expanded to include more institutions and/or other student constituencies.
<b>6. Expand capacity for research, analysis and reporting on higher education issues.</b>	Among other efforts, SCHEV will establish a higher education research advisory committee, composed of institutional representatives and others, to guide the identification, prioritization and design of research projects that address key higher education issues.
<b>7. Expand outreach efforts with pre-K-12 to improve college and career readiness and transition from secondary to postsecondary education.</b>	The more high school graduates who are successful in postsecondary institutions will result in a higher quality of life and greater economic returns across the Commonwealth.
<b>8. Expand efforts to coordinate with colleges and universities on</b>	Initiatives include executing the Memorandum of Understanding with the Virginia Economic Development Partnership; assessing the need for new

<p><b>economic development outreach and to establish outcomes and associated success measures.</b></p>	<p>programs of study; and helping to strengthen university research activities and their ability to attract research funding.</p>
<p><b>9. Expand outreach to public-institutions governing boards.</b></p>	<p>SCHEV will explore additional professional development opportunities for rectors and board members, including its annual orientation program and online tools.</p>
<p><b>10. Undertake periodic review of institutional reporting requirements to ensure their continued relevance.</b></p>	<p>Reporting requirements that are no longer relevant should be eliminated, while those that add value should be improved.</p>
<p><b>11. Reconsider the responsible party and process for reporting auxiliary enterprise investment yields, financial feasibility studies and administrative increases in the nongeneral fund appropriation.</b></p>	<p>Other agencies might be better suited to perform these functions and achieve the same or greater level of accountability.</p>
<p><b>12. Seek authorization for SCHEV to apply for, hold, administer and expend grants from public or private sources.</b></p>	<p>SCHEV currently is required to seek approval of the Governor. This change would allow SCHEV to respond more quickly to grant opportunities to support research studies, student access programs, and other priorities.</p>
<p><b>13. Realign staff resources to meet higher priorities.</b></p>	<p>To date, SCHEV has made changes in areas such as capital outlay planning and review; fiscal services; certification of private and out-of-state institutions; data systems; financial aid; and six-year planning. Staff will continue its comprehensive review of staff alignment and position descriptions to strengthen its capacity in areas identified in TJ21, Executive Directive #6, SCHEV's priorities and this report. As part of the development of a strategic plan for higher education, SCHEV will engage outside experts to advise us on further staff realignments needed to address new priorities and the changing higher education landscape.</p>
<p><b>14. Eliminate obsolete language in Code through an omnibus bill and in coordination with the Virginia Code Commission.</b></p>	<p>Through this process, staff has identified a number of Code sections that no longer need to be performed. At the same time, the Virginia Code Commission is reviewing relevant section of the Code for streamlining and consolidating.</p>

## APPENDIX G

### **Opportunities for Collaboration to Enhance Quality and Obtain Greater Operational Efficiencies**

*Executive Directive No. 6* directs SCHEV to accomplish various tasks by October 1, 2013, “to ensure that the goals and objectives of *The Virginia Higher Education Opportunity Act of 2011* are executed efficiently and effectively.” ED6 designates the Council as possessor of “the primary state-level responsibility to guide Virginia’s colleges and universities” in achievement of TJ21’s vision. The Council and its staff welcome and accept this responsibility and look forward to advancing Virginia through higher education in this way.

Among the tasks assigned to SCHEV in ED6 is the development of recommendations “to increase collaboration among the institutions” in order to “enhance quality and obtain greater operational efficiencies through shared resources.” These proposals may include “partnerships among public and private institutions and others involved in higher education, and partnering on board member development.”

Collaboration in Virginia higher education has a broad and deep history, yielding many useful outcomes and improvements, economies-of-scale efficiencies, and significant cost savings or avoidances (a list of many current collaborative activities/initiatives appears as Appendix H). The Council and its staff are proud of SCHEV’s involvement in so many of these collaborative activities and are confident that the proposals described here – which were developed cooperatively with SCHEV’s stakeholders and constituents – will continue Virginia higher education’s strong and meaningful tradition of collaboration.

At the same time, the Council and its staff are mindful of the conclusions of the 2007 report “Good Policy, Good Practice,” which was published jointly by several national associations as a guide to improving higher education outcomes and productivity. SCHEV recognizes and agrees that efficient and effective “approaches to collaboration require a state policy framework that induces institutions to collaborate in pursuit of their own self-interest. If institutions are expected to work together just because ‘it’s the right thing to do,’ little collaboration is likely to emerge. Instead, they need an incentive to do so.”

Therefore, in addition to the proposals herein, SCHEV also recommends that necessary and sufficient additional financial resources be made available to support these collaborative activities. Some initiatives may be best supported via existing allocation formulas or mechanisms; others, via funding pools set aside specifically to foster and maintain collaboration. The Council and its staff stand ready to serve as broker, fiscal agent, or active participant in these activities as needed.

As illustrated by the proposals that follow and the examples highlighted in Appendix H, collaboration can take many forms and can occur within all facets of the educational enterprise. Per ED6, the proposals recommended here are focused on the quality of the *academic* enterprise, and the development thereof has been guided by the goals and purposes of TJ21. Specifically,

these opportunities represent the perceptions of SCHEV and its stakeholders regarding the Commonwealth's greatest TJ21-related needs and the most-immediate opportunities for success in meeting these needs. Some represent new ideas/proposals; others, enhancements or expansions of existing collaborative activities.

The recommendations are grouped into three general categories: degree production; research production; and infrastructure development. The degree-production category encompasses TJ21's goal of 100,000 additional degrees by 2025, as well as its emphases on increasing in-state enrollments, student retention and graduation, and targeted curricular foci, particularly in STEM-H and strategic and/or emerging fields. The research-production category reflects TJ21's commitment to enhance student learning, basic knowledge, commercialization, and the Virginia economy through increased academic research and public-private partnerships. The infrastructure-development category captures opportunities to share academic resources, to build and/or grow initiatives jointly, efficiently, and with greater quality, and to approach ongoing and new ideas in cost-effective ways.

Within these categories, proposals are grouped by time-to-implementation, differentiating between those accomplishable in the shorter-term and those requiring longer timeframes to bring to fruition. Not surprisingly, but not intentionally, existing initiatives that are recommended for expansion or enhancement are concentrated in the shorter-term groupings, and new initiatives encouraged for creation and development are concentrated in the longer-term groupings.

#### Degree Production: Recommendations to Collaboratively Increase Degree Completion, Student Retention and Graduation, and Curricular Focus and Relevance

- Shorter-term Initiatives
  - Enhance the Commonwealth Graduate Engineering Program (CGEP).
  - Expand and enhance the PRODUCED In Virginia Program (undergraduate engineering at UVa), perhaps to include a transfer pathway for VCCS associate degree engineering graduates and online engineering minors to other institutions' students (Longwood).
  - Expand the Shared Services Distance Learning Program at NVCC, particularly in STEM and IT, to expand access to lower-cost course options.
  - Enhance the Clinical Simulation Centers (RU, JCHS, PHCC, NRCC, VWCC, WCC, RHEC).
  - Encourage public and private institutions to expand offerings and activities at the regional higher education centers/institutes, and as available, at the institutional regional academic centers and at community colleges.
  - Encourage ongoing collaborations in medical education, such as those between EVMS and CWM and ODU; between Virginia Tech Carilion School of Medicine and Carilion Hospital System; and between Virginia Tech and Wake Forest.
  - Support continued state-wide coordination on STEM curriculum/course redesign efforts through 4-VA

- Longer-term Initiatives
  - Encourage and support development of an online/electronic Commonwealth Graduate Nursing Consortium (CGNC; similar to CGEP) for conferring more doctoral degrees in Nursing Education (in-development between GMU, ODU, UVa, and VCU); consider future expansion of CGNC for other Nursing degrees or use of CGNC/CGEP as models for a broader collaborative Nursing program.
  - Encourage and support development of joint certificate and degree programs (e.g., shared faculty, courses, co-enrolled students):
    - In strategic and/or emerging fields such as Cyber-security, Homeland Security, Computational Science, and the Biosciences;
    - Targeting veterans and military personnel (a pilot program is currently in development between JMU, ODU, UVa, and VT);
    - In STEM and languages fields (via 4-VA);
    - Allowing online completion of full programs, two-plus-two programs, and three-plus-one programs between two- and four-year institutions (e.g., NVCC and ODU; VCCS and Lynchburg College; VCCS and WGU).
  - Encourage and support the sharing of faculty between institutions/programs (joint appointments; “virtual” departments; 4-VA).
  - Support development of a regional Anatomy and Physiology Lab in the Roanoke area (similar to the Clinical Sim Lab; Radford is exploring in cooperation with Jefferson College and Virginia Tech Carilion School of Medicine).
  - Support the Chesapeake Bay SENCER (Science Education for New Civic Engagements and Responsibilities) Center for Innovation (GMU and Longwood).

Research Production: Recommendations to Collaboratively Increase Academic Research and Development and Public-Private Partnerships to Grow the Knowledge Base, Skill Base, and the State Economy

- Shorter-term Initiatives
  - Encourage participation in the Commonwealth Center for Advanced Logistics Systems (CCALS).
  - Expand participation in the Commonwealth Center for Advanced Manufacturing (CCAM; current membership LU, UVa, VCU, VSU).
  - Encourage fulfillment of the goals of the MOU between public institutions and the Virginia Economic Development Partnership (VEDP).
  - Support the Presidential Precinct and Diplomacy Lab (UVa and CWM, with Ash Lawn-Highland, Monticello, Montpelier, and Morven).
- Longer-term Initiatives
  - Create fund to encourage inter-institutional and institutional-industry research collaboration, particularly in strategic foci such as Alternative Energy, Modeling and Simulation, Advanced Logistics/Analytics, Advanced Manufacturing, Bio-Science, Bio-technology, Bio-engineering, Bio-electrics.
  - Explore an economic-development MOU between VEDP, SCHEV, and private institutions similar to that with public institutions.

- Support sharing of major scientific instrumentation by expansion of procedures for remote operation (at the Applied Research Center in Newport News and elsewhere as possible).

Infrastructure Development: Recommendations to Collaboratively Increase the Sharing of Academic Resources and the Creation and Expansion of Efficient, Effective, High-Quality Multi-institutional Opportunities and Initiatives

- Shorter-term Initiatives
  - Expand membership and participation in 4VA project (electronic delivery).
  - Expand electronic resources available through the Virtual Library of Virginia (VIVA), perhaps to include a single cloud-based collection accessible to students at all participating institutions in the Commonwealth.
  - Encourage more joint purchasing of academic resources (particularly frequently-used textbooks in high-enrollment courses) and technology between public and private institutions.
  - Encourage public-private partnerships to equip VCCS laboratories and to expand/share access to these labs.
  - Encourage public and private institutions to jointly sponsor and/or share international study-abroad and travel programs.
  - Promote the Semester at Sea (SAS) program to students at all Virginia institutions (SAS is sponsored by UVa; managed by the Institute for Shipboard Education).
  - Support build-out of the Virginia Longitudinal Data System (VLDS).
  - Fund SCHEV to re-initiate Funds for Excellence institutional grant program to encourage collaborative approaches to TJ21 goals.
  - Fund state-level participation in the National Survey of Student Engagement (NSSE).
  - Encourage more institutional participation in and promotion of regional and state outreach and access-promotion initiatives (i.e., College Application Week; Super FAFSA Week; the I am the One campaign).
- Longer-term Initiatives
  - Encourage shared or “wrap-around” student support services for targeted populations (e.g., veterans; underrepresented minorities), such as the Pathway to the Baccalaureate program between NVCC and GMU.
  - Support development of a statewide Digital Media Hub to store and provide institutions with access to digitized instructional materials (JMU is exploring).
  - Create within SCHEV a Center for Education and Workforce Data to partner with VDOE, VCCS, Weldon-Cooper Center, VEDP, and other entities to ensure a sound basis for analysis and research.
  - Support re-engineering the TELETECHNET undergraduate partnership between ODU and the VCCS.
  - Replicate the Virginia Space Grant Consortium (VSGC) model for other curricular topics (e.g., conducive STEM fields).
  - Support expansion of 4-VA, especially extended membership, additional shared courses, and expanded research collaboration.

## APPENDIX H

### **Examples of Current Collaborative Academic and Operational Activities/Initiatives**

(Developed in part from a document of the Virginia Business Higher Education Council with additional input from a working group of institutional representatives.)

#### **Instruction**

Academic Common Market (through SREB)  
Articulation Agreements  
Assessment of Student Learning, Sharing of Best Practices  
Clinical Simulation Centers (RU, JCHS, PHCC, NRCC, VWCC, WCC, RHEC)  
Commonwealth Graduate Engineering Program (CGEP)  
Cooperative Academic Program Agreements  
Dual-enrollment courses and programs (VCCS and local schools/systems)  
Electronic Campus of Virginia (ECVa)  
Guaranteed Admission Agreements  
Higher Education Pedagogy Conference (annually at VT)  
Joint Degree Programs  
NVCC Extended Learning Institute (ELI)  
NVCC Shared Services Distance Learning Program  
PRODUCED in Virginia (undergraduate engineering, UVA)  
Regional Higher Education Centers  
    **New College Institute, Martinsville**  
    **Roanoke Higher Education Center, Roanoke**  
    **Southern Virginia Higher Education Center, South Boston**  
    Southwest Virginia Higher Education Center, Abingdon  
    (Various centers operated solely or jointly by colleges and universities)  
Southside Higher Education Consortium (Longwood, SVCC, Hampden Sydney)  
SREB Electronic Campus  
TELETECHNET (ODU)  
Tidewater Consortium for Higher Education  
Transfer (and Reverse Transfer) Agreements  
Virginia Initiative for Science Teaching and Achievement (VISTA)  
Washington Alexandria Architecture Center (VT)

#### **Research**

Commonwealth Center for Advanced Logistics Systems (CCALS)  
Commonwealth Center for Advanced Manufacturing (CCAM)  
Funds for Excellence (SCHEV)  
Institute for Advanced Learning and Research (IALR)  
Jefferson National Accelerator Facility (Jefferson Lab or JLab)  
Lab-in-a-Box (electrical engineering experimentation kits for students, VT and VWCC)  
Mid-Atlantic Research Infrastructure Alliance (MARIA)  
MOU Between VEDP, SCHEV, and Public Institutions

National Institute of Aerospace (CWM, Hampton, ODU, UVa, VT, and out-of-state insts)  
National Lambda Rail (NLR)  
Southeastern Universities Research Association (SURA)  
University Transportation Center (VT, UVa, Morgan State)  
Virginia Microelectronics Consortium (VMEC)  
Virginia Modeling, Analysis and Simulation Center (VMASC)  
Virginia Space Grant Consortium (VSGC)

### **Library, Information and Student Resources**

Open Education Learning Resources  
Pathways to the Baccalaureate Program (NVCC and GMU)  
Virginia Alliance for Graduate Education and the Professoriate (VAGEP)  
Virginia Longitudinal Data System (VLDS)  
Virtual Library of Virginia (VIVA)

### **Computing, Networking and IT Infrastructure**

4-VA  
Mid-Atlantic Terascale Partnership  
Network Virginia  
Virginia Alliance for Secure Computing and Networking (VASCAN)  
Virginia Virtual Computing Lab (VAVCL)

### **Advisory and Consultative Assistance**

Career College Association (CCA)  
Center for Innovative Technology (CIT)  
Council of Independent Colleges in Virginia (CICV)  
Higher Education Advisory Committee (HEAC)  
Fiscal Officers of Colleges and Universities State Supported (FOCUS)  
State Council of Higher Education for Virginia (SCHEV)  
    Career College Advisory Board (CCAB)  
    Electronic Learning Group (ELG)  
    Finance Advisory Committee (FAC)  
    General and Professional Advisory Committee (GPAC)  
    Instructional Programs Advisory Committee (IPAC)  
    Learning Technology Advisory Committee (LTAC)  
    Library Advisory Committee (LAC)  
    Military Education Advisory Committee (MEAC)  
    Private College Advisory Committee (PCAB)  
    State Committee on Transfer (SCT)  
    State Coordinators for the Academic Common Market (SCACM)  
    Student Advisory Committee (SAC)  
    Task Force on Distance Education Reciprocity

VA21

Virginia Association of Collegiate Registrars and Admissions Officers (VACROA)  
Virginia Association of Student Financial Aid Administrators (VASFAA)  
Virginia Assessment Group (VAG)

Virginia Business Higher Education Council (VBHEC)  
Virginia's Chief Transfer Officers (VCTO)

**Procurement**

Virginia Association of State College and University Purchasing Professionals (VASCUPP)

# State Council of Higher Education for Virginia Agenda Item

**Item:** Strategic Planning Task Force Item #3 – Discussion of Request for Proposal for Strategic Plan Services

**Date of Meeting:** October 28, 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:** September 2013

**Action:** At its September 17 meeting, Council passed the following resolution:

**BE IT RESOLVED that the State Council of Higher Education for Virginia proceed with hiring a national consultant to assist with the planning process and assessment of SCHEV and its strategic planning process, and authorizes the Council chair and staff to determine how best to proceed.**

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

Based on the discussion at the meeting, Council staff developed a statement of need, a scope of work, evaluation criteria, and reporting and delivery requirements.

**Materials Provided:**

A draft of the statement of need and scope of work is enclosed.

**Financial Impact:**

Staff has identified funds within its existing budget to pay for the estimated cost of the contract.

**Timetable for Further Review/Action:**

Following the meeting, staff will publish the request for proposal. A smooth and uninterrupted process will take approximately eight weeks between announcement and award of contract.

**Resolution:**

None.

The State Council of Higher Education for Virginia is seeking a consultant to help identify needs, set goals, and build consensus around an agenda for higher education in Virginia. The Council also seeks assistance with identifying policy, staffing, and legislative changes needed to achieve the goals of a statewide strategic plan.

By Code, the Council is required to produce a statewide strategic plan (§23-9.6:1, Code of Virginia) at least every six years. While the charge to the Council is not new, the environment in which we find ourselves is new. Virginia has engaged in significant legislative reforms over the last several years. In 2005, the General Assembly and the Governor approved the Restructured Higher Education Financial and Administrative Operations Act (§23-38.88, Code of Virginia). In exchange for administrative and operational freedom for public colleges and universities, the act established state priorities for higher education. In 2011, the General Assembly and the Governor approved the Higher Education Opportunity Act, also known as the Top Jobs Act, or TJ21 (§23-38.87:10, Code of Virginia). TJ21 established a goal of increasing the number of Virginia residents with at least an associate degree by 100,000 by 2025 and improving the state's percentage of degree holders from 45% to at least 55%. It also outlined the development and implementation of funding policies, performance criteria, and economic opportunity metrics.

The State Council of Higher Education for Virginia, as the state's coordinating body for higher education, has been central to the implementation of these two signature pieces of legislation. In recognition of the Council's heightened responsibilities, the General Assembly and the Governor approved, in 2012, revisions to the composition and duties of the Council. Among the changes were the addition of a school superintendent and the state's top economic development official to the Council's board, and the affirmation of the Council's role in state-level strategic planning, policy development and implementation, higher education research and analysis, institutional collaboration, and governing board development. (See <http://leg1.state.va.us/cgi-bin/legp504.exe?131+ful+CHAP0605>).

In May 2013, Governor McDonnell issued Executive Directive #6 asking the Council to undertake a review of its essential functions; organize staff and resources accordingly; maintain a database of key elements to support analysis; and propose opportunities for institutional collaboration. The Council's response to that directive can be found here (<http://schev.edu/>).

In 2012, the Joint Legislative Audit and Review Commission (<http://jlarc.virginia.gov/>) embarked on a two-year study of Virginia higher education. JLARC will study the cost efficiency of the Commonwealth's institutions of higher education and identify opportunities to reduce the cost of public higher education in Virginia (<http://leg1.state.va.us/cgi-bin/legp504.exe?121+ful+HJ108ER>). The JLARC review will culminate in a series of reports, which the Council will need to take into account as it develops the strategic plan and identifies priorities for its ongoing work

In January 2014, Virginia will inaugurate a new Governor. The Council will work cooperatively with the new Governor on his higher education goals. His initiatives will help inform the statewide strategic plan for higher education.

In this environment, the Council seeks to engage the services of a consultant (or consultants) who can assist with the following duties:

- A. Assessment of current and emerging conditions in Virginia and its regions regarding population, workforce, the economy and education. This assessment will provide baseline information, the mechanism for identifying issues to be addressed in the plan and a basis for communicating with the numerous audiences that must be consulted and made part of the solution if goals are to be met.
- B. A comparison of other states to Virginia on key metrics.
- C. Development of projections that will inform a statewide strategic plan. These include:
  - Population and demographic characteristics
  - The economy and workforce needs
  - Graduates of the PK-12 system
  - Number and types of additional college graduates needed in the state
  - Number and types of other credentials needed in the state
- D. Development of a draft set of goals based on the size and nature of the disparities between current conditions and projected needs, and including the following:
  - Postsecondary education enrollments and completions
  - Entrants to the workforce
  - Postsecondary education attainment gaps
  - Academic programs necessary to meet the state's economic objectives
  - Measures of access, affordability, efficiency, and quality
- E. Review of existing policies, regulations, and practices regarding financing, accountability and reporting, linkages between and among PK-12, postsecondary education, and economic development, and mandates or prohibitions regarding practices of higher education institutions.
- F. Assessment of the capacity and alignment of Council's staff to perform its current and new duties as a result of the Code of Virginia, Executive Directive #6, TJ 21, JLARC reports, and other relevant information.
- G. Under the direction of the Council's director, preparation of reports of statewide goals and of a review of existing policies, incorporating insofar as is possible, suggestions from constituent groups, and including assistance with presentation to the Council, legislative and executive bodies, news media, and others.

## State Council of Higher Education for Virginia Agenda Item

**Item:** Strategic Planning Task Force Item #4 – Discussion of Timeline for Development of Strategic Plan

**Date of Meeting:** October 28, 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:**

**Action:**

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

The Code of Virginia directs the Council to develop a statewide strategic plan for higher education. The specific language is found below:

Develop a statewide strategic plan that (i) reflects the goals set forth in subsection B of § 23-38.88 or (ii) once adopted, reflects the goals and objectives developed pursuant to subdivision B 5 of § 23-38.87:20 for higher education in the Commonwealth, identifies a coordinated approach to such state and regional goals, and emphasizes the future needs for higher education in Virginia at both the undergraduate and the graduate levels, as well as the mission, programs, facilities and location of each of the existing institutions of higher education, each public institution's six-year plan, and such other matters as the Council deems appropriate. The Council shall revise such plans at least once every six years and shall submit such recommendations as are necessary for the implementation of the plan to the Governor and the General Assembly.

The Council is in the process of retaining a consultant to help with this effort. Once the consultant is hired staff will be in a better position to assign specific duties at

certain times of the year. Staff estimates that a final plan will be completed in time for Council action in September or October 2014.

**Materials Provided:**

None.

**Financial Impact:**

None.

**Timetable for Further Review/Action:**

Council will review the progress surrounding the strategic plan at every meeting in 2014.

**Resolution:**

None.

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA  
AGENDA**

SCHEV Offices  
101 N. 14<sup>th</sup> Street  
Richmond, Virginia  
**October 29, 2013**  
**Main Conference Room**  
**9:00 a.m.**

**Meeting Agenda**

*(Note: Some items from the October 29 meeting agenda may be addressed before adjournment of the October 28 meetings)*

1. Call to Order and Announcements 9:00 a.m.
2. Public Comment Period
3. Approval of Minutes:  
September 10, 2013 special meeting [Page SC1](#)  
September 17, 2013 meeting [Page 1](#)
4. Remarks from John Dever, President, Thomas Nelson  
Community College 9:10 a.m.
5. Director's Report 9:30 a.m. [Page 9](#)
6. JLARC Update 9:45 a.m.
7. Committee Reports: 10:15 a.m.

**TJ21 Implementation Committee**

(See TJ21  
Implementation  
TF Agenda)

- a. Action on 2014-16 Systemwide Operating  
Budget [Page TJ6](#)
- b. Action on 2014-16 Systemwide Capital Outlay  
Budget
  1. Maintenance Reserve [Page TJ40](#)
  2. New Capital Outlay [Page TJ43](#)
- c. Update from the Higher Education Advisory  
Committee [Page TJ69](#)

**BREAK**

11:00 a.m.

Academic Affairs Committee

(See Acad. Aff.  
Agenda)

- a. Action on Policy on the Offering of Dual Enrollment Courses [Page A8](#)
- b. Action on Policy on Mission Statement Changes [Page A14](#)
- c. Action on Policy on Program Productivity Review [Page A26](#)
- d. Action on Programs at Public Institutions [Page A38](#)
- e. Action on Private and Out-of-State Post-secondary  
Education Institutional Certifications [Page A48](#)
- f. Discussion of Potential Revisions to SCHEV Program  
Approval Process [Page A54](#)
- g. Discussion of Accreditation

Strategic Planning Task Force

- a. Review of Executive Directive No. 6 Response [Page SP1](#)
- b. Discussion of Request for Proposal for Strategic Plan  
Services [Page SP3](#)
- c. Discussion of Timeline for Development of Strategic  
Plan [Page SP7](#)

- 8. Items Delegated to Staff 12:05 p.m. [Page 12](#)
- 9. Action on Amendments to Council Bylaws 12:10 p.m. [Page 14](#)
- 10. New Business 12:20 p.m.
- 11. Adjournment 12:30 p.m.

**Next meeting: January 13-14, 2014 - SCHEV Offices**

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  
SPECIAL MEETING  
SEPTEMBER 10, 2013  
MINUTES**

Mr. Bland called the meeting to order at 1:10 p.m. in Capital Room C, Owens and Minor offices, 9120 Lockwood Boulevard, Mechanicsville, Virginia.

Council members present: Gilbert Bland, Martin Briley, Johanna Chase, Joann DiGennaro, Heywood Fralin, Stephen Haner, Gene Lockhart, G. Gilmer Minor, Pamela Moran, Carlyle Ramsey, and Julious Smith

Council members absent: Mary Haddad and Gary Nakamoto

Staff members present: Peter Blake, Ellie Boyd, Beverly Covington, Alan Edwards, Joe DeFilippo, Tod Massa, Kirsten Nelson, Monica Osei, and Lee Ann Rung.

Others present: Noelle Shaw-Belle from the Office of the Attorney General, Ashley Meyer from the Secretary of Education's office, and Andy Fogarty, former SCHEV Interim Director, were also in attendance.

**DISCUSSION OF SCHEV'S ROLES AND RESPONSIBILITIES**

Mr. Bland reminded members of the purpose of meeting and asked Mr. Fralin to speak about the recent press conferences that the Grow By Degrees campaign held around the state. He said the areas of focus for the future include the next steps in college, knowledge and jobs. He mentioned specific areas of focus as discussed by Grow By Degrees, including:

- faculty involvement and competitive salaries;
- student leadership development
- performance funding in STEM-H areas
- student advisement and job placement
- innovative technology for instructional operations
- enhancement of transfer grants, cyber security, and services to veterans.

Staff shared copies of an Op-ed column that Mr. Minor and Mr. Thomas Farrell submitted to the *Richmond Times-Dispatch* demonstrating that higher education fuels Virginia's economy. Mr. Fralin said all of these efforts complement SCHEV's future goals. The higher education summit sponsored jointly by the Virginia Business Higher Education Council and the Virginia Chamber of Commerce is scheduled for September 18. Mr. Fralin encouraged members to attend.

Mr. Bland thanked Mr. Smith for his leadership over the summer in working on the draft position paper on SCHEV's future direction. Mr. Smith indicated that the first step is to meet the October 1 deadline as required in Executive Directive No. 6. The second step is for SCHEV to prepare a systemwide strategic plan.

Mr. Blake reviewed the draft document. Members provided input and Mr. Blake agreed to include the recommendations in the revised report.

Mr. Smith thanked Mr. Fogarty for assisting the Council in this effort. Mr. Fogarty distributed a document listing his thoughts on the draft document, including next steps the Council should take. He stressed that Council should match the TJ21 objectives to current agency resources when developing the plan.

There was discussion on certain agency functions, and whether any should be discarded. If a recommendation is made to discard any current functions, there should be a well-documented statement of another agency that could better carry them out. Dr. Ramsey suggested that before any responsibilities are reduced or eliminated, Council should do a risk analysis, including how much would be saved by reducing or eliminating them.

Mr. Haner felt there was a need to further emphasize ways in which SCHEV will meet the objectives of TJ21 in the areas of measurement, accountability, and assessment.

Mr. Fralin indicated his desire to reduce unnecessary reporting but stressed concern about deleting measures of quality. He felt the best measure of quality among students is the jobs they obtain after graduating. He felt that SCHEV is most relevant to a Governor and General Assembly if it provides advice that cannot be found elsewhere. Mr. Fralin suggested that Council seek information from other states about their successes and failures in this area. He felt that "quality" should be included to the goal of access and affordability.

Mr. Lockhart felt Council should focus on items that will provide value added to the Commonwealth. He also suggested including information on SCHEV's readiness to adopt the items, including if additional resources would be required.

Mr. Briley recommended changing the economic development MOU signed by the colleges from a long-term to a short-term strategy and suggested that Council consider if staff resources are available to carry out the recommendations before finalizing the response.

Mr. Minor questioned the level of detail needed in the Council's response. He also suggested identifying certain areas of importance and laying out a timeframe for addressing them. He also recommended adding emphasis on the importance of research.

Dr. Ramsey said the statement on page 8 was very effective in making the connection between higher education, economic development, and job creation.

Ms. DiGennaro said there was a need to place more emphasis on research as a driver for economic development. She also stressed the need to measure the quality of education, and said the university was never set up just to provide jobs.

Dr. Fogarty reminded members of the recent study done by the Joint Legislative Audit and Review Commission (JLARC) regarding auxiliary enterprises. Because the report has generated much discussion, he felt Council should make a clear distinction between quality of student life and quality of student learning. He felt that Council's efforts should address quality of student learning without making a statement about the quality of student life.

Mr. Blake distributed a list of potential budget initiatives and potential legislation for Council's consideration, and indicated that feedback is needed before submitting to the Department of Planning and Budget by the September 16 deadline. Mr. Lockhart suggested adding value, quality, and outcomes to last item on the budget initiatives list.

Mr. Minor suggested that Council might benefit from outside sources and asked that members consider the possibility of hiring a consultant to help develop the strategic plan. Members agreed that this would be useful and felt that it would be a logical next step in moving to the next level. Given SCHEV's new role to work collaboratively and be more of an advocate for higher education, members felt the General Assembly could support a funding request. Mr. Fralin stated that the advantage of a consultant's report would be from an independent source. Dr. Ramsey suggested that this recommendation be mentioned at the September joint meeting with the Council of Presidents so that they are aware of Council's interest in moving forward with this recommendation.

Mr. Fralin moved the following motion, which was seconded by Ms. DiGennaro and approved unanimously (Mr. Lockhart was not present for the vote):

**BE IT RESOLVED that the State Council of Higher Education for Virginia proceed with hiring a national consultant to assist with the planning process and assessment of SCHEV and its strategic planning process, and authorizes the Council chair and staff to determine how best to proceed.**

Mr. Blake informed the members that he would make changes to the report and circulate it to members prior to the September 17 meeting at which time it will be further discussed.

Mr. Blake also thanked members for their efforts in finalizing the document, which will advance the future of higher education in Virginia.

The meeting adjourned at 4:20 p.m.

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G. Gilmer Minor  
Vice Chair

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Lee Ann Rung  
Manager, Executive & Council Affairs

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA  
COUNCIL MEETING  
SEPTEMBER 17, 2013  
MINUTES**

Mr. Bland called the meeting to order at 9:05 a.m. in the College of Business and Economics, Multipurpose Room, Radford University, Radford, Virginia. Council members present: Gilbert Bland, Martin Briley, Johanna Chase, Heywood Fralin, Mary Haddad, Stephen Haner, Gene Lockhart, G. Gilmer Minor, Pamela Moran, Gary Nakamoto, Carlyle Ramsey, and Julious Smith

Council member absent: Joann DiGennaro

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

**PUBLIC COMMENT**

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

**APPROVAL OF MINUTES**

On a motion by Mr. Nakamoto and seconded by Mr. Smith, the minutes from the July 15, 2013, and July 16, 2013, meetings were approved unanimously.

**INTRODUCTION OF NEW MEMBERS**

Mr. Bland introduced two new members, Pamela Moran and Carlyle Ramsey. Dr. Moran is Superintendent of the Albemarle County Public Schools, and Dr. Ramsey is the former president of Danville Community College.

**REMARKS BY PRESIDENT PENELOPE KYLE**

Mr. Bland thanked President Kyle for hosting the Council as well as the joint meeting with the Council of Presidents on September 16. President Kyle said September 17 was a centennial event at Radford because the first class was held on that date in 1913. She provided the history of the institution, which began in 1910 as the State Normal and Industrial School for Women. The institution later merged with Virginia Tech and became the women's division of that institution before becoming independent in 1964. In 1972 Radford became coed, and as a result of growth, secured university status in 1979. President Kyle provided statistics on the student population and indicated that one third of Radford's students are from northern Virginia, and more than 38% of its new freshmen are first generation students.

Explaining its investment in facilities, she reported that construction was underway for a Center for the Sciences that should open in fall 2014. President Kyle cited Radford's listing in the Princeton Best Value Colleges as one of the top 75 public institutions, and said Radford is one of the most affordable institutions in Virginia. She explained that the institution has a legacy of being student focused, educating Virginians, and preparing students to work and serve the Commonwealth. She noted that Radford's success would not be possible without the support of Council. She answered questions from members and agreed to provide information on the number of transfer students from community colleges, after consulting with her staff.

## **DIRECTOR'S REPORT**

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

**JLARC:** In its second report of a two-year study of higher education, JLARC examined non-academic services and costs at Virginia's public colleges and universities. Copies of the executive summary and a letter from Mr. Blake were included with the agenda materials.

**Board of visitors training:** All members were encouraged to attend, and Ms. Rung agreed to send details about the event. Mr. Blake informed members that Ms. DiGennaro represented the Council in planning this event, and was joined by Presidents Kyle and Alger.

**Tuition and fees for 2013-14:** The report was included in the agenda materials. Mr. Blake reported that tuition and fees increased, on average, 4.7% at four-year institutions and 4.4% at the community colleges. Ms. Haddad and Mr. Nakamoto thanked staff for creating the report and said each year it provides interesting information that is easy to understand.

**Six-year plan review:** Mr. Blake reviewed the list of recent legislative and other meetings he has attended since the last meeting.

## **FOLLOW-UP ON DISCUSSION OF SCHEV'S ROLES AND RESPONSIBILITIES**

Mr. Bland reviewed the topics that the presidents discussed at the joint meeting on September 16. He indicated that Mr. Smith is finalizing the report that will be sent to the Secretary of Education, and requested that Council approve a resolution to allow staff to finalize and transmit the report. Mr. Smith said much of what the presidents brought forward in the joint meeting will be addressed in the strategic plan update and implementation.

On a motion by Mr. Nakamoto and seconded by Ms. Haddad the following resolution was approved unanimously:

**BE IT RESOLVED** that the State Council of Higher Education for Virginia authorizes the director to amend the Council's September 12 draft response to Executive Directive No. 6 in accordance with recommendations from stakeholders and Council members, and to transmit a final report to the Secretary of Education by October 1, 2013.

Mr. Minor stressed the importance of remaining flexible and asked that members continue to be forward-thinking as the process continues. Members commended Mr. Smith for leading this process. Mr. Bland recapped the efforts that have taken place prior to this meeting. They included a July meeting with stakeholders; various meetings with other individuals around the state; and a special Council meeting on September 10. Dr. Ramsey said there should be timelines established and a mechanism in place for evaluation of the strategic plan once it is implemented. In response to a request from the presidents at the September 16 meeting, he asked if a matrix could be developed that incorporates similar features from the institutional strategic plans. Dr. Moran also asked if mapping of the plans could include the private colleges. Staff agreed to explore this possibility.

Mr. Bland reminded members that at the September 10 meeting, it was agreed that Council would pursue hiring a consultant to assist with the strategic plan, including a survey of the higher education landscape. Mr. Bland asked that Mr. Blake pursue this on a fasttrack.

BREAK: The Chair called for a break at 10:15. The meeting resumed at 10:25.

Mr. Bland distributed a copy of the Council committee assignments and requested that Mr. Minor, Mr. Lockhart, Mr. Fralin, and Dr. Ramsey join Mr. Smith and Ms. DiGennaro on the strategic planning committee.

## **COMMITTEE REPORTS**

### TJ21 Implementation Committee

#### *Discussion of 2014-16 Systemwide Operating Budget*

Mr. Haner reviewed the revised versions of the charts that were distributed, and encouraged members to review them and ask questions prior to the October meeting. He complimented staff for preparing this useful data. Mr. Hix provided detail on the information contained in the charts. Mr. Fralin said Council should be prepared to answer questions from legislators regarding the use of tuition increases for financial aid.

#### *Discussion of 2014-16 Systemwide Capital Outlay Budget*

##### 1. Maintenance Reserve

Mr. Hix provided an explanation of the program and said staff will refine the data after meeting with the Finance Advisory Committee and others. Mr. Smith said

that as the Council begins to look strategically at the higher education system, it should weigh the mix of bricks and mortar spending and online learning. Mr. Nakamoto agreed.

## 2. New Capital Outlay

Mr. Hix reviewed the list of projects and explained the priority groupings. This item will be brought to the Council for action in October.

### *Action on Enrollment Targets and Estimates*

Mr. Haner reviewed the charts included in the agenda materials and asked Mr. Massa to answer questions. Mr. Massa indicated that growth over the next 10 years is expected to be modest, but indicated that staff had no concerns about meeting the 100,000 new degrees goal. Mr. Massa said additional growth at the private institutions is also expected. The committee's recommendation was seconded by Dr. Ramsey and the following resolution was approved unanimously:

**BE IT RESOLVED that the State Council of Higher Education for Virginia approves the FY 2013-2020 institutional enrollment targets and degree estimates as provided in Tables 1-8 of Item 6.a and authorizes staff to make the detailed enrollment targets and degree estimates available to the public via the SCHEV website.**

**BE IT FURTHER RESOLVED that approval of these institutional enrollment targets does not constitute either implicit or explicit approval of any new program, site, higher education center, or campus determined by an institution as necessary to achieve these targets.**

Mr. Haner also mentioned that the committee heard a report from the last HEAC meeting, at which time no actions were taken.

### Academic Affairs Committee

Mr. Lockhart summarized the discussions from the meeting, including the relationship between higher education and K-12. The committee will be working over the next several months to determine best ways to measure quality. The committee also discussed a modified process for program approvals, which will be discussed with the provosts prior to the October meeting before coming back to the Council for action.

### *Action on complex organizational change at a public institution*

The following recommendation from the committee was seconded by Mr. Minor and approved unanimously:

**BE IT RESOLVED that the State Council of Higher Education for Virginia grants "conditional" approval to the University of Virginia to establish a new**

**off-campus site at 600 Thimble Shoals Boulevard, Suite 210, Newport News, Virginia 23606, to take effect September 18, 2013.**

*Discussion of draft policy on the offering of dual enrollment courses in public high school districts by public four-year and two-year institutions of higher education*

Mr. Lockhart said the committee reviewed the draft policy and indicated that a final version will be brought to the October meeting for action.

*Discussion of draft policy on mission statement changes at Virginia public higher education institutions*

Mr. Lockhart said the committee reviewed the draft policy, which establishes three broad categories of mission change subject to Council approval. The policy will be brought to the October meeting for action.

*Discussion of draft policy on program productivity review*

Mr. Lockhart reported that the committee reviewed and discussed the revised draft policy. Final action is anticipated at the October meeting, following collaboration with colleges and universities.

#### **ACTION ON COUNCIL MEETING SCHEDULE FOR CALENDAR YEAR 2014**

Mr. Blake reviewed the draft schedule, which included adding a community college as suggested by Council. The following motion was made by Dr. Ramsey, seconded by Ms. Chase, and approved unanimously:

**BE IT RESOLVED that the State Council of Higher Education for Virginia approves the following meeting schedule for calendar year 2014 and requests that staff distribute the information to all Council members:**

**Committee meetings and any Council briefings on Monday Afternoon –  
Council meetings on Tuesday**

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

#### **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.

### **DISCUSSION OF AMENDMENTS TO COUNCIL BYLAWS**

Mr. Blake said the amendments were technical in nature and were summarized on first page of the document. This item was presented for information only and will be brought to the Council for action in October. Mr. Blake indicated that Ms. Shaw-Bell from the Office of the Attorney General has reviewed the amendments.

### **NEW BUSINESS**

Mr. Bland thanked members for their engagement in establishing the SCHEV roles and responsibilities and reminded members that there is a great deal of work ahead for the Council. President Kyle suggested that presidents include their rector and vice rector when meeting with SCHEV to give the board a better understanding of systemwide efforts in which the Council and its staff are engaged.

### **ADJOURNMENT**

Mr. Blake reminded members that the next meeting is scheduled for October 28-29 at the SCHEV offices.

The meeting was adjourned at 12:05 p.m.

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Mary Haddad  
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
Old Dominion University	Certificates: Cyber Security (Grad) (11.1003) Homeland Security (Grad) (43.0301) Maritime, Ports, and Logistics Management (Grad) (52.0209) Modeling and Simulation: Computing and Informatics (Grad) (11.0804) Modeling and Simulation: Mathematics/Statistics (Grad) (27.0304) Modeling and Simulation for Business and Public Administration (Grad) (14.9999) Public Administration and Policy (Grad) (44.0401) Public Procurement and Contract Management (Grad) (52.0202)	Fall 2013
Richard Bland College	Certificate in General Studies	Fall 2013
Virginia Commonwealth University	Discontinue Post-Master's Certificate program in Aging Studies (19.0702) (initiated in 1999)	Immediately
Virginia Commonwealth University	Change Program Titles: Doctor of Philosophy (Ph.D.) in Physiology (26.0901), to <b>Physiology and Biophysics</b> Master of Science (M.S.) in Physiology (26.0901), to <b>Physiology and Biophysics</b> Bachelor of Arts (B.A.) in Film (50.0602), to <b>Cinema</b>	Fall 2013
Virginia State University	Certificate in Enterprise Systems (Undergrad) (11.0401)	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**

<b>Institution</b>	<b>Change / Site</b>	<b>Effective Date</b>
University of Mary Washington	Establish an instructional site at the University of Mary Washington Dahlgren Campus Center for Education and Research, 4224 University Drive, King George, VA	January 1, 2014
University of Virginia	Establish the Department of Kinesiology in the Curry School of Education.	August 1, 2013
University of Virginia	Establish an off-campus instructional site at the Palazzo Masieri, Dorsoduro 3900, 30123, Venice, Italy	September 1, 2013
Virginia Commonwealth University	Establish the L. Douglas Wilder School of Government and Public Affairs.	August 15, 2013
Virginia Commonwealth University	Reorganize the VCU Brandcenter by moving it from the School of Mass Communication to the School of Business	August 15, 2013
Virginia Commonwealth University	Reorganize the Department of Management to establish separately the Department of Management and the Department of Supply Chain Management and Business Analytics.	August 15, 2013
Virginia Polytechnic Institute and State University	Rename the School of Performing Arts & Cinema to the School of Performing Arts.	September 1, 2013
Virginia Polytechnic Institute and State University	Establish an instructional site—for advanced level academic and research programs in the health sciences—at the Virginia Tech Carilion facility, 2 Riverside Circle, Roanoke, VA 24016.	January 1, 2014

**State Council of Higher Education  
Director's report  
October 29, 2013**

**Board of visitors training:** Board of visitors training took place October 21 and 22. Staff will provide an overview of the event. We were pleased to work with Park Productions on a video explaining the Virginia Freedom of Information Act. The video can be used by all college and university boards as a reminder of board member responsibilities under the law.

**Data on student debt:** In response to 2012 legislation, we added to our website data on student debt. This information has been produced in consultation with institutional research directors and was shared with college and university presidents. The reports reflect debt data from 2007-08 through 2011-12; highlights include: 48 percent of graduates had no debt (39 percent of baccalaureate graduates); the median debt of baccalaureate graduates is about \$25,000; and less than five percent of graduates have debt in excess of \$50,000. Fully acknowledging that families make sacrifices to pay for college, we believe that this information provides valuable information that will improve decision making at many levels.

**Financial feasibility reports:** Colleges and universities in Virginia are required by law to submit Financial Feasibility Studies to SCHEV and/or the State Treasurer for projects where debt service is to be paid from student fees or other institutional funds. The report is enclosed.

**Student Advisory Committee:** Eighteen students attended the first meeting of this year's committee. Three themes emerged from the students: state funding for higher education; faculty retention; and availability of financial aid. Attendees elected Philip Blevins from Appalachian School of Law as SAC chair and Esther Newman of the University of Mary Washington as SAC vice chair. At the next meeting, members will discuss SAC's role in the 2014 General Assembly session.

**Open and Digital Learning Resources Conference:** The October 15 conference brought together faculty, administrators, and staff for an all-day showcase of ways that open and digital learning resources are currently being employed in Virginia classrooms. The University of Mary Washington hosted the event. The conference was an initiative of the Office of Governor of the Commonwealth of Virginia, the State Council of Higher Education for Virginia, the Virginia Community College System, and 14 partner institutions. As a preamble to the conference, the University of Mary Washington and SCHEV sponsored a conference called "Minding the Future." Five speakers from multiple disciplines and professional domains led discussions on issues related to digital learning resources in the context of the national higher education landscape. A series of lively talks were capped by a panel discussion dealing with how public institutions should react to such developments as Massive Open Online Courses (MOOCs), distance learning, and the "electronic delivery revolution."

## Financial Feasibility Study

Colleges and universities in Virginia are required by law to submit Financial Feasibility Studies to SCHEV and/or the State Treasurer for projects where debt service is to be paid from student fees or other institutional funds. The language in the Act is shown below.

### § 4-4.01 GENERAL

j. Capital Projects Financed with Bonds: Capital projects proposed to be financed with (i) 9 (c) general obligation bonds or (ii) 9(d) obligations where debt service is expected to be paid from project revenues or revenues of the agency or institution, shall be reviewed as follows:

...

2. By August 15 of each year, institutions shall also prepare and submit copies of financial feasibility studies to the State Council of Higher Education for Virginia for 9(d) obligations where debt service is expected to be paid from project revenues or revenues of the institution. The State Council of Higher Education shall identify the impact of all projects requested by the institutions of higher education, and as described in § 4-4.01 j.1. of this act, on the current and projected cost to students in institutions of higher education and the impact of the project on the institution's need for student financial assistance. The State Council of Higher Education for Virginia shall report such information to the Secretary of Finance and the Chairmen of the House appropriations and Senate Finance Committees no later than October 1 of each year.

Financial Feasibility Studies (FFS) are comprehensive debt-financed capital outlay project evaluation instruments. Financial Feasibility Studies allow the borrowing institution to provide a complete description of the projects for which state-sponsored debt is being requested and to provide detailed information on the anticipated costs associated with the project and on the sources and uses of funds associated with the project. Part 1 of the instrument consists of four sections; General Information, Cost Information, Revenue Information and General Financial Condition. Part 2 consists of Cost, Revenue and Net Revenues/Coverage spreadsheets.

Under current law, for each applicable project, SCHEV is responsible for receiving FFSs from the institutions, determining the cost to students, estimating the impact of the project on the institution's need for student financial aid, and reporting its findings to the Secretary of Finance and to the money committee chairmen.

Currently, SCHEV's findings are transmitted simply as an information item. They do not constitute a recommendation of the Council.

The new 9(d) debt amount for projects in FY2014 is about \$359.8 million creating an increased financial aid need of about \$3.5 million to support increases in mandatory non-E&G fees.

**SCHEV - Estimated Impact of New 9(d) Debt on Student Fees and Financial Aid Need - 2014-16**

Fiscal Year	Institution	Project	Debt Amount	Major Revenue Sources	Current Mandatory Non-E&G Fees	Increase in Mandatory Non-E&G Fees	Percent Increase	Increase in Financial Aid Need
2014	CNU	Expansion of Residential Dining	\$ 3,057,000	Dining Fee	\$ 4,538	\$0	0.00%	\$ -
	Subtotal		\$ 3,057,000					
2014	GMU	Construct New Academic Bldg. Renovate Harris Teeter	\$ 2,549,000	IDC from Sponsored Research Programs	\$ 2,688	\$0	0.00%	\$ -
	Subtotal		\$ 2,549,000					
2014	LU	Improvements: Building Efficiency	\$ 6,904,000	Increase in Student Comprehensive Fee	\$ 4,890	\$2	0.04%	\$ 3,960
2014	LU	Renovate Lankford Building	\$ 17,242,000	Increase in Student Comprehensive Fee	\$ 4,890	\$2	0.04%	\$ 3,960
	Subtotal		\$ 24,146,000					
2014	ODU	Expand & Renovate Webb University Center	\$ 78,695,000	Increase in Student Fee	\$ 3,328	\$90	2.70%	\$ 674,910
	Subtotal		\$ 78,695,000					
2014	RU	Renovate Athletics Complex Umbrella Project	\$ 9,500,000	Existing Student Fee Revenue	\$ 2,890	\$0	0.00%	\$ -
	Subtotal		\$ 9,500,000					
2014	VCCS	Construct Parking Garage Weyers Cave Campus	\$ 5,100,000	Increase Usage Fee	\$ 45	\$26	58.33%	\$ 22,982
	Subtotal		\$ 5,100,000					
2014	VMI	Improve Post Facilities Phase II	\$ 3,000,000	Increase in Student Comprehensive Fee	\$ 7,324	\$133	1.82%	\$ 50,300
	Subtotal		\$ 3,000,000					
2014	VCU	Athletics Basketball Practice Facility	\$ 25,000,000	Debt Service Paid - Private Gift Revenue	\$ 2,042	\$0	0.00%	\$ -
2014	VCU	Athletics Indoor/Outdoor Fields	\$ 20,300,000	University Fee Revenue	\$ 2,042	\$53	2.57%	\$ 520,992
2014	VCU	Institute of Contemporary Art	\$ 32,285,000	Debt Service Paid - Private Gift Revenue	\$ 2,042	\$0	0.00%	\$ -
2014	VCU	Main Street Parking Deck Expansion	\$ 5,600,000	Existing Student Fee Revenue	\$ 2,042	\$0	0.00%	\$ -
2014	VCU	Siegel Center Upgrades	\$ 12,000,000	University Fee Revenue	\$ 2,042	\$9	0.45%	\$ 88,444
2014	VCU	STEM Building	\$ 18,000,000	General Revenue Pledge	\$ 2,042	\$0	0.00%	\$ -
2014	VCU	STEM-HI Building (Biotech Block)	\$ 41,800,000	General Revenue Pledge	\$ 2,042	\$0	0.00%	\$ -
2014	VCU	STEM-HII Building (Biotech Block)	\$ 41,800,000	General Revenue Pledge	\$ 2,042	\$0	0.00%	\$ -
2014	VCU	Student Health, Counseling & Wellness Building	\$ 20,000,000	Student Health Fee	\$ 2,042	\$195	9.55%	\$ 1,916,531
	Subtotal		\$ 216,785,000					
2014	W&M	Improve Athletic Facilities	\$ 10,000,000	Increase in General Fee	\$ 4,932	\$94	1.91%	\$ 118,000
2014	W&M	Improve Auxiliary Facilities	\$ 10,000,000	Increase in General Fee	\$ 4,932	\$94	1.91%	\$ 118,000
	Subtotal		\$ 20,000,000					
	Grand Total		\$ 359,775,000					\$ 3,518,079

## State Council of Higher Education for Virginia Agenda Item

**Item:** #8 – Items Delegated to Staff

**Date of Meeting:** October 29, 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:

- Old Dominion University
- Mountain Empire Community College

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

# State Council of Higher Education for Virginia Agenda Item

**Item: #9** – Action on Amendments to Council Bylaws

**Date of Meeting:** October 29, 2013

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

**Most Recent Review/Action:**

No previous Council review/action

Previous review/action

**Date:** July 20, 2010, September 17, 2013

**Action:** None

**Background Information/Summary of Major Elements:** Per Section Eight of the bylaws, "...Proposed amendments must be presented in writing and for discussion at the meeting of the Council prior to the meeting when the amendments are to be voted upon. A three-quarters vote of the total membership shall be required to adopt any amendments to these Bylaws." The amendments were distributed and discussed at the September 17, 2013, meeting.

**Materials Provided:**

- Redlined bylaws amendments which include:
  - Changed "election" of secretary to "appoint" to coincide with Code language
  - Updated Appendix A to reflect new Council membership requirements per Code language
  - Added language to ensure that any additional meetings comply with the open meeting requirements of the Freedom of Information Act
  - Added "Quorum" and "Manner of Acting" as it pertains to Council at large.
  - Changed wording in "Committees, Manner of Acting" from "act" to "vote."
- Final version with redline changes accepted

**Financial Impact:** N/A

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

**Resolution:**

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

# STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA



# SCHEV Bylaws

Adopted: September 17, 2003

Amended: October 17, 2006

Amended and Restated: January 8, 2008

Amended: July 20, 2010

Amended: October 29, 2013

***Prepared by***

State Council of Higher Education for Virginia  
James Monroe Building

Phone: (804) 225-2600  
Fax: (804) 371-7911

101 North Fourteenth Street  
Richmond, Virginia 23219

Website: [www.schev.edu](http://www.schev.edu)

# Contents

- Preface.....2**
  
- SECTION ONE .....3**
  
- SECTION TWO.....3**
  - Responsibilities of the Council.....3
  
- SECTION THREE.....3**
  - Council Officers and Method of Election .....3
  
- SECTION FOUR.....4**
  - Membership of the Council ...4
  
- SECTION FIVE.....4**
  - Council Staff .....4
  
- SECTION SIX .....5**
  - Council Meetings .....5
  
- SECTION SEVEN.....5**
  - Committees.....5
  
- SECTION EIGHT .....6**
  - Appendix A Code of Virginia .....7

# Preface

The original SCHEV Bylaws were adopted in 1986 and specify that the Bylaws be reviewed every four years. Changes were made in 2003, 2006 and 2008. This report is presented to the Council from the Executive Committee and recommends revisions that reflect the Council's current organizational structure and good-governance practices.

The major revisions to the Bylaws proposed are summarized as follows:

- ~~• The office of Secretary has been added to the line of succession of Council officers.~~
- ~~• The duties of the Secretary have been added.~~
- ~~• The title of the Council's staff support has been changed from secretary to executive assistant to distinguish it from the Council Secretary position.~~
- Changed "election" of secretary to "appoint" to coincide with Code language
- Updated Appendix A to reflect new Council membership requirements per Code language
- Added language to ensure that any additional meetings comply with the open meeting requirements of the Freedom of Information Act

# *Bylaws of the State Council of Higher Education for Virginia*

Amended by Council ~~July 20, 2010~~October 29, 2013

## **SECTION ONE**

These Bylaws of the State Council of Higher Education for Virginia adopted ~~July 20, 2010~~October 29, 2013, supersede all previous Bylaws of the Council. The Council acknowledges that it is guided in its operations by law, various state regulations and by its own standing orders.

## **SECTION TWO**

### ***Responsibilities of the Council***

The responsibilities of the Council of Higher Education shall be those specified in the Code of Virginia or assigned to the Council by the Governor or the General Assembly.

## **SECTION THREE**

### ***Council Officers and Method of Election***

- I. The Council annually shall elect a chair ~~and~~, vice chair ~~and appoint~~, ~~and~~ secretary from its membership to serve until their successors have been elected.
- II. Election of the chair, ~~and~~ vice chair, and ~~appointment of the~~ secretary shall be held at the first meeting of the Council after June 30 each year when the Governor has filled all vacancies on the Council, but not later than the September meeting. Notification to all Council members of the date, time and place of the election meeting shall be made in writing at least two weeks prior to the meeting. The chair, vice chair, and secretary may be nominated by any member of the Council. Voting shall be by a voice vote or a show of hands. The nominee for each position receiving the majority of the votes cast by members attending the meeting shall be elected. No proxy voting shall be allowed.
- III. The number of consecutive years a member may hold the same office shall be limited to three. Committee chair terms are not so limited. A vacancy in the office of chair shall be filled by the vice chair.
- IV. A vacancy in the office of vice chair shall be filled by the secretary.
- V. The Council shall establish such other offices as it deems necessary from time to time.

- VI. The general duties of the chair shall include:
  - A. Preside at all meetings of the Council.
  - B. Serve as the official spokesperson and representative of the Council. On policy issues on which Council has not taken an official position, the chair shall consult the Executive Committee or act at the request of the Council.
  - C. The chair may delegate all or part of these duties to other members of Council as permitted by law.
  
- VII. The general duties of the vice chair of the Council shall include:
  - A. Perform those duties delegated by the chair.
  - B. Serve as acting chair in the chair's absence.
  
- VIII. The general duties of the secretary of the Council shall include:
  - A. Perform those duties delegated by the chair.
  - B. Sign the official minutes of the Council.

## **SECTION FOUR**

### ***Membership of the Council***

The membership of the Council is specified in Section 23-9.3 of the Code of Virginia.

## **SECTION FIVE**

### ***Council Staff***

- I. The Council shall employ a full-time director to serve as its chief administrator.
  
- II. The duties of the director shall be specified by the Council. The director shall receive a performance evaluation at least annually in a manner specified by the Council. Except as specified in these Bylaws, the staff employees of the Council shall be supervised by the director. The director shall report to the Council. However, between Council meetings the director shall take guidance and direction from the chair on behalf of the Council.
  
- III. The director, with the consent of the Council, shall appoint an executive assistant to the Council. The executive assistant shall assist the director in making arrangements for Council meetings and shall keep minutes of all Council meetings.

## SECTION SIX

### *Council Meetings*

- I. The presiding officer of the Council shall be the chair who shall enforce the rules of procedure of the Council fairly and impartially. If the chair does not serve, the vice chair shall serve. If the vice chair cannot serve, the secretary will serve.
- II. The Council shall meet at least quarterly or on the call of the chair. A majority of the Council may also call a meeting.
- III. Written or oral notification of each meeting shall be given to each member of the Council or committee at least one week prior to the Council or committee meeting. A Council meeting may be called upon shorter notice by agreement of a majority of the members but must be in accordance with the open meeting requirements in the Freedom of Information Act.
- IV. A written agenda for the Council or committee meetings shall be sent to each member approximately one week prior to the meeting unless the meeting has been called on shorter notice by agreement of a majority of the members.
- V. Except as prescribed in these Bylaws, all Council meetings shall be conducted in accordance with the rules and procedures set forth in the most recent edition of Robert's Rules of Order. For purposes of interpretation of Robert's Rules of Order, Council meetings shall be considered a meeting of a "large" body. However, meetings of any committee of the Council shall be considered a meeting of a "small" body.

## SECTION SEVEN

### *Committees*

**Establishment and Appointments.** The Executive Committee shall be a standing committee of the Council and consist of the chair, vice chair and such other members as may be appointed by the chair. The Executive Committee shall make recommendations in all those areas concerning the internal management of Council operations, including the organization and effective functioning of the Council, its staff and its work. The Executive Committee shall act on behalf of the Council between meetings.

The chair may appoint such other standing committees or ad hoc committees from time to time as deemed appropriate or to ensure the efficient disposition of the Council's work. The chair shall specify the purpose and duration of any ad hoc committee.

**Terms of Office.** The term of office of members appointed to the Executive Committee, any other standing committee or any ad hoc committee shall be at the pleasure of the Council's chair.

**Quorum.** The presence of fifty percent of committee members shall constitute a quorum. For purposes of constituting a quorum of any committee, the Council's chair and/or vice chair, when present, shall be considered members of that committee, entitled to take action within that committee.

**Manner of Acting.** The act of the majority of the committee members present at a meeting at which there is a quorum shall constitute the act of the committee.

**Operation of Committees and Authority.** Committees shall not have authority of the Council except where specifically authorized by the Council.

## **SECTION EIGHT**

These Bylaws shall be reviewed and revised, as necessary, at least every four years. Any member may propose amendments to the Bylaws at any time. Proposed amendments must be presented in writing and for discussion at the meeting of the Council prior to the meeting when the amendments are to be voted upon. A three-quarters vote of the total membership shall be required to adopt any amendments to these Bylaws.

*The attached appendix is not part of the SCHEV Bylaws. It is included here as reference material.*

**Appendix A**  
**Code of Virginia**

**Chapter 1.1**  
**State Council of Higher Education for Virginia**

~~23-9.3. Creation and purpose; membership; terms; officers. — (a) There is hereby created a State Council of Higher Education for Virginia, hereinafter sometimes referred to as the Council. The purpose of the Council shall be, through the exercise of the powers and performance of the duties set forth in this chapter, to promote the development and operation of an educationally and economically sound, vigorous, progressive, and coordinated system of higher education in the Commonwealth of Virginia. The Council shall be composed of persons selected from the Commonwealth at large without regard to political affiliation but with due consideration of geographical representation. Appointees shall be selected for their ability and all appointments shall be of such nature as to aid the work of the Council and to inspire the highest degree of cooperation and confidence. No officer, employee, trustee or member of the governing board of any institution of higher education, no employee of the Commonwealth, except the Superintendent of Public Instruction, or member of the General Assembly or member of the State Board of Education shall be eligible for appointment to the Council except as hereinafter specified. All members of the Council shall be deemed members at large charged with the responsibility of serving the best interests of the whole Commonwealth. No member shall act as the representative of any particular region or of any particular institution of higher education.~~

~~———— (b) The Council shall consist of eleven members appointed by the Governor subject to confirmation by the General Assembly at its next regular session. All terms shall begin July 1. Members shall be appointed for four-year terms, except that appointments to fill vacancies occurring shall be for the unexpired term.~~

~~———— (c) No person having served on the Council for two terms of four years shall be eligible for reappointment to the Council for two years thereafter.~~

~~———— (d) [Repealed.]~~

~~———— (e) The Council shall elect a chairman and a vice chairman from its own membership and appoint a secretary and such other officers as it deems necessary or advisable, and shall prescribe their duties and term of office.~~

~~(1956, c. 311; 1964, c. 597; 1970, c. 117; 1972, c. 210; 1974, c. 544; 1980, c. 728; 1991, c. 590)~~

§23-9.3. State Council of Higher Education for Virginia created; purpose; membership; terms; officers.

A. There is hereby created a State Council of Higher Education for Virginia, hereinafter sometimes referred to as the Council. The purpose of the Council shall be, through the

exercise of the powers and performance of the duties set forth in this chapter, to advocate and promote the development and operation of an educationally and economically sound, vigorous, progressive, and coordinated system of higher education in the Commonwealth of Virginia and to lead state-level strategic planning and policy development and implementation based on research and analysis and in accordance with § 23-38.87:10 and subsection B of § 23-38.88. The Council shall also seek to facilitate collaboration among institutions of higher education that will enhance quality and create operational efficiencies and shall work with institutions of higher education and their boards on board development.

B. The Council shall be composed of persons selected from the Commonwealth at large without regard to political affiliation but with due consideration of geographical representation. Appointees shall have demonstrated experience, knowledge, and understanding of higher education and workforce needs. Appointees shall be selected for their ability and all appointments shall be of such nature as to aid the work of the Council and to inspire the highest degree of cooperation and confidence. No officer, employee, trustee, or member of the governing board of any institution of higher education, employee of the Commonwealth, member of the General Assembly, or member of the State Board of Education shall be eligible for appointment to the Council except as specified in this section. All members of the Council shall be deemed members at large charged with the responsibility of serving the best interests of the whole Commonwealth. No member shall act as the representative of any particular region or of any particular institution of higher education.

C. The Council shall consist of 13 members: 12 members appointed by the Governor and subject to confirmation by the General Assembly at its next regular session and one ex officio member. At least one appointee shall have served as a president or chief executive of a public institution of higher education in the Commonwealth. At least one member shall be a sitting Virginia school superintendent, either at the state or local level. The President of the Virginia Economic Development Partnership shall serve ex officio with voting privileges. All terms shall begin July 1. Members shall be appointed for four-year terms, except that appointments to fill vacancies occurring shall be for the unexpired term.

D. No person having served on the Council for two terms of four years shall be eligible for reappointment to the Council for two years thereafter.

E. The Council shall elect a chairman and a vice-chairman from its own membership and appoint a secretary and such other officers as it deems necessary or advisable and shall prescribe their duties and term of office.

F. At each meeting, the Council shall involve the presidents of the public institutions of higher education in its agenda. The presidents shall present information and comment on issues of common interest. The presidents shall choose presenters to the Council from among themselves who reflect the diversity of the institutions.

At each meeting, the Council may involve other groups, including the presidents of private, nonprofit institutions of higher education, in its agenda.

(1956, c. 311; 1964, c. 597; 1970, c. 117; 1972, c. 210; 1974, c. 544; 1980, c. 728; 1991, c. 590; 2013, c. 605.)

# STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA



# SCHEV Bylaws

Adopted:	September 17, 2003
Amended:	October 17, 2006
Amended and Restated:	January 8, 2008
Amended:	July 20, 2010
Amended:	October 29, 2013

***Prepared by***

State Council of Higher Education for Virginia  
James Monroe Building  
101 North Fourteenth Street  
Richmond, Virginia 23219

Phone: (804) 225-2600  
Fax: (804) 371-7911

Website: [www.schev.edu](http://www.schev.edu)

# Contents

**Preface.....2**

**SECTION ONE .....3**

**SECTION TWO.....3**  
Responsibilities of the  
Council.....3

**SECTION THREE.....3**  
Council Officers and  
Method of Election .....3

**SECTION FOUR.....4**  
Membership of the Council ...4

**SECTION FIVE.....4**  
Council Staff .....4

**SECTION SIX .....5**  
Council Meetings .....5

**SECTION SEVEN.....5**  
Committees.....5

**SECTION EIGHT .....6**  
Appendix A  
Code of Virginia .....7

# Preface

The original SCHEV Bylaws were adopted in 1986 and specify that the Bylaws be reviewed every four years. Changes were made in 2003, 2006 and 2008. This report is presented to the Council from the Executive Committee and recommends revisions that reflect the Council's current organizational structure and good-governance practices.

The major revisions to the Bylaws proposed are summarized as follows:

- Changed “election” of secretary to “appoint” to coincide with Code language
- Updated Appendix A to reflect new Council membership requirements per Code language
- Added language to ensure that any additional meetings comply with the open meeting requirements of the Freedom of Information Act

# **Bylaws of the State Council of Higher Education for Virginia**

*Amended by Council October 29, 2013*

## **SECTION ONE**

These Bylaws of the State Council of Higher Education for Virginia adopted October 29, 2013, supersede all previous Bylaws of the Council. The Council acknowledges that it is guided in its operations by law, various state regulations and by its own standing orders.

## **SECTION TWO**

### ***Responsibilities of the Council***

The responsibilities of the Council of Higher Education shall be those specified in the Code of Virginia or assigned to the Council by the Governor or the General Assembly.

## **SECTION THREE**

### ***Council Officers and Method of Election***

- I. The Council annually shall elect a chair and vice chair and appoint a secretary from its membership to serve until their successors have been elected.
- II. Election of the chair and vice chair, and appointment of the secretary shall be held at the first meeting of the Council after June 30 each year when the Governor has filled all vacancies on the Council, but not later than the September meeting. Notification to all Council members of the date, time and place of the election meeting shall be made in writing at least two weeks prior to the meeting. The chair, vice chair, and secretary may be nominated by any member of the Council. Voting shall be by a voice vote or a show of hands. The nominee for each position receiving the majority of the votes cast by members attending the meeting shall be elected. No proxy voting shall be allowed.
- III. The number of consecutive years a member may hold the same office shall be limited to three. Committee chair terms are not so limited. A vacancy in the office of chair shall be filled by the vice chair.
- IV. A vacancy in the office of vice chair shall be filled by the secretary.
- V. The Council shall establish such other offices as it deems necessary from time to time.

- VI. The general duties of the chair shall include:
- A. Preside at all meetings of the Council.
  - B. Serve as the official spokesperson and representative of the Council. On policy issues on which Council has not taken an official position, the chair shall consult the Executive Committee or act at the request of the Council.
  - C. The chair may delegate all or part of these duties to other members of Council as permitted by law.
- VII. The general duties of the vice chair of the Council shall include:
- A. Perform those duties delegated by the chair.
  - B. Serve as acting chair in the chair's absence.
- VIII. The general duties of the secretary of the Council shall include:
- A. Perform those duties delegated by the chair.
  - B. Sign the official minutes of the Council.

## **SECTION FOUR**

### ***Membership of the Council***

The membership of the Council is specified in Section 23-9.3 of the Code of Virginia.

## **SECTION FIVE**

### ***Council Staff***

- I. The Council shall employ a full-time director to serve as its chief administrator.
- II. The duties of the director shall be specified by the Council. The director shall receive a performance evaluation at least annually in a manner specified by the Council. Except as specified in these Bylaws, the staff employees of the Council shall be supervised by the director. The director shall report to the Council. However, between Council meetings the director shall take guidance and direction from the chair on behalf of the Council.
- III. The director, with the consent of the Council, shall appoint an executive assistant to the Council. The executive assistant shall assist the director in making arrangements for Council meetings and shall keep minutes of all Council meetings.

## SECTION SIX

### *Council Meetings*

- I. The presiding officer of the Council shall be the chair who shall enforce the rules of procedure of the Council fairly and impartially. If the chair does not serve, the vice chair shall serve. If the vice chair cannot serve, the secretary will serve.
- II. The Council shall meet at least quarterly or on the call of the chair. A majority of the Council may also call a meeting.
- III. Written or oral notification of each meeting shall be given to each member of the Council or committee at least one week prior to the Council or committee meeting. A Council meeting may be called upon shorter notice by agreement of a majority of the members but must be in accordance with the open meeting requirements in the Freedom of Information Act.
- IV. A written agenda for the Council or committee meetings shall be sent to each member approximately one week prior to the meeting unless the meeting has been called on shorter notice by agreement of a majority of the members.
- V. Except as prescribed in these Bylaws, all Council meetings shall be conducted in accordance with the rules and procedures set forth in the most recent edition of Robert's Rules of Order. For purposes of interpretation of Robert's Rules of Order, Council meetings shall be considered a meeting of a "large" body. However, meetings of any committee of the Council shall be considered a meeting of a "small" body.

## SECTION SEVEN

### *Committees*

**Establishment and Appointments.** The Executive Committee shall be a standing committee of the Council and consist of the chair, vice chair and such other members as may be appointed by the chair. The Executive Committee shall make recommendations in all those areas concerning the internal management of Council operations, including the organization and effective functioning of the Council, its staff and its work. The Executive Committee shall act on behalf of the Council between meetings.

The chair may appoint such other standing committees or ad hoc committees from time to time as deemed appropriate or to ensure the efficient disposition of the Council's work. The chair shall specify the purpose and duration of any ad hoc committee.

**Terms of Office.** The term of office of members appointed to the Executive Committee, any other standing committee or any ad hoc committee shall be at the pleasure of the Council's chair.

**Quorum.** The presence of fifty percent of committee members shall constitute a quorum. For purposes of constituting a quorum of any committee, the Council's chair and/or vice chair, when present, shall be considered members of that committee, entitled to take action within that committee.

**Manner of Acting.** The act of the majority of the committee members present at a meeting at which there is a quorum shall constitute the act of the committee.

**Operation of Committees and Authority.** Committees shall not have authority of the Council except where specifically authorized by the Council.

## **SECTION EIGHT**

These Bylaws shall be reviewed and revised, as necessary, at least every four years. Any member may propose amendments to the Bylaws at any time. Proposed amendments must be presented in writing and for discussion at the meeting of the Council prior to the meeting when the amendments are to be voted upon. A three-quarters vote of the total membership shall be required to adopt any amendments to these Bylaws.

*The attached appendix is not part of the SCHEV Bylaws. It is included here as reference material.*

**Appendix A**  
**Code of Virginia**

**Chapter 1.1**  
**State Council of Higher Education for Virginia**

§23-9.3. State Council of Higher Education for Virginia created; purpose; membership; terms; officers.

A. There is hereby created a State Council of Higher Education for Virginia, hereinafter sometimes referred to as the Council. The purpose of the Council shall be, through the exercise of the powers and performance of the duties set forth in this chapter, to advocate and promote the development and operation of an educationally and economically sound, vigorous, progressive, and coordinated system of higher education in the Commonwealth of Virginia and to lead state-level strategic planning and policy development and implementation based on research and analysis and in accordance with § [23-38.87:10](#) and subsection B of § [23-38.88](#). The Council shall also seek to facilitate collaboration among institutions of higher education that will enhance quality and create operational efficiencies and shall work with institutions of higher education and their boards on board development.

B. The Council shall be composed of persons selected from the Commonwealth at large without regard to political affiliation but with due consideration of geographical representation. Appointees shall have demonstrated experience, knowledge, and understanding of higher education and workforce needs. Appointees shall be selected for their ability and all appointments shall be of such nature as to aid the work of the Council and to inspire the highest degree of cooperation and confidence. No officer, employee, trustee, or member of the governing board of any institution of higher education, employee of the Commonwealth, member of the General Assembly, or member of the State Board of Education shall be eligible for appointment to the Council except as specified in this section. All members of the Council shall be deemed members at large charged with the responsibility of serving the best interests of the whole Commonwealth. No member shall act as the representative of any particular region or of any particular institution of higher education.

C. The Council shall consist of 13 members: 12 members appointed by the Governor and subject to confirmation by the General Assembly at its next regular session and one ex officio member. At least one appointee shall have served as a president or chief executive of a public institution of higher education in the Commonwealth. At least one member shall be a sitting Virginia school superintendent, either at the state or local level. The President of the Virginia Economic Development Partnership shall serve ex officio with voting privileges. All terms shall begin July 1. Members shall be appointed for four-year terms, except that appointments to fill vacancies occurring shall be for the unexpired term.

D. No person having served on the Council for two terms of four years shall be eligible for reappointment to the Council for two years thereafter.

E. The Council shall elect a chairman and a vice-chairman from its own membership and appoint a secretary and such other officers as it deems necessary or advisable and shall prescribe their duties and term of office.

F. At each meeting, the Council shall involve the presidents of the public institutions of higher education in its agenda. The presidents shall present information and comment on issues of common interest. The presidents shall choose presenters to the Council from among themselves who reflect the diversity of the institutions.

At each meeting, the Council may involve other groups, including the presidents of private, nonprofit institutions of higher education, in its agenda.

(1956, c. 311; 1964, c. 597; 1970, c. 117; 1972, c. 210; 1974, c. 544; 1980, c. 728; 1991, c. 590; 2013, c. [605](#).)