



State Council of
Higher Education for Virginia

Agenda Book

September 15-16, 2014

Location:

James Madison University
Harrisonburg, VA



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

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

James Madison University
Festival Conference and Student Center, Board Dining Room
Harrisonburg, Virginia
September 15, 2014
12:00 p.m. – 1:00 p.m.

Executive Committee

1. Approval of Minutes (August 22, 2014) [Page E1](#)
2. Update on Strategic Plan Development
3. Action on Framework for Strategic Plan Goals [Page E4](#)
4. New Business
5. Adjournment

Committee members:

Gil Minor, Chair
Heywood Fralin, Vice Chair
Gene Lockhart
Steve Haner
Johanna Chase
Gil Bland

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
EXECUTIVE COMMITTEE MEETING
AUGUST 22, 2014
MINUTES**

Mr. Minor called the meeting to order at 11:10 a.m. in the SCHEV main conference room, Richmond, Virginia. Committee members present: Gil Bland, Steve Haner, and G. Gilmer Minor. **Committee members participating by phone:** Johanna Chase, Heywood Fralin, and Gene Lockhart.

Staff members present: Peter Blake, Beverly Covington, Alan Edwards, Dan Hix, Tod Massa, Kirsten Nelson, Lee Ann Rung, and Susan Wood.

JBLA consultant present: Stacia Aylward. JBLA consultants participating by phone: Mason Erwin, and Don Norris.

APPROVAL OF MINUTES

On motion by Mr. Haner and seconded by Mr. Bland, the minutes from the July 21, 2014, meeting were approved unanimously. Because three members were participating by phone, the minutes were approved by roll call vote.

Mr. Minor reminded members of the Freedom of Information Act (FOIA) rules regarding electronic meetings that require that the meeting stop if one of the members loses the phone connection. The meeting can resume once the connection is restored. He also noted that any action items require a roll call vote, as noted above.

UPDATE ON STRATEGIC PLAN DEVELOPMENT

Ms. Aylward began the discussion by stating that JBLA has been working since the Council's last meeting on August 12 to incorporate the feedback they received.

Ms. Aylward reviewed the five themes: access/affordability; student success; sustainability; excellence; prosperity and economic vitality, and the success factors under each theme. She mentioned that at the August 12 meeting, members generally accepted the Mission Statement.

She introduced five draft goals and explained that each of the goals align with the mission statement, and explained that strategies are assigned to each goal. Initiatives will align with, and determine how, the strategies will be carried out. The draft goals also align with Council's priorities from the August 12 meeting.

Ms. Aylward asked for Council feedback on the proposed goals and members provided comments on each. Mr. Fralin suggested that this would be a good time for

the state to consider a new funding model that would ensure a stable source of revenue for institutions.

In response to concerns expressed by Mr. Lockhart and Mr. Haner about cost productivity, Mr. Lingenfelter said gains in productivity can be realized by increasing graduation, completion, and student retention rates. He stressed that the key is to use the resources currently available.

Mr. Fralin expressed a desire to highlight technology and funding in the plan. He also said institutions must realize efficiencies in cutting costs.

Mr. Blake said SCHEV could provide trends in Virginia. He summarized the member comments that the plan should be bolder with regard to sustainability.

Mr. Blake opened a discussion on affordability and Mr. Haner suggested a constitutional amendment to elevate higher education to the same level as K-12. Mr. Fralin felt that was not a feasible option. Mr. Bland said the plan should address the true needs of higher education, not just what is politically feasible.

Mr. Fralin expressed concern for additional funding for higher education because of the budget reductions that are imminent this year.

Members provided input on Goal 4 and Ms. Aylward agreed to clarify that the reference to public service in strategy 4.4 is within the higher education community. Mr. Fralin suggested that this goal include all of Virginia rather than confining it to certain locations.

With regard to Goal 5, Mr. Haner suggested that SCHEV take a leadership role in conveying a compelling story for the value of higher education in the Commonwealth in conjunction with the Virginia Business Higher Education Council (VBHEC) and other constituents.

Ms. Aylward stressed that while strategies and initiatives could change over the years, the mission and goals should remain stable.

Mr. Lockhart inquired about the timeline and Mr. Blake said JBLA and SCHEV staff would meet with staff from the money committees, the Secretary of Finance, and representatives from the Department of Planning and Budget on August 25.

The Executive Committee will meet again on September 8 as a follow-up to this meeting. All materials that the Executive Committee reviews will be made available to the entire Council. The Council will meet jointly with public college presidents on September 15-16 at James Madison University to discuss the plan, and final approval will take place at the Council's October meeting.

OTHER BUSINESS

Mr. Minor requested that staff send members the “Expectations of Council Members” document that was discussed at the May meeting.

The meeting adjourned at 12:45 p.m.

G. Gilmer Minor
Chair

Lee Ann Rung
Director, Executive & Board Affairs

State Council of Higher Education for Virginia Agenda Item

Item: Executive Committee, Item #3 – Action on Framework for Strategic Plan Goals

Date of Meeting: September 15, 2014

Presenters: Peter Blake, Director
peterblake@schev.edu

Susan Wood, Specialist for Higher Education Planning and Policy
susanwood@schev.edu

Most Recent Review/Action:

- No previous Council review/action
 Previous review

Date: August 22 and September 8, 2014

Review: On August 22, the Executive Committee reviewed revisions to, and offered additional feedback on, the draft mission and vision statements and the draft goals derived from those statements. A follow-up meeting was scheduled for September 8 to review additional revisions warranted from the discussion and from staff's intervening discussions with stakeholders.

Action: None.

Background Information/Summary of Major Elements:

- At the conclusion of its special meeting on August 12, 2014, Council requested that staff and planning consultant JBL Associates (JBLA):
 - review members' feedback and priorities;
 - revise the preliminary themes and draft documents presented; and
 - update the Executive Committee on these efforts within 10 days.The Executive Committee meeting was subsequently scheduled for August 22.
- On August 22, 2014, the Executive Committee reviewed the updated preliminary themes and draft mission, vision, and goals; examples of draft strategies were also introduced.
 - Discussion was broad and thorough; focus often centered on the draft goals and strategies, primarily on how and where Council's priorities were reflected in the drafts.

- Staff and JBLA were directed to revise the documents in advance of their August 25 conversation with key Capitol Square stakeholders.

A follow-up meeting of the committee was requested and subsequently scheduled for September 8.

- On August 25, chairman Minor, vice chairman Bland, director Blake, JBLA president John Lee, and agency staff met with key Capitol Square stakeholders, including representatives of the governor's office, cabinet secretaries, legislative committees, the Council on Virginia's Future, the Department of Education, the Department of Planning and Budget, the Joint Legislative Audit and Review Commission, and the Virginia Business Higher Education Council.
 - The planning process was reviewed and the preliminary themes and draft statements, goals, and strategies were presented.
 - Discussion focused on the wording of the draft mission statement and how the draft goals reflected that wording. Much of the conversation centered on the number of goals and whether the draft goals (and strategies) captured accurately and adequately the key components of the mission of higher education.
 - Mr. Lee advised that his staff would incorporate the discussions of August 22 and 25 into their work to produce the first draft of the Goals and Strategies Memo required in the consulting contract on September 2.

- On September 15, staff will provide an update on activities since August 25 (items in this Agenda Book item were prepared prior to staff's receipt of the draft Goals and Strategies Memo and the Executive Committee's September 8 meeting).

Materials Provided:

Goal-framework materials for review in advance of the action recommended below were still in development at the time of Agenda Book publication and will be distributed prior to the meeting as soon as complete.

Financial Impact:

SCHEV is expending existing funds within its budget to pay the cost of the contract.

Timetable for Further Review/Action:

Staff recommends action on the framework for the strategic plan goals at this time to allow staff to present this framework to the public-institution Council of Presidents as the Committee's framework rather than staff's or the consultant's. The committee retains authority to alter the framework prior to Council action on September 16 based on the feedback it receives from the presidents and from the full Council.

Action to adopt a goal framework by the full Council on September 16 is critical to allow staff and the consultant to build the plan around an approved framework prior to Council's October 28-29 meetings.

Resolution:

BE IT RESOLVED THAT THE EXECUTIVE COMMITTEE OF THE STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA adopts the framework for the strategic plan goals as agreed upon during its September 15, 2014, meeting; and

BE IT FURTHER RESOLVED THE EXECUTIVE COMMITTEE OF THE STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA retains the authority to alter this framework prior to its movement for approval by the full Council on September 16, 2014; such that the Council resolution shall read:

BE IT RESOLVED THAT THE STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA adopts the framework for the strategic plan goals as agreed upon on September 16, 2014, and directs staff to employ this framework in developing the statewide strategic plan for higher education in the Commonwealth.

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

James Madison University
Festival Conference and Student Center, Allegheny Room
Harrisonburg, Virginia
September 15, 2014
1:00 – 2:30 p.m.

Academic Affairs Committee

1. Call to Order
2. Approval of Minutes (July 21, 2014)
3. Liaison Report
4. Discussion of Committee Priorities
6. New Business
7. Adjournment

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Committee members:

Gene Lockhart, Chair
Carlyle Ramsey, Vice Chair
Johanna Chase
Bill Murray
Pamela Moran
Heywood Fralin

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
ACADEMIC AFFAIRS COMMITTEE
JULY 21, 2014
MINUTES**

Mr. Gene Lockhart (Chair) called the meeting to order at 3:30 p.m. in Section B of the Workforce Development and Conference Center, on the campus of J. Sargeant Reynolds Community College in Richmond, VA.

Committee members present: Gil Bland, Johanna Chase, Henry Light, Gene Lockhart, Gil Minor, Pamela Moran

Committee members absent: Heywood Fralin

Staff members present: Beverley Covington Joseph DeFilippo, Darlene Derricott, Ashley Myers, Kirsten Nelson, Monica Osei, Sylvia Rosa-Casanova,

APPROVAL OF MINUTES

On motion by Mr. Bland and seconded by Mr. Light, minutes from the May 19, 2014, meeting were approved unanimously.

ACTION ON PROGRAMS AT PUBLIC INSTITUTIONS

*Bachelor of Science (B.S.) in Atmospheric Sciences
George Mason University*

Dr. DeFilippo provided a summary of the proposed B.S. in Atmospheric Sciences.

Dr. David Wu, Dr. Paul Schof, Dr. Joe Pancrazio, Dean Kenneth Ball, Dr. Oscar Barton and Ms. Robin Parker were in attendance from George Mason University.

Mr. Lockhart inquired whether most students achieving this degree would go on to get their M.S., Ph.D., or begin their careers in the private or public sector.

Dr. Schof responded that most students would likely pursue a M.S. or Ph.D. after completing the B.S. in Atmospheric Sciences.

Staff recommended adoption and on motion by Ms. Chase and seconded by Mr. Minor, the following resolution was approved unanimously to be forwarded to the full Council.

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to George Mason University to initiate a Bachelor of Science

(B.S.) degree program in Atmospheric Sciences (CIP: 40.0401), effective spring 2015.

*Doctor of Philosophy (Ph.D.) in Bioengineering
George Mason University*

Dr. DeFilippo provided a summary of the proposed Ph.D. in Bioengineering.

Staff recommended adoption and on motion by Mr. Minor and seconded by Mr. Light, the following resolution was approved unanimously to be forwarded to the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to George Mason University to initiate a Doctor of Philosophy (Ph.D.) degree program in Bioengineering (CIP: 14.0501), effective spring 2015.

*Bachelor of Science (B.S.) in Microbiology
Virginia Polytechnic Institute and State University*

Dr. Lay Nam Chang, Dr. J. P. Morgan, Dr. Ann Stevens, Dr. David Popham, and Dr. Robin Panneton were in attendance from Virginia Tech.

Staff recommended adoption and on motion by Mr. Minor and seconded by Mr. Bland, the following resolution was approved unanimously to be forwarded to the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to Virginia Polytechnic Institute and State University to initiate a Bachelor of Science (B.S.) degree program in Microbiology (CIP: 26.0502), effective spring 2015.

*Bachelor of Science (B.S.) in Nanoscience
Virginia Polytechnic Institute and State University*

Staff recommended adoption and on motion by Ms. Chase and seconded by Ms. Moran, the following resolution was approved unanimously to be forwarded to the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to Virginia Polytechnic Institute and State University to initiate a Bachelor of Science (B.S.) degree program in Nanoscience (CIP: 40.9999), effective spring 2015.

**ACTION ON FINAL APPROVAL OF UNIVERSITY OF MARY WASHINGTON
BACHELOR OF SCIENCE IN NURSING**

Dr. DeFilippo provided a summary on the revised funding plan for the proposed nursing program.

Staff recommended adoption and on motion by Mr. Light and seconded by Mr. Bland, the following resolution was approved unanimously to be forwarded to the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to the University of Mary Washington to initiate a Bachelor of Science in Nursing (B.S.N) degree program in Nursing (CIP: 51.3801), effective fall 2014.

REPORT ON PROPOSED ENGINEERING PROGRAMS AT CHRISTOPHER NEWPORT UNIVERSITY AND GEORGE MASON UNIVERSITY

*Proposed Electrical Engineering Program
Christopher Newport University*

Dr. DeFilippo provided a summary report of the proposed electrical engineering program.

Mr. Light inquired about the electrical engineering figures on page A29 and Dr. DeFilippo commented on possible ambiguities in the way IPEDS distinguishes between electrical and electronics, etc. He noted that the figures assist with observing broader trends and there is not a precise direct match between degrees and occupations.

Dr. Moran asked about engineering positions that are filled with non-Virginians. Dr. DeFilippo responded that there is substantial out of state recruiting.

In response to Mr. Bland, Dr. DeFilippo confirmed that Christopher Newport University and Newport News Shipbuilding already collaborate and partner on degree programs that meet industry needs.

Dr. David Doughty (Christopher Newport University) commented that adding the electrical engineering program can be done at a low cost due to its close relations to the existing computer engineering degree program. He also noted the higher cost at which H-1B visas are being used to meet the 22% national gap.

Mr. Bland inquired whether there would be any cost savings for Christopher Newport to further collaborate with Newport News Shipbuilding, Jefferson Labs, and/or NASA Langley Research Center. Dr. Doughty confirmed that there are cost-saving opportunities to which Mr. Light and Mr. Lockhart asked what infrastructure was needed to assist. Dr. Doughty noted the current collaboration that includes adjunct professors at Christopher Newport University from Jefferson Labs and a current proposal for an additional staff position and two faculty positions.

Mr. Lockhart opened the floor for a proposal and on motion by Ms. Moran and seconded by Mr. Minor, the Council approved moving forward with the program approval:

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to Christopher Newport University to initiate a Bachelor of Science (B.S.) degree program in Electrical Engineering (CIP: 14.1001), effective spring 2015.

*Proposed Mechanical Engineering Program
George Mason University*

Dr. DeFilippo provided a summary report of the proposed mechanical engineering program.

Mr. Lockhart asked Dr. Ken Ball (George Mason University) what breadth of discipline exists for mechanical engineering degree program graduates as it relates to potential employment. Dr. Ball responded that cancer research, chemical pharmaceuticals, construction, advanced manufacturing, wind energy, and fluid flow are just a few of the related fields. He also commented that the applications of mechanical engineering have changed in recent years, but the foundation remains unchanged.

Mr. Lockhart asked about the dual admissions agreement to which Dr. Abe Eftekhari (Northern Virginia Community College) noted that it is being developed and the changing structure of the community colleges has provided a stronger pathway for many students.

Mr. Lockhart opened the floor for a proposal and on motion by Mr. Minor and seconded by Mr. Light, the Council approved moving forward with the program approval:

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to George Mason University to initiate a Bachelor of Science (B.S.) degree program in Mechanical Engineering (CIP: 14.1901), effective spring 2015.

Dr. Moran expressed her appreciation to Dr. Ball and George Mason University for their innovative focus on curriculum and mechanical engineering as the design interface.

Mr. Lockhart thanked Dr. DeFilippo and his staff for their extensive research on this detailed analysis.

Mr. Lockhart prepared Committee action on agenda items 6-8 altogether. On motion by Mr. Minor and seconded by Ms. Chase, approval of all resolutions under headings listed below:

- ACTION ON PRIVATE AND OUT-OF-STATE POST-SECONDARY EDUCATION (POPE) INSTITUTIONAL CERTIFICATIONS
- ACTION ON PROGRAM PRODUCTIVITY REVIEW
- ACTION ON POLICY ON THE RECIPROCAL AUTHORIZATION OF DISTANCE EDUCATION

ACTION ON PRIVATE AND OUT-OF-STATE POST-SECONDARY EDUCATION (POPE) INSTITUTIONAL CERTIFICATIONS

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Augusta Health School of Clinical Laboratory Science to operate a postsecondary institution in the Commonwealth of Virginia, effective July 22, 2014.

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Heart to Heart Career Training Center to operate a postsecondary institution in the Commonwealth of Virginia, effective July 22, 2014.

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Mid-Atlantic Coding to operate a postsecondary institution in the Commonwealth of Virginia, effective July 22, 2014.

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Empire Beauty School to operate a postsecondary institution with branches in Midlothian, Richmond and Virginia Beach in the Commonwealth of Virginia, effective July 22, 2014.

ACTION ON PROGRAM PRODUCTIVITY REVIEW

Resolution:

BE IT RESOLVED that the State Council of Higher Education for Virginia approves the following degree program actions, as listed by institution, degree level, and title:

A. Continue without condition:

- Christopher Newport University
 - Bachelor, Interdisciplinary Studies
- College of William & Mary
 - Bachelor, Chinese Language and Culture
 - Bachelor, German
 - Master, Applied Science
 - Master, Psychology
- George Mason University
 - Bachelor, Religious Studies
 - Bachelor, Astronomy
 - Bachelor, Global and Environment Change
 - Master, Anthropology
 - Master, Art History

- **Master, Bioinformatics Management**
- **Doctoral, Computational and Data Science**
- **Doctoral, Criminology, Law and Society**
- **Doctoral, Sociology**
- **James Madison University**
 - **Master, Mathematics**
 - **Master, Art**
- **Longwood University**
 - **Bachelor, Economics**
 - **Bachelor, Modern Languages**
 - **Master, Sociology**
- **Norfolk State University**
 - **Bachelor, Building Construction Technology**
 - **Bachelor, Optical Engineering**
 - **Bachelor, Physics**
 - **Master, Severe Disabilities**
 - **Master, Pre-Elementary Education**
 - **Master, Music**
 - **Master, Materials Science**
 - **Doctoral, Social Work**
 - **Doctoral, Materials Science and Engineering**
- **Old Dominion University:**
 - **Bachelor, Asian Studies**
 - **Bachelor, Economics**
 - **Bachelor, Women's Studies**
 - **Bachelor, Chemistry**
 - **Master, Applied Sociology**
 - **Master, Chemistry**
- **Radford University**
 - **Bachelor, Philosophy and Religious Studies**
 - **Doctoral, Counseling**
- **University of Mary Washington**
 - **Bachelor, Physics**
- **University of Virginia**
 - **Bachelor, Architectural History**
 - **Bachelor, German**
 - **Bachelor, Italian**
 - **Bachelor, Astronomy**
 - **Master, Asian Studies**
 - **Master, Government**
 - **Master, Philosophy**
 - **Master, Linguistics**
 - **Master, Classics**
 - **Master, German**
 - **Master, Italian**
 - **Master, Music**
 - **Master, Slavic Languages and Literature**
 - **Doctoral, Classics**

- **University of Virginia at Wise**
 - **Bachelor, Management Information Systems**
 - **Bachelor, Mathematics**
 - **Bachelor, Computer Science**
 - **Bachelor, Software Engineering**
- **Virginia Commonwealth University**
 - **Bachelor, African American Studies**
 - **Bachelor, Financial Technology**
 - **Master, Economics**
 - **Master, Music**
 - **Master, Biostatistics**
 - **Doctoral, Epidemiology**
- **Virginia Military Institute**
 - **Bachelor, Applied Mathematics**
 - **Bachelor, Computer Science**
 - **Bachelor, Physics**
- **Virginia State University**
 - **Bachelor, Economics and Finance**
 - **Bachelor, Social Work**
 - **Master, Criminal Justice**
 - **Master, Interdisciplinary Studies**
 - **Master, Computer Science**
- **Virginia Tech**
 - **Master, Foreign Language and Culture**
 - **Master, Theater Arts**
 - **Doctoral, Social, Political, Ethical and Cultural Thought**
 - **Doctoral, Geospatial and Environmental Analysis**
 - **Doctoral, Rhetoric and Writing**

B. Continue the following programs, subject to condition:

- **George Mason University**
 - **Bachelor, Computational and Data Science:** Continue program, on condition that a plan for enhancing program performance be approved by GMU's Board of Visitors no later than June 1, 2015. If a plan is not submitted, or if it is determined by Council to be insufficient to restore the program to viability, the program shall be closed.
 - **Bachelor, Latin American Studies:** Continue program, on condition that a plan for enhancing program performance be approved by GMU's Board of Visitors no later than June 1, 2015. If a plan is not submitted, or if it is determined by Council to be insufficient to restore the program to viability, the program shall be closed.
- **Longwood University**
 - **Master, Business Administration:** Continue program, on condition that a plan for enhancing program performance be approved by LU's Board of Visitors no later than June 1, 2015. If a plan is not submitted, or if it is determined by Council to be

insufficient to restore the program to viability, the program shall be closed.

- **University of Virginia**
 - **Doctoral, German:** Continue program, on condition that a plan for enhancing program performance be approved by UVA's Board of Visitors no later than June 1, 2015. If a plan is not submitted, or if it is determined by Council to be insufficient to restore the program to viability, the program shall be closed.
 - **Doctoral, Slavic Languages and Literature:** Continue program, on condition that a plan for enhancing program performance be approved by UVA's Board of Visitors no later than June 1, 2015. If a plan is not submitted, or if it is determined by Council to be insufficient to restore the program to viability, the program shall be closed.
- **Virginia State University**
 - **Master, Mathematics:** Continue program, on condition that a plan for enhancing program performance be approved by VSU's Board of Visitors no later than June 1, 2015. If a plan is not submitted, or if it is determined by Council to be insufficient to restore the program to viability, the program shall be closed.

C. Close the following programs:

- **George Mason University**
 - **Bachelor, Business Administration**
 - **Bachelor, Electronic and Communication Engineering**
 - **Master, Dance**
 - **Master, Epidemiology and Biostatistics**
 - **Master, Senior Housing Administration**
 - **Master, Health Science**
 - **Doctoral, Physical Science**
 - **Doctoral, Information Technology**
- **Norfolk State University:**
 - **Bachelor, Business Education**
 - **Master, Applied Sociology**
 - **Master, Teaching**
 - **Master, Optical Engineering**
- **Old Dominion University:**
 - **Bachelor, Acting**
 - **Master, Physical Therapy**
- **Radford University:**
 - **Bachelor, Geography**
- **University of Mary Washington**
 - **Bachelor, American Studies**
- **University of Virginia:**
 - **Master, Digital Humanities**
- **Virginia Commonwealth University:**
 - **Bachelor, Recreation, Parks and Sports Management**
 - **Master, Taxation**

- **Master, Athletic Training**
- **Virginia State University:**
 - **Bachelor, Public Administration**
 - **Bachelor, Administrative Systems Management**
 - **Bachelor, Industrial and Technology Education**
 - **Bachelor, Engineering Technology**
 - **Bachelor, Physics**
 - **Master, History**
 - **Master, English**
 - **Master, Plant Science**
- **Virginia Tech:**
 - **Bachelor, Humanities, Science and Environment**
 - **Master, Hospitality and Tourism**
 - **Master, Dairy Science**
 - **Master, Horticulture**
 - **Doctoral, Hospitality and Tourism**

ACTION ON POLICY ON THE RECIPROCAL AUTHORIZATION OF DISTANCE EDUCATION

BE IT RESOLVED that the State Council of Higher Education for Virginia (SCHEV) approves the *Commonwealth of Virginia Policy on the Reciprocal Authorization of Distance Education and Related Activities*. The Policy shall become effective immediately and the Director is authorized to implement its provisions as soon as feasible.

LIAISON REPORT

Dr. DeFilippo provided a report on Academic Affairs activities:

- I. Improving Teacher Quality (NCLB) Grants. Under the leadership of Ms. Darlene Derricott, on June 9 the final selection committee recommended funding eight proposals for the 2014-2015 Improving Teacher Quality grant program funded by the US Department of Education (USED). A total of \$1,188,411.00 was awarded to seven Virginia institutions working collaboratively with public school districts. The awards range from \$71,566.00 to \$224,957.00. Funded programs will provide instructional leadership to principals and administrators and research-based strategies to K-12 teachers in STEM and Literacy disciplines. This year's recipients are the College of William and Mary, Hampton University, Longwood University, Lynchburg College, Old Dominion University, Radford University, and Sweet Briar College.
- II. GEAR UP. Earlier this month, under the leadership of Ms Paula Fisher, SCHEV submitted an application to USED for a seven-year GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs) grant. If funded, "Gear Up Virginia" would receive approximately \$3M per year for the life of the grant and serve approximately 6,000 students in districts across the Commonwealth.

The program would also serve the “special population” of homeless youth in participating districts. We expect to receive results of the application in September.

- III. Meeting with Nursing Coalition. SCHEV staff met with leaders from the Virginia Action Coalition for Nursing to discuss possible steps to promote effective articulation between associate and bachelor degree nursing programs. In addition to SCHEV staff (Dr. DeFilippo, Dr. Osei, and Ms. Rosa-Casanova), Ms. Paula Saxby of the Virginia Board of Nursing was also in attendance. Future meetings are anticipated, to plan how to assess Virginia’s future workforce needs in nursing and to gain support of the relevant secretariats.
- IV. Corinthian Colleges Inc. Corinthian, a nationally distributed proprietary institution, has been subject to recent adverse action by USED, which has resulted in withholding of federal financial aid reimbursements due to the institution’s inability to report required data on placements of its graduates. USED has drafted an agreement with Corinthian, which would allow it to operate for a period of time sufficient to close or sell its campuses. Corinthian operates Everest College, which maintains four campuses in Virginia with a total of about 2000 students. Under the current plan, one of the four would close and the other three would be sold. Ms. Sylvia Rosa-Casanova has been participating in regular phone conferences with USED, the accreditors, and other states in which Corinthian operates, and will oversee compliance with Virginia regulation as these transitions proceed.

ADJOURNMENT

Mr. Bland suggested the inclusion of Dr. DeFilippo and Ms. Rosa-Casanova in the strategic planning process.

Mr. Lockhart commented on the need for additional collaboration between the community colleges and four year public institutions as noted in the strategic planning task force meeting and how the examples given by George Mason University and Northern Virginia Community College in this meeting indicate a positively collaborative relationship.

Mr. Lockhart adjourned the meeting at 5:05 pm.

Gene Lockhart
Chair, Academic Affairs Committee

Ashley Myers
Coordinator, Executive & Board Affairs

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

James Madison University
Festival Conference and Student Center, Board of Visitors' Room
Harrisonburg, Virginia
September 15, 2014
1:00 – 2:30 p.m.

TJ21 Committee

1. Call to Order
2. Approval of Minutes (July 21, 2014) [Page TJ1](#)
3. Action on Institutional Performance Measures [Page TJ4](#)
4. Briefings and Discussion:
Discussion of 2014-2016 Systemwide Operating
Budget Amendments [Page TJ7](#)
5. Discussion of Committee Priorities
6. New Business
7. Adjournment

Committee members:

Steve Haner, Chair
Gary Nakamoto, Vice Chair
Henry Light
Martin Briley
Marge Connelly
Gil Bland

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
TJ21 IMPLEMENTATION COMMITTEE MEETING
JULY 21, 2014
MINUTES**

Dr. Ramsey called the meeting to order at 3:40 p.m. in the Workforce Development and Conference Center, Section C, Parham Road campus of J. Sargeant Reynolds Community College, Richmond, Virginia. Council members present: Martin Briley, William Murray, and Carlyle Ramsey. Mr. Nakamoto joined the meeting at 4:30 p.m.

Council members absent: Steve Haner, and Marge Connelly.

Staff members present: Peter Blake, Alan Edwards, Dan Hix, Wendy Kang, Tod Massa, Jean Mottley, Lee Ann Rung, and Susan Wood.

APPROVAL OF MINUTES

On a motion by Mr. Briley and seconded by Dr. Murray, the minutes from the May 19, 2014, meeting were approved unanimously.

ACTION ON FULL COST REPORT

Mr. Hix provided background information, reminding members that the objective of this report was to ensure that nonresident students pay no less than the full cost of their education in tuition and mandatory educational and general fees. Mr. Hix reviewed the chart that showed the average nonresident tuition was 169% of the total cost of education. He answered questions from members and on a motion by Dr. Murray and seconded by Mr. Briley the following resolution was approved unanimously to be forwarded to the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia approves the 2014-15 Full Cost Report.

UPDATE ON 2014-16 BUDGET ACTIONS

Mr. Hix said General Fund support at Virginia's public institutions of higher education in FY2015 will remain at close to FY2014 levels. The General Assembly appropriated an addition of \$3.1 million to increase in-state undergraduate students at the College of William and Mary (CWM), James Madison University (JMU), the University of Virginia (UVA), and Virginia Tech (VT). Mr. Hix informed the committee that the Governor will meet with the money committees on August 15 and revised revenue projections could result from that meeting. The Council will review preliminary budget recommendations in September and approve final recommendations in October. A correction to page TJ10 was noted. New College Institution should be changed to New College Institute.

DISCUSSION OF INSTITUTIONAL PERFORMANCE STANDARDS

Ms. Mottley provided background information and reviewed the preliminary findings for the six performance measures. She reviewed the preliminary biennial assessment results of each measure, which indicated that two institutions did not meet their targets on one performance measure for the biennial period. Although other institutions missed targets for one year of the period, overall the institutions met their targets. She explained the reasons targets were not met and indicated that institutions have been diligent and committed to the process. Ms. Mottley indicated that staff proposed that consideration be given to passing all of the institutions on the six measures when formal certification takes place in September. This action will be recommended due to this being the first time that institutional performance was assessed with these new measures. Additionally, by the time some of the measures were proposed and adopted, nearly all actions that could be made to substantively change any outcome for the years under review, had already been made. Moreover, due to the action of the General Assembly, the financial benefits related to tuition revenue interest earnings were cut and will not be available this biennium. Ms. Mottley indicated that additional education-related performance measures information had been submitted by the Level II institutions. At the September meeting, staff will provide all information at the institutional level. She and Mr. Massa answered questions from members and informed the committee that while SCHEV can encourage institutions to grow, they can't require it. Mr. Briley requested more detail on the actual and projected relationship between in-state and out-of-state students. Staff agreed to provide the information, which is on the SCHEV website. A correction to page TJ24 was noted. The word "interesting" in the footnote should be changed to "interest."

DISCUSSION OF MID-CAREER WAGE DATA

Mr. Massa presented information on the data that was described in the report, which consists of records of individual degree awards from 1992-93 and wages and earnings from 1998-2012. He noted that this was in response to a request from college leaders across the Commonwealth to capture data on outcomes beyond five years after graduation. Virginia is one of a handful of states currently reporting this data. SCHEV now has up to 19 years post-graduate data at all degree levels, and captures about 80% of workers in Virginia. Mr. Massa reviewed the charts and data that will be available to the public by August 1.

REPORT ON SIX-YEAR PLAN PROCESS

Ms. Mottley directed the committee to the six-year plan information that was included in the agenda book. She reported that on July 1 templates for six-year plans were sent to institutions to affirm or update. The templates are due back to SCHEV by August 4. The Op Six group will meet on August 26 and a progress report will be provided to the committee in September.

ADJOURNMENT

The meeting was adjourned at 5:05 p.m.

Carlyle Ramsey
Acting Committee Chair

Lee Ann Rung
Director, Executive and Board Affairs

State Council of Higher Education for Virginia Agenda Item

Item: TJ21 Implementation Committee Item #3 – Action on Institutional Performance Measures

Date of Meeting: September 15, 2014

Presenters: Jean Mottley, Senior Associate for Finance Policy

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Tod Massa, Director of Policy Research and Data Warehousing

TodMassa@schev.edu

Most Recent Review/Action:

No previous Council review/action

Previous review/action

Date: July 21, 2014

Action: Reviewed preliminary results for institutional performance measures.

Background Information/Summary of Major Elements:

- The purposes of this agenda item are to review the results of the biennial assessment of institutional performance and take action regarding certification. The assessment process includes six education-related performance measures, as well as administrative and financial measures. For authority Level II institutions, results for additional education-related performance measures were collected.
- The State Council of Higher Education has been involved in assessing institutional performance for over two decades, most recently through the requirements of the 2005 Higher Education Restructuring Act, and now through the Virginia Higher Education Opportunity Act of 2011 (Top Jobs Act or TJ21) and the related Code of Virginia amendments. The General Provisions of the 2012-14 amended Appropriation Act (Chapter 806) and the 2014-16 budget bills outline the assessment process and list the six education-related measures on which the Council shall base its assessment and certification. Each of the six measures is listed in Appendix A under the “BIENNIAL ASSESSMENTS” heading.
- There are also six financial and administrative measures that are included in the assessment process and they are to be evaluated by the Secretaries of Finance, Administration, and Technology as appropriate, and communicated to the State Council of Higher Education before October 1 of each even- numbered

year. Each of these measures is listed in Appendix A under the “FINANCIAL AND ADMINISTRATIVE STANDARDS” heading.

- The Council is then required to complete the certification process by forwarding, in writing, the results of the assessments to the Governor and the General Assembly of both the education-related measures and the financial and administrative measures no later than October 1 of each even-numbered year.
- Each institution that has been certified as having met the performance assessment criteria shall receive the financial benefits, if available, listed in Appendix A under the “FINANCIAL BENEFITS OF PERFORMANCE CERTIFICATION” heading.
- The following data protocols were to used to form the basis of the assessment of the six education-related performance measures:
 - Certification of performance was for academic year 2012-13 with academic year 2011-12 used as a base year as all future certifications will be based on two years of data. The use of a base year also provides guidance for Council action should an institution(s) fail one or more measures.
 - For the certification of 2011-12, the approved enrollment and degree projections of 2011 were used.
 - For the certification of 2012-13, the approved enrollment and degree projections of 2013 were used.
 - For Measure 5, the definition of “under-represented populations” included:
 - Non-white US citizens and permanent residents.
 - Degree-recipients receiving Pell grants at any time during the five years prior to degree award.
 - Non-traditional students: age 25 or older at entry.
 - Students from Virginia localities in the lowest quintile of combined associate and baccalaureate attainment rates.

Level II institutions provided the information for their additional education-related performance measures. Results of the review of the financial and administrative standards will be provided by the Secretary of Finance. Even though the results of the review have not been received, our expectations are that they will be within an acceptable range or can be dealt with by remediation plans, if necessary. Therefore, staff preliminarily recommends that consideration be given to passing all of the institutions with regard to certification for several reasons including:

- This review period is the first one for the six new education-related performance measures.

- At the time these six measures were proposed and adopted nearly all decisions and actions that could be made to substantively change the outcome for the years under review, had already been made.
- Some of the specifics of the definitions of the measures had not been determined at that time.
- The accuracy of projections at the upper division had never been regularly tested prior to this review.

At this time, SCHEV staff see this certification as both a test of the measures themselves, the value of the definitions related to the strategic plan, and an opportunity for establishing firm benchmarks for comparison in the next review.

Materials Provided: 2014 IPS Assessment Tables

Financial Impact: Historical data on financial impact can be found in Appendix B. Due to the current budget shortfall, the financial benefits provided in §2.2-5005 are not available to the institutions.

Timetable for Further Review/Action: The next assessment of institutional performance must be completed by October 1, 2016.

Resolution:

BE IT RESOLVED that consistent with §23-9.6:1.01, Code of Virginia, the State Council of Higher Education for Virginia certifies for 2014-2015 and 2015-2016 that all public institutions have satisfactorily met the performance standards of the Virginia Higher Education Opportunity Act and Appropriation Act.

2014 BIENNIAL ASSESSMENT RESULTS

Christopher Newport University	2011-2012			2012-2013		
Six Measures	Actual	Target	Result	Actual	Target	Result
1. Met 95% of in-state undergraduate headcount enrollment projections.	100.7%	95.0%	Met Target	104.4%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	109.3%	95.0%	Met Target	97.1%	95.0%	Met Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	98.6%	95.0%	Met Target	98.2%	95.0%	Met Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	106.1%	95.0%	Met Target	101.1%	95.0%	Met Target
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	335	303	Met Target	370	335	Met Target
6. Number of in-state two-year transfers to four-year institutions.*	134	167	Missed Target	147	134	Met Target
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		
Level II Measures**	Actual	Target	Result	Actual	Target	Result
1. Retention rate of in-state, first-time, full-time freshmen.	85.04%	80.00%	Met Target	84.20%	80.50%	Met Target
2. Four-year graduation rate of in-state, first-time, full-time freshmen.	55.30%	45.50%	Met Target	57.65%	45.50%	Met Target

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

** Level II Measures have both thresholds and targets. On this report, thresholds are presented as targets, since meeting the minimum (threshold) is acceptable for passing purposes.

College of William and Mary	2011-2012			2012-2013		
Six Measures	Actual	Target	Result	Actual	Target	Result
1. Met 95% of in-state undergraduate headcount enrollment projections.	100.8%	95.0%	Met Target	100.6%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	95.5%	95.0%	Met Target	100.6%	95.0%	Met Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	136.8%	95.0%	Met Target	124.0%	95.0%	Met Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	99.0%	95.0%	Met Target	101.9%	95.0%	Met Target
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	392	413	Missed Target	421	392	Met Target
6. Number of in-state two-year transfers to four-year institutions.*	153	117	Met Target	119	153	Missed Target
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

George Mason University	2011-2012			2012-2013		
Six Measures	Actual	Target	Result	Actual	Target	Result
1. Met 95% of in-state undergraduate headcount enrollment projections.	101.4%	95.0%	Met Target	99.7%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	102.8%	95.0%	Met Target	102.3%	95.0%	Met Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	104.8%	95.0%	Met Target	99.0%	95.0%	Met Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	103.8%	95.0%	Met Target	99.9%	95.0%	Met Target
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	2,694	2,324	Met Target	2,859	2,694	Met Target
6. Number of in-state two-year transfers to four-year institutions.*	2,828	2,677	Met Target	2,946	2,828	Met Target
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		
Level II Measures**	Actual	Target	Result	Actual	Target	Result
1. Six-year graduation rate of in-state, first-time, full-time freshmen.	67.0%	61.0%	Met Target	70.0%	61.5%	Met Target
2. Number of master's degree graduates in high-need areas.	1,447	1,232	Met Target	1,457	1,256	Met Target

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

** Level II Measures have both thresholds and targets. On this report, thresholds are presented as targets, since meeting the minimum (threshold) is acceptable for passing purposes.

James Madison University	2011-2012			2012-2013		
Six Measures	Actual	Target	Result	Actual	Target	Result
1. Met 95% of in-state undergraduate headcount enrollment projections.	100.9%	95.0%	Met Target	98.9%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	110.7%	95.0%	Met Target	107.8%	95.0%	Met Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	114.2%	95.0%	Met Target	99.5%	95.0%	Met Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	102.2%	95.0%	Met Target	101.7%	95.0%	Met Target
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	1,003	828	Met Target	974	1,003	Missed Target
6. Number of in-state two-year transfers to four-year institutions.*	611	534	Met Target	607	611	Missed Target
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		
Level II Measures**	Actual	Target	Result	Actual	Target	Result
1. Number of STEM graduates.	813	580	Met Target	846	594	Met Target
2. Course Redesign:						
a. Percentage of students earning grades of A, B, C in MATH 205 (Calculus).	80.0%	68.7%	Met Target	81.7%	69.7%	Met Target
b. Percentage of students earning grades of A, B, C in MATH 220 (Statistics).	84.3%	73.0%	Met Target	86.2%	74.0%	Met Target

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

** Level II Measures have both thresholds and targets. On this report, thresholds are presented as targets, since meeting the minimum (threshold) is acceptable for passing purposes.

Longwood University	2011-2012			2012-2013		
Six Measures	Actual	Target	Result	Actual	Target	Result
1. Met 95% of in-state undergraduate headcount enrollment projections.	102.7%	95.0%	Met Target	104.7%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	103.6%	95.0%	Met Target	97.3%	95.0%	Met Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	128.2%	95.0%	Met Target	95.8%	95.0%	Met Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	93.4%	95.0%	Missed Target	98.2%	95.0%	Met Target
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	288	256	Met Target	331	288	Met Target
6. Number of in-state two-year transfers to four-year institutions.*	180	176	Met Target	222	180	Met Target
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		
Level II Measures**	Actual	Target	Result	Actual	Target	Result
1. Number of students enrolled and graduated in cooperative teacher licensure programs:						
a. Emporia (Enrollment)	6	5	Met Target	10	12	Missed Target
b. Martinsville (Enrollment)	15	12	Met Target	22	15	Met Target
c. Martinsville (Graduation)	1	2	Missed Target	3	2	Met Target
2. Course Redesign:						
a. Percentage of students earning grades of A, B, C in MATH 171 (Basic Statistics).	65.0%	54.0%	Met Target	63.0%	61.0%	Met Target
b. Percentage of students earning grades of A, B, C in MATH 261 (Calculus I).	55.0%	42.0%	Met Target	71.0%	49.0%	Met Target

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

** Level II Measures have both thresholds and targets. On this report, thresholds are presented as targets, since meeting the minimum (threshold) is acceptable for passing purposes.

Norfolk State University	2011-2012			2012-2013		
	Actual	Target	Result	Actual	Target	Result
Six Measures						
1. Met 95% of in-state undergraduate headcount enrollment projections.	102.9%	95.0%	Met Target	102.9%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	101.4%	95.0%	Met Target	100.0%	95.0%	Met Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	112.3%	95.0%	Met Target	109.3%	95.0%	Met Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	98.5%	95.0%	Met Target	91.3%	95.0%	Missed Target
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	739	655	Met Target	829	739	Met Target
6. Number of in-state two-year transfers to four-year institutions.*	458	447	Met Target	464	458	Met Target
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

Old Dominion University	2011-2012			2012-2013		
Six Measures	Actual	Target	Result	Actual	Target	Result
1. Met 95% of in-state undergraduate headcount enrollment projections.	100.6%	95.0%	Met Target	101.1%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	115.3%	95.0%	Met Target	109.9%	95.0%	Met Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	120.0%	95.0%	Met Target	123.2%	95.0%	Met Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	103.0%	95.0%	Met Target	98.1%	95.0%	Met Target
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	2,914	1,916	Met Target	2,392	2,194	Met Target
6. Number of in-state two-year transfers to four-year institutions.*	2,441	2,327	Met Target	2,453	2,441	Met Target
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		
Level II Measures**	Actual	Target	Result	Actual	Target	Result
1. Increase the number of nursing graduates.	266	209	Met Target	307	214	Met Target
2. Course Redesign:						
a. Percentage of students earning grades of A, B, C in MATH 102 (College Algebra).	59.0%	44.0%	Met Target	59.0%	45.0%	Met Target
b. Percentage of students earning grades of A, B, C in CHEM 121/122 (Foundations of Chemistry)	70.0%	45.0%	Met Target	63.0%	47.0%	Met Target

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

** Level II Measures have both thresholds and targets. On this report, thresholds are presented as targets, since meeting the minimum (threshold) is acceptable for passing purposes.

Radford University	2011-2012			2012-2013		
	Actual	Target	Result	Actual	Target	Result
Six Measures						
1. Met 95% of in-state undergraduate headcount enrollment projections.	100.0%	95.0%	Met Target	100.0%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	103.7%	95.0%	Met Target	103.7%	95.0%	Met Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	110.5%	95.0%	Met Target	95.0%	95.0%	Met Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	100.0%	95.0%	Met Target	100.3%	95.0%	Met Target
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	782	712	Met Target	767	782	Missed Target
6. Number of in-state two-year transfers to four-year institutions.*	766	678	Met Target	767	766	Met Target
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		
Level II Measures**						
1. Six-year graduation rate of in-state, first-time, full-time freshmen.	61.0%	57.0%	Met Target	59.0%	54.0%	Met Target
2. Course Redesign:						
a. Percentage of students earning grades of A, B, C in ITEC 120 (Computer Science I).	61.0%	51.0%	Met Target	63.1%	52.0%	Met Target
b. Percentage of students earning grades of A, B, C in ITEC 220 (Computer Science II).	67.0%	58.6%	Met Target	65.1%	59.8%	Met Target

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

** Level II Measures have both thresholds and targets. On this report, thresholds are presented as targets, since meeting the minimum (threshold) is acceptable for passing purposes.

Richard Bland College	2011-2012			2012-2013		
	Actual	Target	Result	Actual	Target	Result
Six Measures						
1. Met 95% of in-state undergraduate headcount enrollment projections.	102.3%	95.0%	Met Target	97.7%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	93.9%	95.0%	Missed Target	94.1%	95.0%	Missed Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	N/A	N/A	N/A	92.1%	95.0%	Missed Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	N/A	N/A	N/A	N/A	N/A	N/A
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	159	151	Met Target	150	159	Missed Target
6. Number of in-state two-year transfers to four-year institutions.*	N/A	N/A	N/A	N/A	N/A	N/A
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

University of Mary Washington	2011-2012			2012-2013		
	Actual	Target	Result	Actual	Target	Result
Six Measures						
1. Met 95% of in-state undergraduate headcount enrollment projections.	106.0%	95.0%	Met Target	108.5%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	100.9%	95.0%	Met Target	112.0%	95.0%	Met Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	87.7%	95.0%	Missed Target	117.7%	95.0%	Met Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	107.3%	95.0%	Met Target	101.1%	95.0%	Met Target
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	323	321	Met Target	392	323	Met Target
6. Number of in-state two-year transfers to four-year institutions.*	269	285	Missed Target	298	269	Met Target
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

University of Virginia	2011-2012			2012-2013		
	Actual	Target	Result	Actual	Target	Result
Six Measures						
1. Met 95% of in-state undergraduate headcount enrollment projections.	100.5%	95.0%	Met Target	99.0%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	102.2%	95.0%	Met Target	101.7%	95.0%	Met Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	110.4%	95.0%	Met Target	104.6%	95.0%	Met Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	100.9%	95.0%	Met Target	99.4%	95.0%	Met Target
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	1,091	1,057	Met Target	1,125	1,091	Met Target
6. Number of in-state two-year transfers to four-year institutions.*	432	395	Met Target	393	432	Missed Target
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

University of Virginia - Wise	2011-2012			2012-2013		
	Actual	Target	Result	Actual	Target	Result
Six Measures						
1. Met 95% of in-state undergraduate headcount enrollment projections.	102.5%	95.0%	Met Target	120.7%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	120.6%	95.0%	Met Target	102.2%	95.0%	Met Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	140.4%	95.0%	Met Target	100.0%	95.0%	Met Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	120.0%	95.0%	Met Target	141.2%	95.0%	Met Target
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	224	213	Met Target	218	224	Missed Target
6. Number of in-state two-year transfers to four-year institutions.*	84	122	Missed Target	109	84	Met Target
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

Virginia Commonwealth University	2011-2012			2012-2013		
	Actual	Target	Result	Actual	Target	Result
Six Measures						
1. Met 95% of in-state undergraduate headcount enrollment projections.	102.6%	95.0%	Met Target	103.6%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	104.2%	95.0%	Met Target	96.4%	95.0%	Met Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	104.3%	95.0%	Met Target	91.3%	95.0%	Missed Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	94.1%	95.0%	Missed Target	93.5%	95.0%	Missed Target
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	2,565	2,350	Met Target	2,632	2,565	Met Target
6. Number of in-state two-year transfers to four-year institutions.*	1,946	1,728	Met Target	1,903	1,946	Missed Target
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

Virginia Community College System	2011-2012			2012-2013		
Six Measures	Actual	Target	Result	Actual	Target	Result
1. Met 95% of in-state undergraduate headcount enrollment projections.	99.1%	95.0%	Met Target	95.4%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	111.7%	95.0%	Met Target	92.9%	95.0%	Missed Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	102.3%	95.0%	Met Target	91.8%	95.0%	Missed Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	N/A	N/A	N/A	N/A	N/A	N/A
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	12,303	10,991	Met Target	12,728	12,303	Met Target
6. Number of in-state two-year transfers to four-year institutions.*	N/A	N/A	N/A	N/A	N/A	N/A
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		
Level II Measures**	Actual	Target	Result	Actual	Target	Result
1. Number of students completing community college (CC) career pathways program.	24,973	17,742	Met Target	28,057	17,817	Met Target
2. Of the first-time in college (FTIC), program-placed cohort in a given fall term that completes at least 12 credits at the CC, the percentage of those students who complete an award (associate degree, certificate, or diploma) or transfer to a four-year institution within five years.	51.4%	46.5%	Met Target	50.6%	46.8%	Met Target

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

** Level II Measures have both thresholds and targets. On this report, thresholds are presented as targets, since meeting the minimum (threshold) is acceptable for passing purposes.

Virginia Military Institute	2011-2012			2012-2013		
	Actual	Target	Result	Actual	Target	Result
Six Measures						
1. Met 95% of in-state undergraduate headcount enrollment projections.	100.7%	95.0%	Met Target	101.5%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	104.2%	95.0%	Met Target	109.7%	95.0%	Met Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	80.6%	95.0%	Missed Target	120.5%	95.0%	Met Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	100.6%	95.0%	Met Target	102.0%	95.0%	Met Target
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	70	53	Met Target	70	70	Met Target
6. Number of in-state two-year transfers to four-year institutions.*	16	12	Missed Target	20	12	Met Target
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		
Level II Measures**						
1. Meet agreed upon percentage of demonstrated need of Virginia cadets:						
a. Need-Based Cadets	100.4%	80.0%	Met Target	99.8%	80.0%	Met Target
b. High-Need Cadets ¹	78.1%	80.0%	Missed Target	78.5%	80.0%	Missed Target
2. Percentage of cadets who accept military commissions upon graduation (5-year rolling average).	45.8%	42.5%	Met Target	46.2%	42.5%	Met Target

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

** Level II Measures have both thresholds and targets. On this report, thresholds are presented as targets, since meeting the minimum (threshold) is acceptable for passing purposes.

1 - When loans are included, the percent of need met for high-need cadets is 89.8% (for 2011 - 2012) and 91.1% (for 2012-2013).

Virginia State University	2011-2012			2012-2013		
	Actual	Target	Result	Actual	Target	Result
Six Measures						
1. Met 95% of in-state undergraduate headcount enrollment projections.	98.9%	95.0%	Met Target	100.6%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	118.2%	95.0%	Met Target	108.6%	95.0%	Met Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	104.4%	95.0%	Met Target	167.1%	95.0%	Met Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	107.8%	95.0%	Met Target	81.7%	95.0%	Missed Target
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	598	523	Met Target	618	598	Met Target
6. Number of in-state two-year transfers to four-year institutions.*	194	169	Met Target	215	194	Met Target
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

Virginia Tech	2011-2012			2012-2013		
	Actual	Target	Result	Actual	Target	Result
Six Measures						
1. Met 95% of in-state undergraduate headcount enrollment projections.	99.5%	95.0%	Met Target	100.4%	95.0%	Met Target
2. Met 95% of in-state associate and bachelor degree awards projections.	101.1%	95.0%	Met Target	96.1%	95.0%	Met Target
3. Met 95% of in-state STEM-H associate and bachelor degree awards projections.	111.6%	95.0%	Met Target	103.9%	95.0%	Met Target
4. Met 95% of in-state, upper-level, program-placed FTE student projections.	100.9%	95.0%	Met Target	100.5%	95.0%	Met Target
5. Associate and bachelor degree awards to in-state students (under-represented populations).*	1,573	1,479	Met Target	1,681	1,573	Met Target
6. Number of in-state two-year transfers to four-year institutions.*	681	621	Met Target	677	681	Missed Target
Financial and Administrative Measures (Year 2012-2013)	N/A	N/A	N/A	Pending		

* Measures 5 and 6 refer to maintaining or increasing counts as compared to the previous year's figure.

APPENDIX A

§ 4-9.00 HIGHER EDUCATION RESTRUCTURING

§4-9.01 ASSESSMENT OF INSTITUTIONAL PERFORMANCE

Consistent with §[23-9.6:1.01](#), Code of Virginia, the following education-related and financial and administrative management measures shall be the basis on which the State Council of Higher Education shall annually assess and certify institutional performance. Such certification shall be completed and forwarded in writing to the Governor and the General Assembly no later than October 1 of each even-numbered year. Institutional performance on measures set forth in paragraph D of this section shall be evaluated year-to-date by the Secretaries of Finance, Administration, and Technology as appropriate, and communicated to the State Council of Higher Education before October 1 of each even-numbered year. Financial benefits provided to each institution in accordance with §[2.2-5005](#) will be evaluated in light of that institution's performance.

In general, institutions are expected to achieve all performance measures in order to be certified by SCHEV, but it is understood that there can be circumstances beyond an institution's control that may prevent achieving one or more performance measures. The Council shall consider, in consultation with each institution, such factors in its review: (1) institutions meeting all performance measures will be certified by the Council and recommended to receive the financial benefits, (2) institutions that do not meet all performance measures will be evaluated by the Council and the Council may take one or more of the following actions: (a) request the institution provide a remediation plan and recommend that the Governor withhold release of financial benefits until Council review of the remediation plan or (b) recommend that the Governor withhold all or part of financial benefits.

Further, the State Council shall have broad authority to certify institutions as having met the standards on education-related measures. The State Council shall likewise have the authority to exempt institutions from certification on education-related measures that the State Council deems unrelated to an institution's mission or unnecessary given the institution's level of performance.

The State Council may develop, adopt, and publish standards for granting exemptions and ongoing modifications to the certification process.

a. BIENNIAL ASSESSMENTS

1. Institution meets at least 95 percent of its State Council-approved biennial projections for in-state undergraduate headcount enrollment.
2. Institution meets at least 95 percent of its State Council-approved biennial projections for the number of in-state associate and bachelor degree awards.

3. Institution meets at least 95 percent of its State Council-approved biennial projections for the number of in-state STEM-H (Science, Technology, Engineering, Mathematics, and Health professions) associate and bachelor degree awards.

4. Institution meets at least 95 percent of its State Council-approved biennial projections for the number of in-state, upper level - sophomore level for two-year institutions and junior and senior level for four-year institutions - program-placed, full-time equivalent students.

5. Maintain or increase the number of in-state associate and bachelor degrees awarded to students from under-represented populations.

6. Maintain or increase the number of in-state two-year transfers to four-year institutions.

d. FINANCIAL AND ADMINISTRATIVE STANDARDS

The financial and administrative standards apply to all institutions except those governed under Chapters 933 and 943 of the 2006 Acts of Assembly, Chapters 594 and 616 of the 2008 Acts of Assembly, and Chapters 675 and 685 of the 2009 Acts of Assembly.

1. As specified in § 2.2-5004, Code of Virginia, institution takes all appropriate actions to meet the following financial and administrative standards:

a) An unqualified opinion from the Auditor of Public Accounts upon the audit of the public institution's financial statements;

b) No significant audit deficiencies attested to by the Auditor of Public Accounts;

c) Substantial compliance with all financial reporting standards approved by the State Comptroller;

d) Substantial attainment of accounts receivable standards approved by the State Comptroller, including but not limited to, any standards for outstanding receivables and bad debts; and

e) Substantial attainment of accounts payable standards approved by the State Comptroller including, but not limited to, any standards for accounts payable past due.

2. Institution complies with a debt management policy approved by its governing board that defines the maximum percent of institutional resources that can be used to pay debt service in a fiscal year, and the maximum amount of debt that can be prudently issued within a specified period.

3. The institution will achieve the classified staff turnover rate goal established by the institution; however, a variance of 15 percent from the established goal will be acceptable.

4. The institution will substantially comply with its annual approved Small, Women and Minority (SWAM) plan as submitted to the Department of Small Business and Supplier Diversity; however, a variance of 15 percent from its SWAM purchase goal, as stated in the plan, will be acceptable.

The institution will make no less than 75 percent of dollar purchases through the Commonwealth's enterprise-wide internet procurement system (eVA) from vendor locations registered in eVA.

5. The institution will complete capital projects (with an individual cost of over \$1,000,000) within the budget originally approved by the institution's governing board for projects initiated under delegated authority, or the budget set out in the Appropriation Act or other Acts of Assembly. If the institution exceeds the budget for any such project, the Secretaries of Administration and Finance shall review the circumstances causing the cost overrun and the manner in which the institution responded and determine whether the institution shall be considered in compliance with the measure despite the cost overrun.

6. The institution will complete major information technology projects (with an individual cost of over \$1,000,000) within the budgets and schedules originally approved by the institution's governing board. If the institution exceeds the budget and/or time schedule for any such project, the Secretary of Technology shall review the circumstances causing the cost overrun and/or delay and the manner in which the institution responded and determine whether the institution appropriately adhered to Project Management Institute's best management practices and, therefore, shall be considered in compliance with the measure despite the cost overrun and/or delay.

e. FINANCIAL AND ADMINISTRATIVE STANDARDS

The financial and administrative standards apply to institutions governed under Chapters 933 and 943 of the 2006 Acts of Assembly, Chapters 594 and 616 of the 2008 Acts of Assembly, and Chapters 675 and 685 of the 2009 Acts of Assembly. They shall be measured by the administrative standards outlined in the Management Agreements and § 4-9.02.d.4. of this act. However, the Governor may supplement or replace those administrative performance measures with the administrative performance measures listed in this paragraph. Effective July 1, 2009, the following administrative and financial measures shall be used for the assessment of institutional performance for institutions governed under Chapters 933 and 943 of the 2006 Acts of Assembly and those governed under Chapters 594 and 616 of the 2008 Acts of Assembly, and Chapters 675 and 685 of the 2009 Acts of Assembly.

1. Financial

- a) An unqualified opinion from the Auditor of Public Accounts upon the audit of the public institution's financial statements;
- b) No significant audit deficiencies attested to by the Auditor of Public Accounts;
- c) Substantial compliance with all financial reporting standards approved by the State Comptroller;
- d) Substantial attainment of accounts receivable standards approved by the State Comptroller, including but not limited to, any standards for outstanding receivables and bad debts; and
- e) Substantial attainment of accounts payable standards approved by the State Comptroller including, but not limited to, any standards for accounts payable past due.

2. Debt Management

- a) The institution shall maintain a bond rating of AA- or better;
- b) The institution achieves a three-year average rate of return at least equal to the imoney.net money market index fund; and
- c) The institution maintains a debt burden ratio equal to or less than the level approved by the Board of Visitors in its debt management policy.

3. Human Resources

- a) The institution's voluntary turnover rate for classified plus university/college employees will meet the voluntary turnover rate for state classified employees within a variance of 15 percent; and
- b) The institution achieves a rate of internal progression within a range of 40 to 60 percent of the total salaried staff hires for the fiscal year.

4. Procurement

- a) The institution will substantially comply with its annual approved Small, Women and Minority (SWAM) procurement plan as submitted to the Department of Small Business and Supplier Diversity; however, a variance of 15 percent from its SWAM purchase goal, as stated in the plan, will be acceptable; and

b) The institution will make no less than 80 percent of purchase transactions through the Commonwealth's enterprise-wide internet procurement system (eVA) with no less than 75 percent of dollars to vendor locations in eVA.

5. Capital Outlay

a) The institution will complete capital projects (with an individual cost of over \$1,000,000) within the budget originally approved by the institution's governing board at the preliminary design state for projects initiated under delegated authority, or the budget set out in the Appropriation Act or other Acts of Assembly which provides construction funding for the project at the preliminary design state. If the institution exceeds the budget for any such project, the Secretaries of Administration and Finance shall review the circumstances causing the cost overrun and the manner in which the institution responded and determine whether the institution shall be considered in compliance with the measure despite the cost overrun;

b) The institution shall complete capital projects with the dollar amount of owner requested change orders not more than 2 percent of the guaranteed maximum price (GMP) or construction price; and

c) The institution shall pay competitive rates for leased office space - the average cost per square foot for office space leased by the institution is within 5 percent of the average commercial business district lease rate for similar quality space within reasonable proximity to the institution's campus.

6. Information Technology

a) The institution will complete major information technology projects (with an individual cost of over \$1,000,000) on time and on budget against their managed project baseline. If the institution exceeds the budget and/or time schedule for any such project, the Secretary of Technology shall review the circumstances causing the cost overrun and/or delay and the manner in which the institution responded and determine whether the institution appropriately adhered to Project Management Institute's best management practices and, therefore, shall be considered in compliance with the measure despite the cost overrun and/or delay; and

b) The institution will maintain compliance with institutional security standards as evaluated in internal and external audits. The institution will have no significant audit deficiencies unresolved beyond one year.

f. REPORTING

The Director, Department of Planning and Budget, with cooperation from the Comptroller and institutions of higher education governed under Management Agreements, shall develop uniform reporting requirements and formats for revenue and expenditure data.

g. EXEMPTION

The requirements of this section shall not be in effect if they conflict with § 23-9.6:1.01.D. of Chapters 828 and 869 of the Acts of Assembly of 2011.

§ 4-9.02 LEVEL II AUTHORITY

a. Notwithstanding the provisions of § 5 of Chapter 824 and 829 of the 2008 Acts of Assembly, institutions of higher education that have met the eligibility criteria for additional operational and administrative authority set forth in Chapters 824 and 829 of the 2008 Acts of Assembly shall be allowed to enter into separate negotiations for additional operational authority for a third and separate functional area listed in Chapter 824 and 829 of the 2008 Acts of Assembly, provided they have:

1. successfully completed at least three years of effectiveness and efficiencies operating under such additional authority granted by an original memorandum of understanding;
2. successfully renewed an additional memoranda of understanding for a five year term for each of the original two areas. The institutions shall meet all criteria and follow policies for negotiating and establishing a memorandum of understanding with the Commonwealth of Virginia as provided in § 2.0 (Information Technology), § 3.0 (Procurement), and § 4.0 (Capital Outlay) of Chapter 824 and 829 of the 2008 Acts of Assembly.

b. As part of the memorandum of understanding, each institution shall be required to adopt at least one new education-related measure for the new area of operational authority. Each education-related measure and its respective target shall be developed in consultation with the Secretary of Finance, Secretary of Education, the appropriate Cabinet Secretary, and the State Council of Higher Education for Virginia. Each education-related measure and its respective target must be approved by the State Council of Higher Education for Virginia and shall become part of the certification required by § 23-9.6:1.01.

§ 4-9.03 LEVEL III AUTHORITY

The Management Agreements negotiated by the institutions contained in Chapters 675 and 685 of the 2009 Acts of Assembly shall continue in effect unless the Governor, the General Assembly, or the institutions determine that the Management Agreements need to be renegotiated or revised.

FINANCIAL BENEFITS OF PERFORMANCE CERTIFICATION

§ 2.2-5005. Incentive performance benefits to certain public institutions of higher education.

As used in this section, unless the context requires a different meaning:

"Fiscal year of implementation" means the first full fiscal year for which the financial and administrative management and educational-related performance benchmarks described under § [23-9.6:1.01](#) are effective, as provided in a general appropriation act.

Beginning with the fiscal year that immediately follows the fiscal year of implementation and for all fiscal years thereafter, each public institution of higher education that (i) has been certified during the fiscal year by the State Council of Higher Education of Virginia pursuant to § [23-9.6:1.01](#) as having met the institutional performance benchmarks for public institutions of higher education and (ii) meets the conditions prescribed in subsection B of § [23-38.88](#), shall receive the following financial benefits:

1. Interest on the tuition and fees and other nongeneral fund Educational and General Revenues deposited into the State Treasury by the public institution of higher education, as provided in the appropriation act. Such interest shall be paid from the general fund and shall be an appropriate and equitable amount as determined and certified in writing by the Secretary of Finance to the Comptroller by the end of each fiscal year, or as soon thereafter as practicable;
2. Any unexpended appropriations of the public institution of higher education at the close of the fiscal year, which shall be reappropriated and allotted for expenditure by the institution in the immediately following fiscal year; and
3. A pro rata amount of the rebate due to the Commonwealth on credit card purchases of \$5,000 or less made during the fiscal year. The amount to be paid to each institution shall equal a pro rata share based upon its total transactions of \$5,000 or less using the credit card that is approved for use by all state agencies as compared to all transactions of \$5,000 or less using such card by all state agencies. The Comptroller shall determine the public institution's pro rata share and, as provided in the appropriation act, shall pay the institution by August 15, or as soon thereafter as practicable, of the fiscal year immediately following the year of certification.

The payment to an institution of its pro rata share under this subdivision shall also be applicable to other rebate or refund programs in effect that are similar to that of the credit card rebate program described in this subdivision. The Secretary of Finance shall identify such other rebate or refund programs and shall determine the pro rata share to be paid to the public institution of higher education.

4. A rebate of any transaction fees for the prior fiscal year paid for sole source procurements made by the institution in accordance with subsection E of § [2.2-4303](#), for using a vendor who is not registered with the Department of General Service's web-based electronic procurement program commonly known as "eVA", as provided in the appropriation act. Such rebate shall be certified by the Department of General Services and paid to each public institution by August 15, or as soon thereafter as practicable, of the fiscal year immediately following the year of certification.

(2005, cc. [933](#), [945](#).)

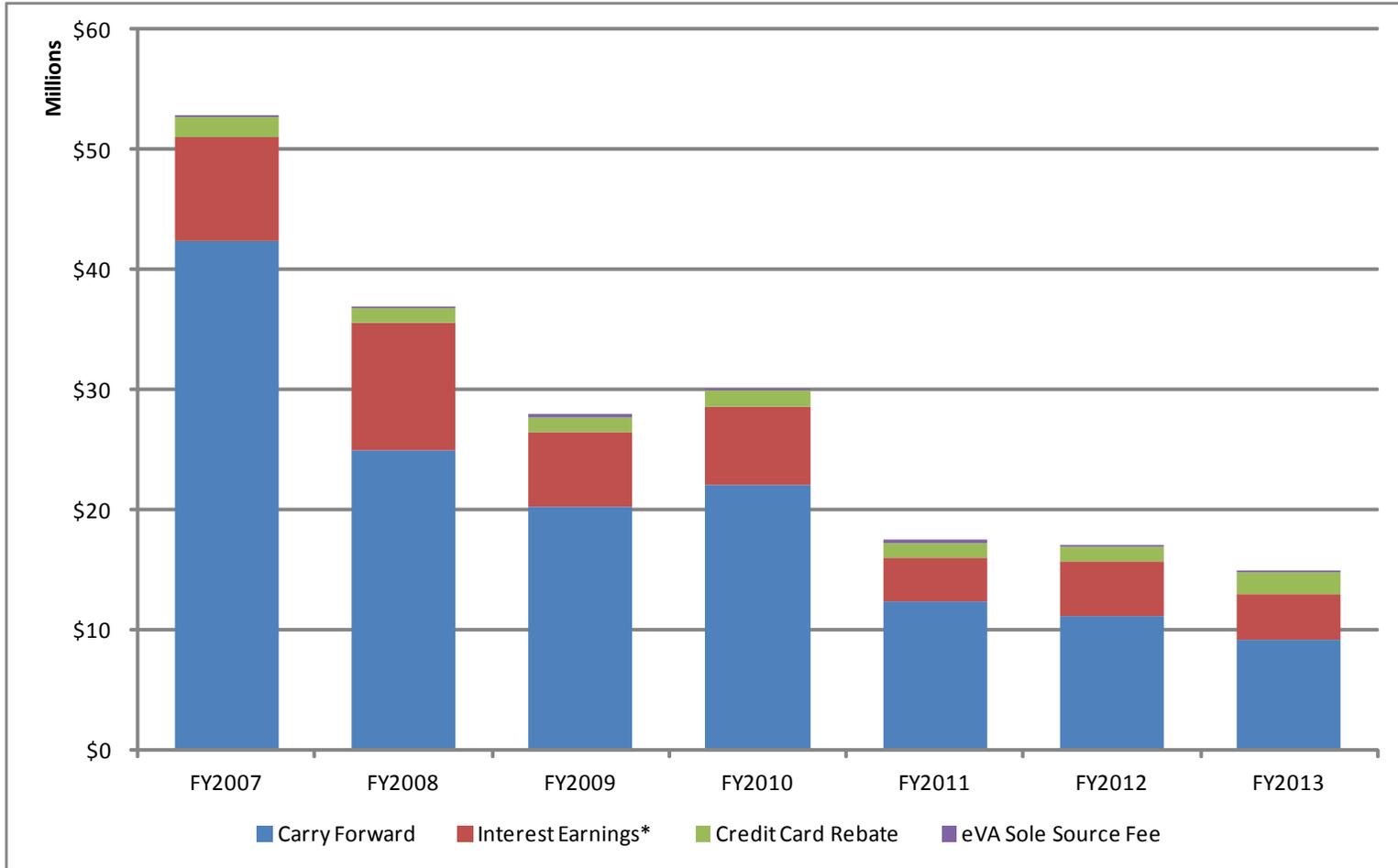
APPENDIX B

**General Fund Financial Benefits of Restructuring Certification
FY2007 through FY2013**

	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013
Interest Earnings*	\$8,617,362	\$10,626,335	\$6,291,900	\$6,549,505	\$3,711,459	\$4,425,332	\$3,736,999
Credit Card Rebate	\$1,682,600	\$1,239,688	\$1,116,582	\$1,314,485	\$1,272,564	\$1,250,770	\$1,790,159
eVA Sole Source Fee	\$225,983	\$187,569	\$320,743	\$189,210	\$201,061	\$215,343	\$170,979
Carry Forward	\$42,371,251	\$24,905,357	\$20,223,245	\$22,098,890	\$12,294,362	\$11,193,047	\$9,228,800
Total	\$52,897,196	\$36,958,949	\$27,952,470	\$30,152,090	\$17,479,446	\$17,084,492	\$14,926,937

Note: *Does not include interesting earnings of CWM,UVA,UVAW,VCU,and VT.

General Fund Financial Benefits of Restructuring Certification FY2007 through FY2013



Note: *Interest earnings do not include CWM, UVA, UVAW, VCU and VT.

State Council of Higher Education for Virginia Agenda Item

Item: TJ21 Committee Item #4 – Discussion of 2014-16 Systemwide Operating Budget Amendments

Date of Meeting: September 15, 2014

Presenter: Dan Hix, Finance Policy Director
DanHix@schev.edu

Most Recent Review/Action:

- No previous Council review/action
 Previous review/action

Date: October 28, 2013

Action: The Council made budget recommendations for additional funding of \$383.4 million from general fund and \$148.3 million in nongeneral funds for institutions' operations in the 2014-16 biennium.

Summary of Major Elements:

This item is composed of three parts:

1. Condition of Virginia Higher Education Funding
2. Virginia Higher Education Opportunity Act/TJ 21 Funding Model
3. SCHEV 2014-16 Budget Calculation Items
 - a. Base Adequacy/Cost of Education
 - b. Faculty Salaries
 - c. Undergraduate and Graduate Student Financial Aid
 - d. Operation and Maintenance of New Facilities Coming Online
 - e. Higher Education Equipment Trust Fund
 - g. Virginia Tuition Assistance Grant Program
 - h. Maintenance Reserve Program

Part 1 (6.1) presents the conditions of Virginia higher education funding by reviewing systemwide budget trends and compares Virginia's support for higher education to the support in other states in a series of charts as an Erosion Report/Update that SCHEV staff has provided in the September agenda items since 2010.

Part 2 (6.2) 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 \$483.8 million.

Part 3 (6.3) which begins on page 17 begins a discussion of the Council's specific priorities for 2014-16 budget amendments. Staff recognizes the Commonwealth is facing \$2.4 billion budget shortfall in this 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 3, therefore, is a set of options for Council's consideration that address policy and funding priorities, and provide reasonable funding strategies as well.

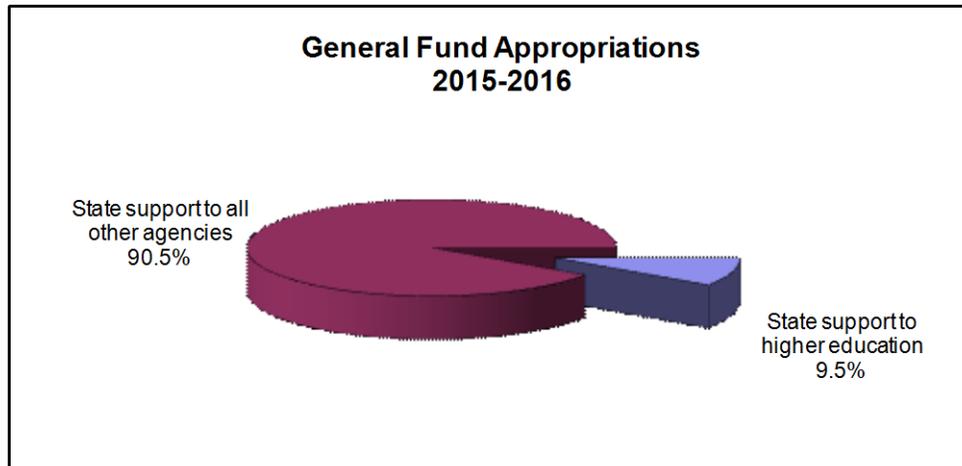
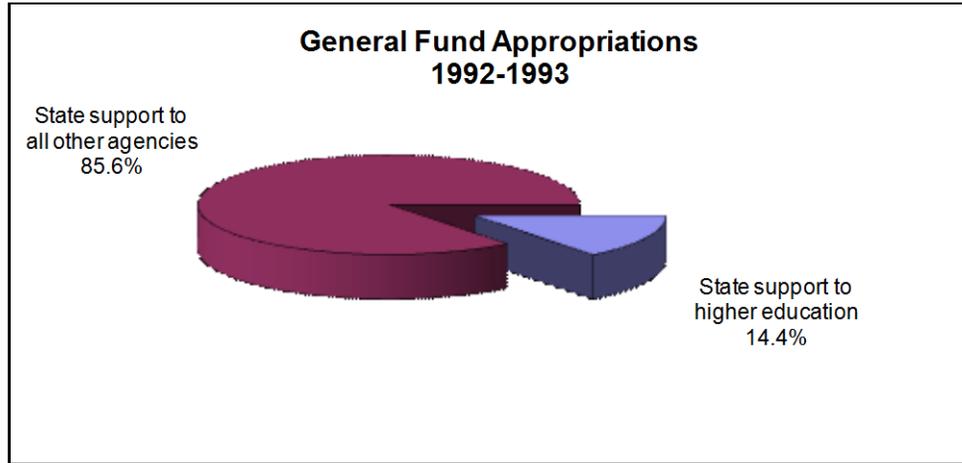
State Council of Higher Education for Virginia Agenda Item

Item: TJ21 Committee #4.1 – Discussion of 2014-16 Systemwide Operating Budgets:
Condition of Virginia Higher Education Funding

Date of Meeting: September 15, 2014

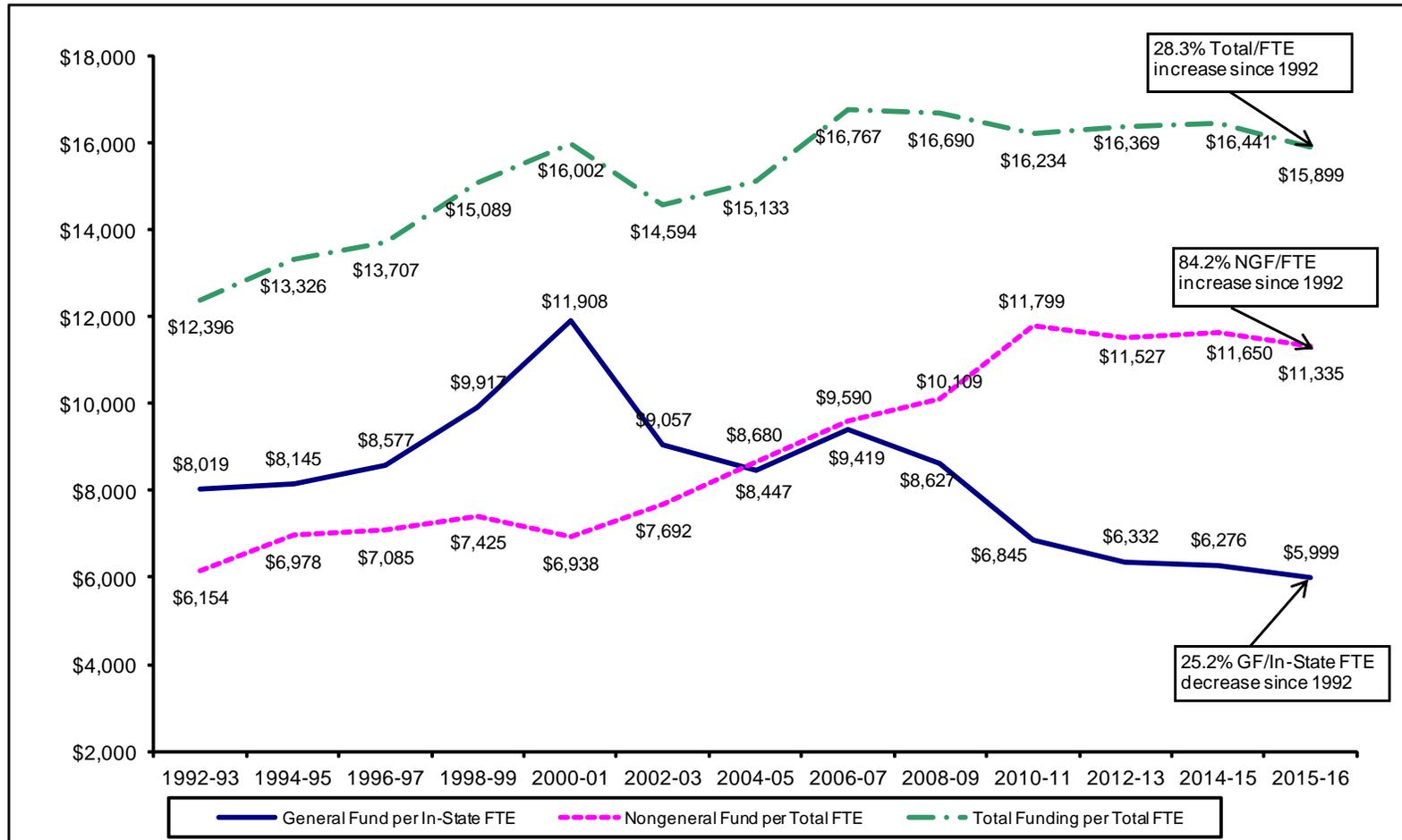
- Fluctuations in state funding that result from cyclical economic conditions in Virginia present a tremendous challenge to the well-being of our public higher education institutions and the state's students and families. However, an even greater challenge to Virginia's public higher system is emerging as both internal and external data indicate an aggregate decline in state support over the past 20 years. Further, based on the most recent national data, Virginia is ranked 42nd in the country in terms of general fund support for higher education on a per student basis. All but two states in the Southern Regional Education Board (SREB) ranked above us.
- Between 1992 and 2016, general fund appropriations to public higher education in Virginia fell from 14.4% to 9.5% of total state appropriations based on the Appropriation Act of 2014 net of September budget reduction. This aggregate decline in state funding has been masked by increases in funding when the economy is doing well followed by decreases in funding when the economy contracts.
- On a per student basis, general fund appropriations declined by 25.2% at four-year institutions and by over 26.2% at the VCCS between 1992 and 2016 based on the budget for FY16. In contrast, tuition revenues from all sources increased by 84.2% for four-year institutions and more than 83.9% for the VCCS during the same time period. This means Virginia's students and their families are shouldering an increasing portion of college costs.
- Based on the nominal data that states submitted to the State Higher Education Executive Officers (SHEEO) in 2013, Virginia ranked 42nd for state and local appropriations per student. Our neighboring states to the north and south ranked substantially higher— North Carolina ranked 8th and Maryland ranked 13th.
- While the national average for state and local appropriations was \$6,105 in 2013 based on the same data, Virginia's appropriation per student was \$1,567 lower at \$4,538. North Carolina's appropriation per student was \$7,911 for the same time period. Maryland's appropriation per student was \$6,630.
- Virginia lags behind regionally as well for 2013. Of the 16 Southern Regional Education Board (SREB) states, only Florida and South Carolina provided less state support on a per student basis than Virginia at four-year public institutions.

Erosion Update*



*The appendices to the 2009 staff report, “The Erosion of State Funding for Virginia’s Public Higher Education Institutions,” have been updated to reflect the latest available data.

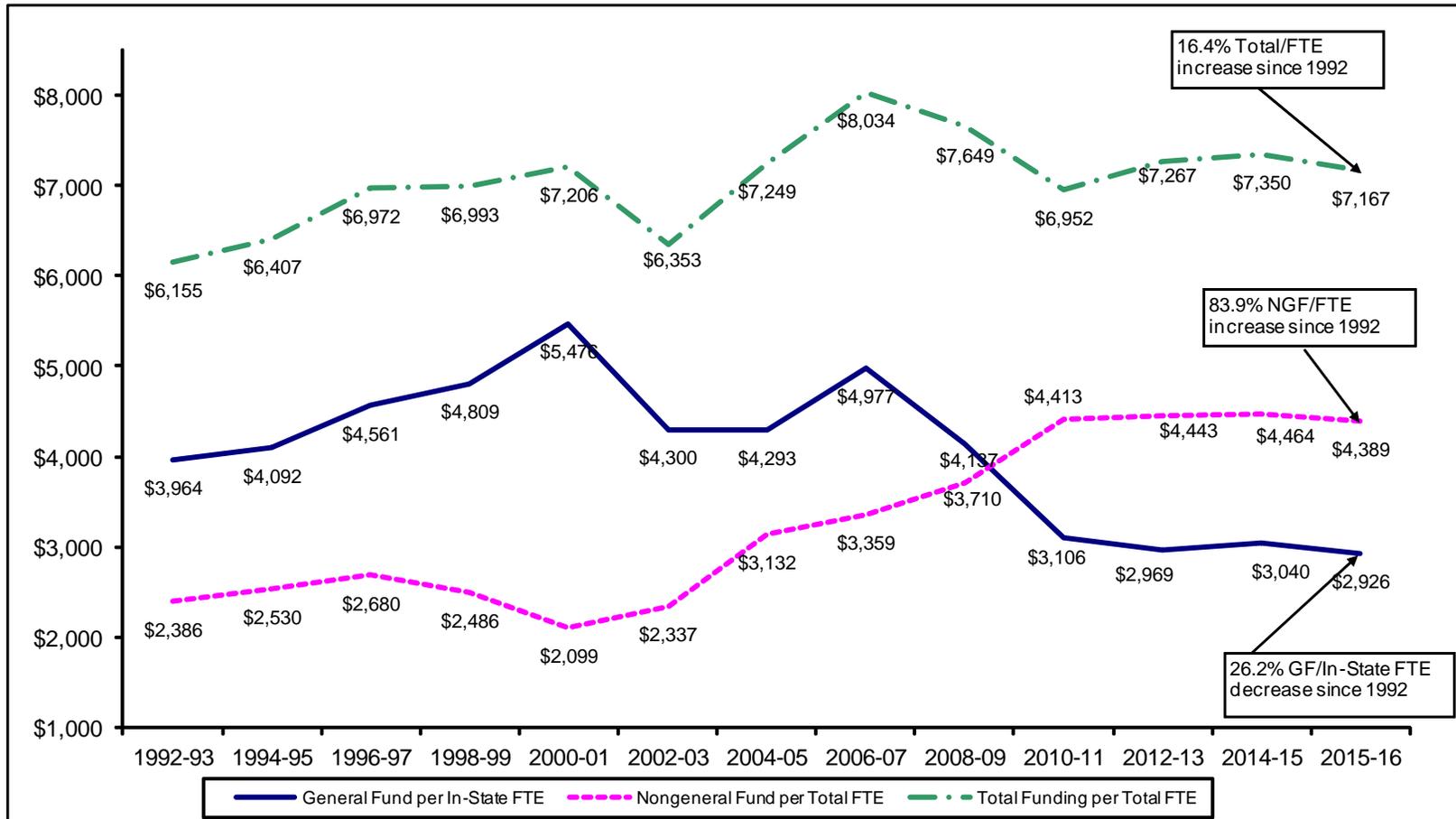
Average Funding per FTE Student at Four-Year Institutions (in 2015-16 Constant Dollars)



Notes:

- (1) Total Funding per Total FTE is not the sum of General Fund per In-State FTE and Nongeneral Fund per Total FTE.
- (2) FY14 is based on projected enrollments. All other years are based on actual enrollments.
- (3) General fund and nongeneral fund are based on the amended appropriations in 2013 session enrolled bill.
- (4) FY10 and FY11 Nongeneral Fund per Total FTE include funding from the American Recovery and Reinvestment Act of 2009.
- (5) General fund per in-state FTE has decreased by 49.6% from the peak year of FY2001 to FY2016.

Average Funding per FTE Student at Virginia Community Colleges (in 2015-16 Constant Dollars)



Notes:

- (1) Total Funding per Total FTE is not the sum of General Fund per In-State FTE and Nongeneral Fund per Total FTE.
- (2) FY14 is based on projected enrollments. All other years are based on actual enrollments.
- (3) General fund and nongeneral fund are based on the amended appropriations in 2013 session enrolled bill.
- (4) FY10 and FY11 Nongeneral Fund per Total FTE include funding from the American Recovery and Reinvestment Act of 2009.
- (5) General fund per in-state FTE has decreased by 46.6% from the peak year of FY2001 to FY2016.

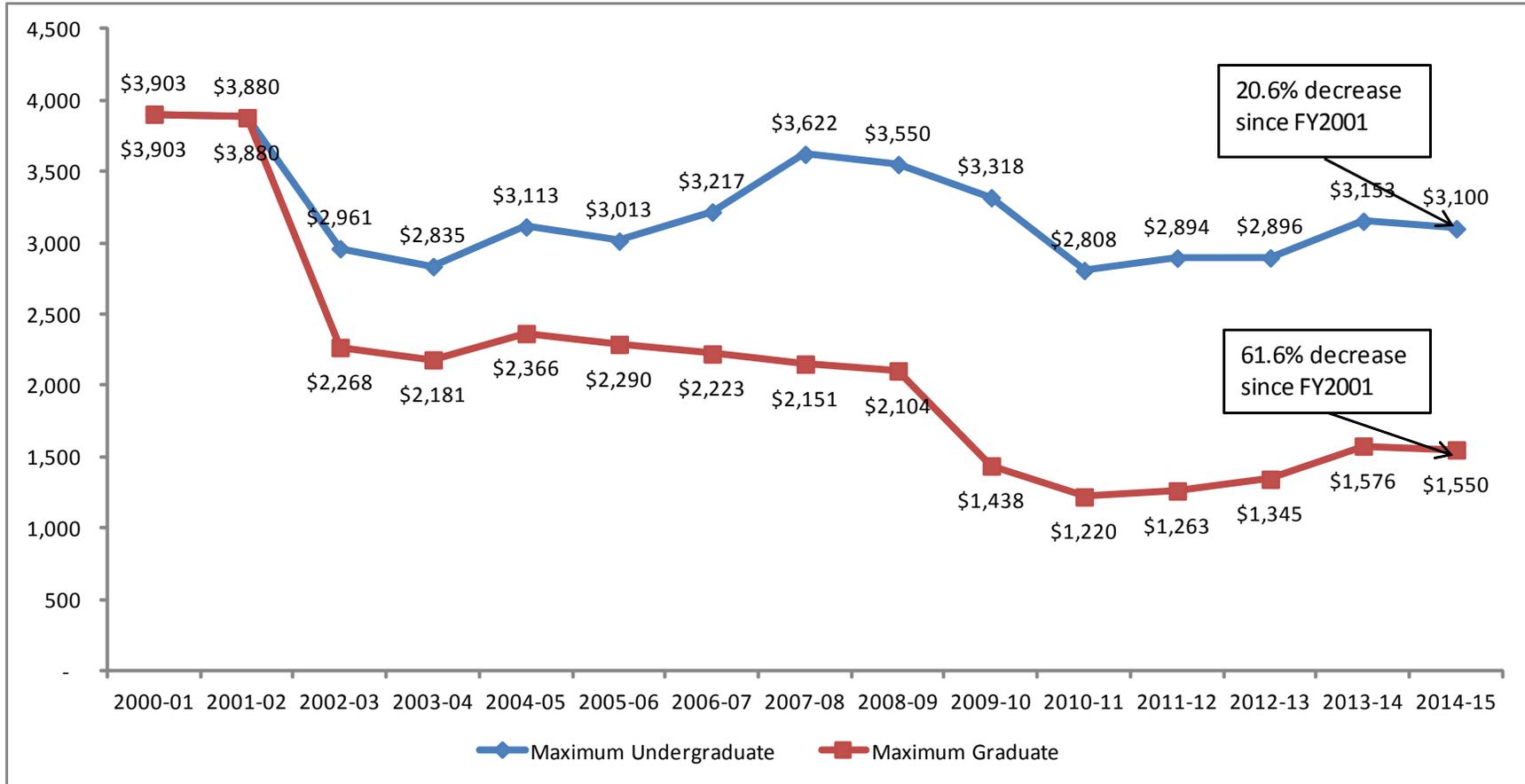
FY2013 Public Higher Education Support per Student¹

State and Local Approp. Per FTE			Tuition and Fee Revenue			Total Revenue per FTE		
State	Per FTE	Ranking	State	Per FTE	Ranking	State	per FTE	Ranking
Alaska	\$15,870	1	Delaware	\$16,117	1	Delaware	\$21,918	1
Wyoming	\$14,415	2	Vermont	\$14,405	2	Alaska	\$21,916	2
Hawaii	\$10,361	3	Rhode Island	\$11,865	3	Connecticut	\$16,955	3
Illinois	\$9,532	4	Michigan	\$11,071	4	Vermont	\$16,895	4
New York	\$8,656	5	New Hampshire	\$10,682	5	Rhode Island	\$16,760	5
Connecticut	\$8,620	6	Pennsylvania	\$9,875	6	Wyoming	\$16,544	6
New Mexico	\$8,255	7	Maine	\$8,528	7	Michigan	\$15,855	7
North Carolina	\$7,911	8	New Jersey	\$8,376	8	Hawaii	\$15,751	8
Nebraska	\$7,772	9	Connecticut	\$8,335	9	New Jersey	\$14,755	9
California	\$7,303	10	Alabama	\$8,241	10	Maine	\$14,725	10
North Dakota	\$7,264	11	Iowa	\$8,036	11	Illinois	\$14,639	11
Massachusetts	\$6,812	12	Colorado	\$8,024	12	North Dakota	\$14,449	12
Maryland	\$6,630	13	Minnesota	\$7,932	13	Pennsylvania	\$14,266	13
Georgia	\$6,455	14	South Dakota	\$7,815	14	Maryland	\$13,915	14
Nevada	\$6,385	15	Ohio	\$7,649	15	New York	\$13,437	15
New Jersey	\$6,380	16	Virginia	\$7,520	16	Iowa	\$13,311	16
Texas	\$6,260	17	Indiana	\$7,360	17	Nebraska	\$13,148	17
Kentucky	\$6,256	18	South Carolina	\$7,320	18	Minnesota	\$12,792	18
Maine	\$6,197	19	Maryland	\$7,285	19	Alabama	\$12,670	19
Oklahoma	\$6,162	20	North Dakota	\$7,185	20	Massachusetts	\$12,655	20
Wisconsin	\$6,052	21	Oregon	\$6,704	21	New Hampshire	\$12,587	21
Idaho	\$6,013	22	Arizona	\$6,130	22	Indiana	\$12,431	22
Delaware	\$5,844	23	Alaska	\$6,046	23	Ohio	\$12,298	23
Kansas	\$5,659	24	Massachusetts	\$5,842	24	Virginia	\$11,981	24
Tennessee	\$5,525	25	Montana	\$5,676	25	South Dakota	\$11,899	25
Arkansas	\$5,480	26	Kentucky	\$5,621	26	Kentucky	\$11,877	26
Utah	\$5,359	27	Kansas	\$5,553	27	North Carolina	\$11,542	27
Missouri	\$5,309	28	Missouri	\$5,417	28	New Mexico	\$11,463	28
Iowa	\$5,274	29	Hawaii	\$5,390	29	Wisconsin	\$11,361	29
Mississippi	\$5,249	30	Nebraska	\$5,377	30	Kansas	\$11,213	30
Arizona	\$5,111	31	Illinois	\$5,367	31	Colorado	\$11,117	31
Indiana	\$5,071	32	West Virginia	\$5,361	32	South Carolina	\$11,078	32
Louisiana	\$5,044	33	Wisconsin	\$5,309	33	Arizona	\$10,911	33
Washington	\$5,021	34	Tennessee	\$5,042	34	Oregon	\$10,771	34
West Virginia	\$5,005	35	Utah	\$4,864	35	Georgia	\$10,757	35
Alabama	\$4,999	36	New York	\$4,781	36	Missouri	\$10,726	36
Rhode Island	\$4,894	37	Oklahoma	\$4,471	37	Oklahoma	\$10,632	37
Minnesota	\$4,860	38	Georgia	\$4,318	38	Texas	\$10,526	38
Michigan	\$4,784	39	Texas	\$4,266	39	Tennessee	\$10,427	39
South Dakota	\$4,770	40	Washington	\$4,003	40	Utah	\$10,223	40
Ohio	\$4,649	41	Louisiana	\$3,851	41	Montana	\$10,210	41
Virginia	\$4,538	42	Nevada	\$3,680	42	Nevada	\$10,065	42
Montana	\$4,535	43	North Carolina	\$3,630	43	West Virginia	\$9,685	43
Florida	\$4,502	44	Idaho	\$3,611	44	Idaho	\$9,624	44
Pennsylvania	\$4,391	45	Mississippi	\$3,466	45	California	\$9,505	45
South Carolina	\$4,359	46	Arkansas	\$3,340	46	Washington	\$9,024	46
Oregon	\$4,067	47	New Mexico	\$3,207	47	Louisiana	\$8,895	47
Colorado	\$3,093	48	Florida	\$2,914	48	Mississippi	\$8,715	48
Vermont	\$2,981	49	California	\$2,202	49	Arkansas	\$8,045	49
New Hampshire	\$1,905	50	Wyoming	\$2,148	50	Florida	\$7,416	50
US	\$6,105		US	\$5,475		US	\$11,523	

Note: (1) Data includes tax appropriations, state funded endowment earnings, and financial aid but excludes enrollment and revenue related to agricultural, medical and research funding.

Source: SHEF Report 2013 by the State Higher Education Executive Officers (SHEEO).

Tuition Assistance Grant Funding by Student Type (2014-15 constant dollars)



State Council of Higher Education for Virginia Agenda Item

Item: TJ21 Committee #4.2 – Discussion of 2014-16 Systemwide Operating Budgets:
Virginia Higher Education Opportunity Act/TJ21 Funding Model

Date of Meeting: September 15, 2014

- 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 FY2014 student enrollment and institutions’ FY2016 general fund appropriations and estimated nongeneral fund revenue from the 2014 six-year plan,
 - Faculty salaries – actual 60th 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	\$26.4	\$20.6	\$47.0
	Faculty salary 60th percentile in FY14	\$66.7	\$69.1	\$135.8
Subtotal		\$93.1	\$89.7	\$182.8
Paragraph C of §23-38.87:13		\$862.0	(\$1,074.8)	(\$212.8)
Per-Student Enrollment-Based Funding in FY16		\$9.6	\$0.0	\$9.6
Need-Based Financial Aid in FY16 (100% funding)		\$381.1	\$0.0	\$381.1
Targeted economic and innovation incentives		To be determined		
Total Funding Need (excludes Paragraph C)		\$483.8	\$89.7	\$573.5

Estimated 2015-16 Base Adequacy/Cost of Education Funding

Inst	Calculated	Available	% Funding	Funding	GF	Incremental Funding		
	Need ^{1,2}	Resources ^{3,4,5}	to Guide	Shortfall	Share	GF	NGF	Total
CNU	\$66,548,570	\$67,152,882	>100%		61%	\$0	\$0	\$0
CWM	\$146,362,830	\$174,070,209	>100%		39%	\$0	\$0	\$0
GMU	\$437,465,569	\$483,180,323	>100%		50%	\$0	\$0	\$0
JMU	\$257,809,935	\$275,133,658	>100%		48%	\$0	\$0	\$0
LU	\$62,776,207	\$62,393,262	99.4%	(\$382,945)	63%	\$242,787	\$140,158	\$382,945
NSU	\$75,314,548	\$68,241,259	90.6%	(\$7,073,289)	56%	\$3,975,188	\$3,098,101	\$7,073,289
ODU	\$293,731,027	\$263,795,385	89.8%	(\$29,935,643)	56%	\$16,853,767	\$13,081,876	\$29,935,643
RU	\$118,048,951	\$120,814,943	>100%		62%	\$0	\$0	\$0
UMW	\$60,782,173	\$62,948,403	>100%		59%	\$0	\$0	\$0
UVA	\$488,338,220	\$603,075,973	>100%		35%	\$0	\$0	\$0
UVAW	\$23,122,655	\$22,290,547	96%	(\$832,109)	63%	\$521,732	\$310,376	\$832,109
VCU	\$531,793,794	\$555,582,799	>100%		49%	\$0	\$0	\$0
VMI ⁶	\$27,759,653	\$28,096,650	>100%		40%	\$0	\$0	\$0
VSU	\$66,268,135	\$61,349,571	92.6%	(\$4,918,564)	48%	\$2,355,992	\$2,562,572	\$4,918,564
VT	\$596,457,541	\$619,926,988	>100%		40%	\$0	\$0	\$0
RBC	\$9,192,783	\$10,392,128	>100%		66%	\$0	\$0	\$0
VCCS	\$912,523,713	\$908,679,054	99.6%	(\$3,844,659)	63%	\$2,402,912	\$1,441,747	\$3,844,659
Total	\$4,174,296,303	\$4,387,124,033	>100%	(\$46,987,208)	50%	\$26,352,379	\$20,634,830	\$46,987,208
System Average			>100%					

Notes:

- (1) Based on actual FY14 student FTE and FY12-FY14 3-year average discipline credit hours.
- (2) The blended salary is based on 2014ABB
- (3) Available resources are FY16 general fund appropriations, net of Sept budget cuts and estimated nongeneral fund revenue from the 2014 six-year plans
- (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) Available resources are adjusted for "uniquely military" mission.

Virginia T&R Faculty Salary Goal in FY14

Inst	Req % Incr to Goal	Estimated Additional Funding		
		GF	NGF	Total
CNU	10.7%	\$1,376,449	\$872,651	\$2,249,100
CWM	11.6%	\$2,859,983	\$4,435,893	\$7,295,876
GMU	21.7%	\$15,455,639	\$15,332,486	\$30,788,125
JMU	9.9%	\$4,396,544	\$4,801,247	\$9,197,791
LU	2.1%	\$219,011	\$126,978	\$345,989
NSU*	n/a	\$0	\$0	\$0
ODU	9.6%	\$3,852,346	\$2,978,055	\$6,830,401
RU	13.9%	\$3,210,830	\$1,976,295	\$5,187,125
UMW	13.1%	\$1,572,542	\$1,124,786	\$2,697,328
UVa	11.4%	\$6,773,974	\$12,208,594	\$18,982,568
UVAW*	n/a	\$0	\$0	\$0
VCU	9.2%	\$6,416,876	\$6,547,735	\$12,964,611
VMI	13.6%	\$516,603	\$781,395	\$1,297,998
VSU	8.2%	\$753,554	\$860,052	\$1,613,606
VT	9.2%	\$8,049,846	\$11,875,515	\$19,925,361
RBC*	n/a	\$0	\$0	\$0
VCCS	6.3%	\$8,375,611	\$4,982,620	\$13,358,232
VIMS	11.6%	\$747,144	\$39,323	\$786,467
VSU-Ext	9.2%	\$141,141	\$7,428	\$148,569
VT-Ext	8.2%	\$1,996,483	\$105,078	\$2,101,561
Total		\$66,714,577	\$69,056,131	\$135,770,708

Note: * institution's faculty salary is at or above the 60th percentile of peers.

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	\$40,567,437	\$25,981,133	\$66,548,570	61%	\$24,181,355	\$42,971,527	\$67,152,882	36%	\$16,386,082	(\$16,990,394)	(\$604,312)
College of William and Mary	\$56,700,608	\$89,662,222	\$146,362,830	39%	\$37,751,617	\$136,318,592	\$174,070,209	22%	\$18,948,990	(\$46,656,369)	(\$27,707,379)
George Mason University	\$218,418,510	\$219,047,059	\$437,465,569	50%	\$113,684,848	\$369,495,475	\$483,180,323	24%	\$104,733,662	(\$150,448,416)	(\$45,714,754)
James Madison University	\$124,346,613	\$133,463,323	\$257,809,935	48%	\$69,232,473	\$205,901,185	\$275,133,658	25%	\$55,114,140	(\$72,437,862)	(\$17,323,722)
Longwood University	\$39,802,202	\$22,974,005	\$62,776,207	63%	\$23,335,288	\$39,057,974	\$62,393,262	37%	\$16,466,914	(\$16,083,969)	\$382,945
Norfolk State University	\$42,293,775	\$33,020,773	\$75,314,548	56%	\$31,612,846	\$36,628,413	\$68,241,259	46%	\$10,680,929	(\$3,607,640)	\$7,073,289
Old Dominion University	\$165,313,136	\$128,417,891	\$293,731,027	56%	\$100,730,076	\$163,065,308	\$263,795,385	38%	\$64,583,059	(\$34,647,417)	\$29,935,643
Radford University	\$73,270,587	\$44,778,364	\$118,048,951	62%	\$42,809,245	\$78,005,698	\$120,814,943	35%	\$30,461,342	(\$33,227,334)	(\$2,765,992)
University of Mary Washington	\$35,991,750	\$24,790,422	\$60,782,173	59%	\$19,705,221	\$43,243,182	\$62,948,403	31%	\$16,286,529	(\$18,452,759)	(\$2,166,230)
University of Virginia	\$170,533,727	\$317,804,492	\$488,338,220	35%	\$115,261,971	\$487,814,003	\$603,075,973	19%	\$55,271,757	(\$170,009,510)	(\$114,737,754)
University of Virginia at Wise	\$14,493,660	\$8,628,995	\$23,122,655	63%	\$12,666,960	\$9,623,587	\$22,290,547	57%	\$1,826,700	(\$994,592)	\$832,109
Virginia Commonwealth University	\$259,299,171	\$272,494,623	\$531,793,794	49%	\$153,558,329	\$402,024,470	\$555,582,799	28%	\$105,740,842	(\$129,529,846)	(\$23,789,005)
Virginia Military Institute	\$11,067,978	\$16,691,674	\$27,759,653	40%	\$6,753,917	\$21,342,734	\$28,096,650	24%	\$4,314,061	(\$4,651,059)	(\$336,998)
Virginia State University	\$31,743,481	\$34,524,654	\$66,268,135	48%	\$21,890,375	\$39,459,196	\$61,349,571	36%	\$9,853,106	(\$4,934,542)	\$4,918,564
Virginia Tech	\$238,392,538	\$358,065,003	\$596,457,541	40%	\$140,935,616	\$478,991,372	\$619,926,988	23%	\$97,456,922	(\$120,926,369)	(\$23,469,447)
Richard Bland College	\$6,035,487	\$3,157,296	\$9,192,783	66%	\$5,296,105	\$5,096,023	\$10,392,128	51%	\$739,381	(\$1,938,727)	(\$1,199,345)
Virginia Community College Sys	\$569,877,477	\$342,646,236	\$912,523,713	62%	\$316,752,403	\$591,926,651	\$908,679,054	35%	\$253,125,074	(\$249,280,415)	\$3,844,659
Total, All Institutions	\$2,098,148,137	\$2,076,148,167	\$4,174,296,303	50%	\$1,236,158,646	\$3,150,965,387	\$4,387,124,033	28%	\$861,989,491	(\$1,074,817,221)	(\$212,827,730)

Notes:

- (1) Based on actual FY 14 student FTE and FY12-FY14 3-year average discipline credit hours.
- (2) The blended salary is based on the 2014 ABB.
- (3) Available resources come from FY16 general fund appropriations, net of September budget cuts and FY16 nongeneral fund revenue in the 2014 6-year plan with adjustments for tuition revenue associated with capital fee and Higher Education Equipment Trust Fund.
- (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	Est. GF Need*
	FY14	FY16	FY14-FY16	FY2016
CNU	4,760	4,735	(25)	\$0
CWM	4,093	4,132	39	\$120,900
GMU	16,895	17,334	439	\$1,360,900
JMU	13,438	13,432	(6)	\$0
LU	4,250	4,092	(158)	\$0
NSU	4,732	4,611	(121)	\$0
ODU	15,626	16,212	586	\$1,816,430
RU	8,312	8,500	188	\$582,800
UMW	3,645	3,747	102	\$316,200
UVA	10,610	10,898	288	\$892,800
UVAW	1,708	1,717	9	\$27,900
VCU	18,848	19,653	805	\$2,495,500
VMI	1,131	1,055	(76)	\$0
VSU	3,560	3,926	366	\$1,134,600
VT	18,193	18,295	102	\$316,200
RBC	1,018	1,290	272	\$571,200
VCCS	114,485	113,844	(641)	\$0
Total	245,304	247,473	2,169	\$9,635,430

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

Funds Needed to Achieve 100% of the Model

Institution	FY16 Funds	2016 Full Funding Goal	Increase Needed
Christopher Newport University	4,577,403	12,328,012	7,750,609
College of William & Mary	3,235,804	5,982,946	2,747,142
George Mason University	15,536,039	52,797,566	37,261,527
James Madison University	7,419,088	20,974,757	13,555,669
Longwood University	4,176,583	12,743,532	8,566,949
Norfolk State University	7,813,592	22,448,596	14,635,004
Old Dominion University	16,693,350	52,058,809	35,365,459
Radford University	7,416,618	21,569,303	14,152,685
University of Mary Washington	1,821,686	7,996,888	6,175,202
University of Virginia	5,776,211	7,818,079	2,041,868
University of Virginia - Wise	2,099,938	5,140,362	3,040,424
Virginia Commonwealth University	21,170,891	67,895,893	46,725,002
Virginia Military Institute	870,928	1,962,044	1,091,116
Virginia State University	6,006,890	18,063,430	12,056,540
Virginia Tech	15,117,631	37,825,165	22,707,534
Four-Year Institution Totals	119,732,652	347,605,382	227,872,730
Richard Bland College	454,107	2,758,064	2,303,957
Virginia Community College System	37,891,836	188,794,812	150,902,976
Two-Year Institution Totals	38,345,943	191,552,876	153,206,933
Totals	158,078,595	539,158,258	381,079,663

State Council of Higher Education for Virginia Agenda Item

Item: TJ21 Committee #4.3 – Discussion of 2014-16 Systemwide Operating Budget
Amendments: SCHEV 2014-16 Budget Calculation Items

Date of Meeting: September 15, 2014

SCHEV 2014-16 Budget Calculation Items

Due to a projected \$1.6 billion budget shortfall over the current biennium, the 2014 General Assembly only provided \$3.1 million in additional general fund support to increase in-state undergraduate enrollment at CWM, JMU, UVA and VT in each year of the 2014-16 biennium.

However, the state is in the process of reducing general fund appropriations to all state agencies including higher education institutions by 5% in FY2015 and 7% in FY2016 in September as the projected state budget shortfall grew to \$2.4 billion. In total, general fund appropriations to higher education are reduced by \$72.7 million in FY2015 and \$101.2 million in FY2016.

With the concerns of the weak economy and the state budget situation, SCHEV staff presents the following budget amendment options for council's consideration. The options represent a combination of funding strategies and priorities designed to meet the goals of the Higher Education Opportunity Act of 2011 with a phased approach so that the required additional general fund and tuition increases will be more moderate.

(a) Base Adequacy/Cost of Education

- In the original introduced budget for the 2014-16 biennium, the Governor provided \$6.75 million per year for institutions to meet at least 92% of the funding guidelines. The Senate Finance Committee continued the Governor's funding proposal while the House Appropriations Committee redirected the Governor's funding for this item. However, due to the projected state budget shortfall in 2014-16 biennium, institutions were funded at the FY2014 level.
- Following the base adequacy updating guidelines, SCHEV staff used the actual FY2014 student enrollment and continued all cost factors in the October 2013 calculation to recalculate the institutions' funding need. The available resources are FY2016 general fund appropriations net of September budget reductions and estimated FY2016 nongeneral fund revenue in the 2014 six-year plan. Staff provides two options.

- Option 1. The calculation used the base adequacy funding guidelines and resulted in a total funding need of \$56.3 million with additional funding need of \$30.0 million from the general fund and 26.3 million in nongeneral funds in FY2016.

A sub-option is to fund the FY2016 total funding need completely with tuition revenue. It is estimated this option would require an annual average tuition increase of 10% with the increase range between 1% and 20%.

- Option 2. Given the state budget situation, another option is to phase over three years to reach full funding in FY2018. The estimate additional fund need is \$10.0 million from the general fund and \$8.8 million in nongeneral funds for a total of \$18.8 million in FY2016.

A sub-option is to fund the FY2016 total funding need completely with tuition revenue. It is estimated this option would require an annual average tuition increase of 3% with the increase range between 0.2% and 7%.

- [§23-38.87:13](#) of the Higher Education Opportunity Act (TJ21) defines the cost of education as the basic operation and instructional need which combines the base adequacy calculation and the 60th percentile goal for teaching and research faculty salaries. Staff presents the following funding alternatives based on this concept for the council consideration since the latest base adequacy calculation shows the majority of institutions have reached the full funding for basic operations primarily through increasing tuition revenue.

- Alternative 1. Used the 60th percentile goal in FY2014 rather than the appropriated salary for teaching and research faculty for the blended salary in base adequacy calculation. The rationale of this method was to combine the funding estimates for basic operation and reaching the faculty salary goal into one model calculation. The estimated additional funding need is \$32.4 million from the general fund and \$26.6 million in nongeneral funds in FY2016 with a three year phase to reach the full funding by FY2018.

If the FY2016 total need is completely funded by tuition revenue, it would require an annual average tuition increase of 4% with the increase range between 1% and 11%.

- Alternative 2. Combined the funding need of the FY2014 base adequacy calculation and the funding need for reaching the 60 percentile goal in FY2014 as the total funding for basic operation and instructional needs. This total funding need was compared with the FY16 available resources. The estimated additional funding need is \$14.2 million from the general fund and \$10.7 million in nongeneral funds in FY2016 with a three year phase to reach the full funding by FY2018.

If the FY2016 total need is completely funded by tuition revenue, it would require an annual average tuition increase of 2.8% with the increase range between 0.4% and 7.5%.

(b) Faculty Salaries

- Thanks to the 3% salary increase in FY2014, the ranking of average teaching and research faculty salary at 4-year institutions to national peers increased from the 34th percentile to the 38th percentile in FY2014. This was the first salary increase for Virginia state employees including faculty, in five years since the economy went into recession in 2008.
- During the 2014 session, the Governor, House Appropriations and Senate Finance Committees each proposed salary increases in the 2014-16 biennium. The Governor provided 2%-3% bonus based on an employee's performance effective in December 2014. The House Appropriations Committee offered a 2% bonus in FY2015. The Senate Finance Committee proposed a 1% salary increase in FY2015 and a 1% bonus in FY2016 effective in December. However, in the end, the General Assembly eliminated these proposals in order to balance the budget and manage the projected budget shortfall.
- 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. SCHEV staff believes that maintaining the commitment to faculty salaries is critical to meeting the goals outlined in the Higher Education Opportunity Act.
- Staff proposes two options for the Council's consideration in order to help institutions in faculty recruitment and retention.
 - Option 1 – reach the 60th percentile goal by FY2016. The required average annual salary increase is 10.8% with the salary increase range from 0% to 21.7%. It is estimated the required additional funding will be \$66.7 million in general fund and \$69.1 million in nongeneral fund for a total of \$135.8 million in FY2016.

A sub-option is to fund the total funding need completely with tuition revenue in FY2016. It is estimated the average tuition increase rate will be 4.9% with the increase range from 0% to 10.2%.

- Option 2 – reach the 60th percentile goal over three years by FY2018. The estimate assumed an annual salary increase of 2% for peer institutions. The required average annual salary increase is 5.3% with the increase range from 0.4% to 9.6%. It is estimated the required additional funding will be \$39.0 million in general fund and \$39.6 million in nongeneral fund for a total of \$78.6 million in FY2016. The accumulated total funding need is estimated at \$251.6 million by FY2018.

A sub-option is to fund the total funding need completely with tuition revenue in FY2016. It is estimated the average tuition increase rate will be 2.4% with the increase range from 0.2% to 4.5%.

(c) Undergraduate and Graduate Student Financial Aid

(i) *Undergraduate Student Financial Aid*

- The undergraduate Virginia Student Financial Assistance program is awarded to Virginia residents demonstrating financial need at public institutions. The 2014 General Assembly special session provided no additional funding for the program, maintaining it at just over \$158 million for FY2015. The Commonwealth allocates financial aid funds to institutions based on a funding model called the Partnership Model. It assumes shared responsibility between the state, the student, and other stakeholders. For FY2015, state financial aid meets 32.3% of the Partnership Model.
- Student financial need continues to rise due to an increasing number of eligible students, higher tuition charges, and other cost increases. With cost increases and the slow recovery of the economy, the number of students demonstrating financial need under the Partnership Model increased by 7.9% from over 117,400 students to over 126,700 students between FY2013 and FY2014 respectively. These increases result from two sources: a growth in new students demonstrating need as well as returning students newly demonstrating financial need due to higher costs. The increase in students demonstrating need is beginning to slow as only 128,465 demonstrate need under the Partnership Model for FY2015. This represents just a 1.4% increase over FY2014.
- Utilizing the FY2016 tuition projections reported on the institutional six-year plans, the total projected need as calculated under the Partnership Model now exceeds \$539 million in FY2016. If no new funding is provided, the percent of the partnership model met would drop to below 30% at just 29.3%.
- The additional general fund needed to maintain FY2014 levels of funding (36.6% systemwide) is \$38.5 million in FY2016.
- The additional general fund needed to maintain FY2015 levels of funding (32.3% systemwide) is \$17.5 million in FY2016.

(ii) *Graduate Student Financial Aid*

- The 2014 General Assembly provided no additional funding for the graduate Virginia Student Financial Assistance program, which remains at 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 aid is a key ingredient in institutional and student success for graduate education and research.
- SCHEV staff has recommended restoring the purchasing power of graduate financial aid funds to FY1995 levels. Utilizing the forecasted FY2016 tuition and fees as reported on the institution's six year plans, this recommendation would require an additional \$32.5 million.
- The last increase in funds occurred in FY2014 when \$1.8 million was distributed among the senior institutions. In recognition of the need to financially support eligible students pursuing a graduate degree and to support institutional research initiatives within the

Commonwealth, Virginia could either repeat the \$1.8 million increase for FY2016 and thereby increase graduate funding for each senior institution or alternatively, the state could distribute the \$1.8 million specifically among the research institutions.

(d) Operation and Maintenance of New Facilities Coming Online

- On average, spending for operation and maintenance (O&M) of facilities represents about 10% of the total E&G spending at institutions. This level of spending is comparable to the national average. Though the base adequacy funding guidelines address an institution's need for O&M funding, institutions are currently under-funded relative to the calculated cost of education. Without additional funding targeted to maintain new space coming online, institutions will be required to divert money from their existing budgets to support these needs.
- During the 2014 session, the House of Delegates' proposed budget would have provided additional O&M funding of \$8.7 million in FY2015 and \$12.7 million in FY2016 for higher education institutions. These amounts were literally based on the Council's O&M funding recommendation. However, due to the projected budget shortfall in this biennium, the 2014 General Assembly only provided additional \$4 million O&M funding for higher education centers in the 2014-16 biennium.
- All higher education institutions have submitted requests to SCHEV for additional funding to operate and maintain new facilities coming online in FY2016. Compared with institutions' requests for O&M funding in past years, the total funding requests this year is slightly higher than that in previous years.
- The total additional funding needed for O&M is \$13.2 million in general fund and \$13.3 million from nongeneral funds in FY2016.

(e) Higher Education Equipment Trust Fund

- The 2013 General Assembly provided a \$128.4 million authorization in the 2012-14 biennium, including \$12.2 million for sponsored research equipment in FY2014.
- The Council recommended \$180 million in equipment allocations for the 2014-16 biennium, including \$38.1 million for sponsored research and \$8 million for workforce development equipment through the HEETF last year. The recommendation increased the research equipment allocation to \$19 million. It was estimated that \$13.5 million from the general fund was needed in debt service to finance the need for the biennium.
- In the 2014 session, the House of Delegates' proposed budget would have provided an additional \$8.1 million to UVA, VCU and VT (each had \$2.7 million) for research equipment in FY2015. The Senate Finance recommended an additional research allocation of \$8.8 million per year based on the SCHEV recommendation (\$6.8 million for research equipment and \$2 million for workforce development equipment). However, neither recommendation made it out of the session.

- A consistent level of support is needed to replace current eligible equipment inventories as necessary and remain technologically competitive. SCHEV staff proposes two options for the Council’s consideration:
 - Option 1 – provide additional funding of \$25.8 million in FY2016 to make up the difference between the SCHEV’s total recommendation and the funding provided by the 2014 session. As financing for debt service usually begins in the second year of the funding, the estimated cost of the \$4.1 million debt service in general fund won’t be required till FY2017.
 - Option 2 – provide additional funding of \$8.8 million in FY2016 to make up the difference between SCHEV’s research initiative recommendation and the funding provided by the 2014 session. The debt service for this option is estimated to cost \$1.4 million in general fund in FY2017.

(f) 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 22,500 students enrolled into 30 institutions in FY2015. The maximum annual undergraduate awards are expected to be \$3,100 while graduate/professional students are expected to receive \$1,550.

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. Following reductions of eligible graduate programs, the participation rate for graduate students declined steadily until FY2013 when participation increased by over 20 percent.

Actual maximum undergrad 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
2014-15	\$3,100 / \$1,550 projected

Considering the recent trends, staff 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 2015 is approximately 23,130.

If no new funding is provided for TAG, the projected award amounts for FY2016 are \$3,020 for undergraduate students and \$1,510 for graduate students. These projections are subject to change and will not solidify until following receipt of the spring 2015 TAG participation numbers. Alternatively, maintaining awards at current levels of \$3,100 / \$1,550 would require \$1.5 million in additional funds. Increase in the undergraduate award beyond current levels would require approximately an additional \$2.1 million per \$100.

(g) Maintenance Reserve Program

Last year, the Council recommended \$98 million in annual support through the state's Maintenance Reserve Program in the 2014-16 biennium. The funding need was derived by using a new method based on the total replacement value of all E&G facilities at an institution. Using current national benchmarks, SCHEV recommended using a conservative 1% annual reinvestment rate for the higher education needs.

The 2014 General Assembly provided \$45.9 million per year to higher education institutions for this program in the 2014-16 biennium. This is \$12 million and 35% more than was available in FY2014. Based on this success, staff will use the latest available data to update this calculated need for the 2016-18 biennium. SCHEV reviews and recommends capital outlay needs once each biennium.

Financial Impact: see tables.

Timetable for Further Review/Action: This item is for discussion purposes only. Action is scheduled to be taken at the October meeting.

Recommendations and Resolution: None.

**Summary of SCHEV Budget Amendment Options in FY2016
(In Millions)**

Item	Option 1			Option 2		
	GF	NGF	Total	GF	NGF	Total
Base Adequacy	\$30.0	\$26.3	\$56.3	\$10.0	\$8.8	\$18.8
Faculty Salary	\$66.7	\$69.1	\$135.8	\$39.0	\$39.6	\$78.6
Operation and Maintenance of New Facilities	N/A			\$13.2	\$13.3	\$26.5
Undergraduate Financial Aid	\$38.5		\$38.5	\$17.5		\$17.5
Graduate Financial Aid	\$1.8		\$1.8	\$1.8		\$1.8
Subtotal for Operating Budget	\$96.7	\$95.4	\$192.1	\$49.0	\$48.4	\$97.4
Subtotal for Financial Aid	\$40.3		\$40.3	\$19.3		\$19.3
Total	\$137.0	\$95.4	\$232.4	\$68.3	\$48.4	\$116.7
Higher Education Equipment Trust Fund - Allocation ¹	\$25.8 million for all equipment			\$8.8 million for research equip		
Tuition Assistant Grant (TAG) ²	N/A					

Notes:

(1) Required general fund debt service to finance either of the two allocation options will not be needed till FY2017.

(2) See page 40 for various options.

Option 1
Funding Need to Reach full Funding in 2015-16

Inst	Calculated	Available	% Funding	Funding	GF	Required Funding Need FY2016		
	Need ^{1,2}	Resources ^{3,4,5}	to Guide	Shortfall	Share	GF	NGF	Total
CNU	\$66,548,570	\$67,152,882	>100%		61%	\$0	\$0	\$0
CWM	\$146,362,830	\$174,070,209	>100%		39%	\$0	\$0	\$0
GMU	\$437,465,569	\$483,180,323	>100%		50%	\$0	\$0	\$0
JMU	\$257,809,935	\$275,133,658	>100%		48%	\$0	\$0	\$0
LU	\$62,776,207	\$62,393,262	99.4%	(\$382,945)	63%	\$242,787	\$140,158	\$382,945
NSU	\$75,314,548	\$68,241,259	90.6%	(\$7,073,289)	56%	\$3,975,188	\$3,098,101	\$7,073,289
ODU	\$293,731,027	\$263,795,385	89.8%	(\$29,935,643)	56%	\$16,883,702	\$13,051,940	\$29,935,643
RU	\$118,048,951	\$120,814,943	>100%		62%	\$0	\$0	\$0
UMW	\$60,782,173	\$62,948,403	>100%		59%	\$0	\$0	\$0
UVA	\$488,338,220	\$603,075,973	>100%		35%	\$0	\$0	\$0
UVAW	\$23,122,655	\$22,290,547	96.4%	(\$832,109)	63%	\$521,732	\$310,376	\$832,109
VCU	\$531,793,794	\$555,582,799	>100%		49%	\$0	\$0	\$0
VMI ⁶	\$27,759,653	\$28,096,650	>100%		40%	\$0	\$0	\$0
VSU	\$66,268,135	\$61,349,571	92.6%	(\$4,918,564)	48%	\$2,360,911	\$2,557,653	\$4,918,564
VT	\$596,457,541	\$619,926,988	>100%		40%	\$0	\$0	\$0
RBC	\$9,192,783	\$10,392,128	>100%		66%	\$0	\$0	\$0
VCCS	\$912,523,713	\$908,679,054	99.6%	(\$3,844,659)	63%	\$2,402,912	\$1,441,747	\$3,844,659
Total	\$4,174,296,303	\$4,387,124,033	>100%	(\$46,987,208)	50%	\$26,387,233	\$20,599,976	\$46,987,208
System Average			>100%					
EVMS	\$73,579,367	\$64,244,486	87.3%	(\$9,334,881)	39%	\$3,640,882	\$5,694,000	\$9,334,881
Grand Total	\$4,247,875,671	\$4,451,368,519		(\$56,322,090)		\$30,028,114	\$26,293,975	\$56,322,090

Notes:

- (1) Based on actual FY14 student FTE and FY12-FY14 3-year average discipline credit hours.
- (2) The blended salary is based on 2014ABB
- (3) Available resources are FY16 general fund appropriations, net of Sept budget cuts and estimated nongeneral fund revenue from the 2014 six-year plans
- (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) Available resources are adjusted for "uniquely military" mission.

Option 2
Incremental Funding Need in 2015-16
(Based on Reaching Full Funding over Three Years)

Inst	Calculated	Available	% Funding	Funding	GF	Required Funding Need FY2016		
	Need ^{1,2}	Resources ^{3,4,5}	to Guide	Shortfall	Share	GF	NGF	Total
CNU	\$66,548,570	\$67,152,882	>100%		61%	\$0	\$0	\$0
CWM	\$146,362,830	\$174,070,209	>100%		39%	\$0	\$0	\$0
GMU	\$437,465,569	\$483,180,323	>100%		50%	\$0	\$0	\$0
JMU	\$257,809,935	\$275,133,658	>100%		48%	\$0	\$0	\$0
LU	\$62,776,207	\$62,393,262	99.4%	(\$382,945)	63%	\$80,929	\$46,719	\$127,648
NSU	\$75,314,548	\$68,241,259	90.6%	(\$7,073,289)	56%	\$1,325,063	\$1,032,700	\$2,357,763
ODU	\$293,731,027	\$263,795,385	89.8%	(\$29,935,643)	56%	\$5,627,901	\$4,350,647	\$9,978,548
RU	\$118,048,951	\$120,814,943	>100%		62%	\$0	\$0	\$0
UMW	\$60,782,173	\$62,948,403	>100%		59%	\$0	\$0	\$0
UVA	\$488,338,220	\$603,075,973	>100%		35%	\$0	\$0	\$0
UVAW	\$23,122,655	\$22,290,547	96.4%	(\$832,109)	63%	\$173,911	\$103,459	\$277,370
VCU	\$531,793,794	\$555,582,799	>100%		49%	\$0	\$0	\$0
VMI ⁶	\$27,759,653	\$28,096,650	>100%		40%	\$0	\$0	\$0
VSU	\$66,268,135	\$61,349,571	92.6%	(\$4,918,564)	48%	\$786,970	\$852,551	\$1,639,521
VT	\$596,457,541	\$619,926,988	>100%		40%	\$0	\$0	\$0
RBC	\$9,192,783	\$10,392,128	>100%		66%	\$0	\$0	\$0
VCCS	\$912,523,713	\$908,679,054	99.6%	(\$3,844,659)	63%	\$800,971	\$480,582	\$1,281,553
Total	\$4,174,296,303	\$4,387,124,033	>100%	(\$46,987,208)	50%	\$8,795,744	\$6,866,659	\$15,662,403
System Average			>100%					
EVMS	\$73,579,367	\$64,244,486	87.3%	(\$9,334,881)	39%	\$1,213,627	\$1,898,000	\$3,111,627
Grand Total	\$4,247,875,671	\$4,451,368,519		(\$56,322,090)		\$10,009,371	\$8,764,658	\$18,774,030

Notes:

- (1) Based on actual FY 14 student FTE and FY 12-FY 14 3-year average discipline credit hours.
- (2) The blended salary is based on 2014ABB
- (3) Available resources are FY 16 general fund appropriations, net of Sept budget cuts and estimated nongeneral fund revenue from the 2014 six-year plans
- (4) GF adjustments are OCR funding at NSU and VSU, and VCCS central office (FY 16 adjustment).
- (5) NGF includes required funding for programs 101-40, 102 and 103 made in October 2009.
- (6) Available resources are adjusted for "uniquely military" mission.

**Alternative 1 for Funding Basic Operation and Instructional Need
Incremental Funding Need in 2015-16
(Based on Reaching Full Funding over Three Years)**

Inst	Calculated Need ^{1,2}	Available Resources ^{3,4,5}	% Funding to Guide	Funding Shortfall	GF Share	Incremental Funding		
						2015-16		
						GF	NGF	Total
CNU	\$72,021,837	\$67,139,777	93%	(\$4,882,060)	61%	\$995,940	\$631,413	\$1,627,353
CWM	\$161,175,398	\$174,068,113	>100%		39%	\$0	\$0	\$0
GMU	\$506,896,770	\$483,165,364	95%	(\$23,731,406)	50%	\$3,971,055	\$3,939,413	\$7,910,469
JMU	\$279,446,424	\$275,133,658	98%	(\$4,312,766)	48%	\$694,355	\$743,233	\$1,437,589
LU	\$63,859,767	\$62,392,276	98%	(\$1,467,491)	63%	\$310,130	\$179,034	\$489,164
NSU	\$75,314,548	\$68,241,259	91%	(\$7,073,289)	56%	\$1,325,063	\$1,032,700	\$2,357,763
ODU	\$314,581,746	\$263,788,215	84%	(\$50,793,531)	56%	\$9,549,184	\$7,381,993	\$16,931,177
RU	\$131,601,422	\$120,814,943	92%	(\$10,786,479)	62%	\$2,232,801	\$1,362,692	\$3,595,493
UMW	\$67,746,912	\$62,948,074	93%	(\$4,798,838)	59%	\$948,570	\$651,042	\$1,599,613
UVA	\$523,101,674	\$603,054,518	>100%		35%	\$0	\$0	\$0
UVAW	\$23,122,655	\$22,290,547	96%	(\$832,109)	63%	\$173,911	\$103,459	\$277,370
VCU	\$558,896,945	\$555,548,029	99%	(\$3,348,916)	49%	\$548,106	\$568,199	\$1,116,305
VMI ⁶	\$30,821,596	\$28,096,558	91%	(\$2,725,039)	40%	\$362,430	\$545,916	\$908,346
VSU	\$70,552,719	\$61,337,808	87%	(\$9,214,911)	48%	\$1,474,386	\$1,597,251	\$3,071,637
VT	\$636,732,076	\$619,787,724	97%	(\$16,944,352)	40%	\$2,264,895	\$3,383,222	\$5,648,117
RBC	\$9,192,783	\$10,392,128	>100%		66%	\$0	\$0	\$0
VCCS	\$944,848,852	\$908,679,054	96%	(\$36,169,798)	63%	\$7,535,375	\$4,521,225	\$12,056,599
Total ⁷	\$4,469,914,123	\$4,386,878,043		(\$177,080,984)	50%	\$32,386,201	\$26,640,794	\$59,026,995
System Average			97%					

Notes:

- (1) Based on actual FY14 student FTE and FY12-FY14 3-year average discipline credit hours.
- (2) The blended salary is based on T&R salary goal in FY14 except NSU, UVAW and RBC which use 2014ABB.
- (3) Available resources are FY16 general fund appropriations, net of Sept budget cuts and estimated nongeneral fund revenue from the 2014 six-year plans
- (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) Available resources are adjusted for "uniquely military" mission.
- (7) Excludes EVMS as its base adequacy calculation is not based on the faculty salary goal.

**Alternative 2 for Funding Basic Operation and Instructional Need
(Based on Reaching Full Funding over Three-Years)**

Institution	Calculated Funding Need									
	FY2014 Base Adequacy ^{1,2}				FY2014 Faculty Salary ³			Total Need		
	GF	NGF	Total	GF Share	GF	NGF	Total	GF	NGF	Total
Christopher Newport University	\$40,567,437	\$25,981,133	\$66,548,570	61%	\$1,376,449	\$872,651	\$2,249,100	\$41,943,886	\$26,853,784	\$68,797,670
College of William and Mary	\$56,700,608	\$89,662,222	\$146,362,830	39%	\$2,859,983	\$4,435,893	\$7,295,876	\$59,560,591	\$94,098,115	\$153,658,706
George Mason University	\$218,418,510	\$219,047,059	\$437,465,569	50%	\$15,455,639	\$15,332,486	\$30,788,125	\$233,874,149	\$234,379,545	\$468,253,694
James Madison University	\$124,346,613	\$133,463,323	\$257,809,935	48%	\$4,396,544	\$4,801,247	\$9,197,791	\$128,743,157	\$138,264,569	\$267,007,726
Longwood University	\$39,802,202	\$22,974,005	\$62,776,207	63%	\$219,011	\$126,978	\$345,989	\$40,021,213	\$23,100,983	\$63,122,196
Norfolk State University	\$42,293,775	\$33,020,773	\$75,314,548	56%	\$0	\$0	\$0	\$42,293,775	\$33,020,773	\$75,314,548
Old Dominion University	\$165,313,136	\$128,417,891	\$293,731,027	56%	\$3,852,346	\$2,978,055	\$6,830,401	\$169,165,482	\$131,395,946	\$300,561,428
Radford University	\$73,270,587	\$44,778,364	\$118,048,951	62%	\$3,210,830	\$1,976,295	\$5,187,125	\$76,481,418	\$46,754,659	\$123,236,076
University of Mary Washington	\$35,991,750	\$24,790,422	\$60,782,173	59%	\$1,572,542	\$1,124,786	\$2,697,328	\$37,564,293	\$25,915,208	\$63,479,501
University of Virginia	\$170,533,727	\$317,804,492	\$488,338,220	35%	\$6,773,974	\$12,208,594	\$18,982,568	\$177,307,702	\$330,013,086	\$507,320,787
University of Virginia at Wise	\$14,493,660	\$8,628,995	\$23,122,655	63%	\$0	\$0	\$0	\$14,493,660	\$8,628,995	\$23,122,655
Virginia Commonwealth University	\$259,299,171	\$272,494,623	\$531,793,794	49%	\$6,416,876	\$6,547,735	\$12,964,611	\$265,716,047	\$279,042,358	\$544,758,405
Virginia Military Institute	\$11,067,978	\$16,691,674	\$27,759,653	40%	\$516,603	\$781,395	\$1,297,998	\$11,584,581	\$17,473,069	\$29,057,651
Virginia State University	\$31,743,481	\$34,524,654	\$66,268,135	48%	\$753,554	\$860,052	\$1,613,606	\$32,497,035	\$35,384,706	\$67,881,741
Virginia Tech	\$238,392,538	\$358,065,003	\$596,457,541	40%	\$8,049,846	\$11,875,515	\$19,925,361	\$246,442,384	\$369,940,519	\$616,382,902
Richard Bland College	\$6,035,487	\$3,157,296	\$9,192,783	66%	\$0	\$0	\$0	\$6,035,487	\$3,157,296	\$9,192,783
Virginia Community College Sys	\$569,877,477	\$342,646,236	\$912,523,713	62%	\$8,375,611	\$4,982,620	\$13,358,232	\$578,253,088	\$347,628,856	\$925,881,945
Total, All Institutions	\$2,098,148,137	\$2,076,148,167	\$4,174,296,303	50%	\$63,829,810	\$68,904,301	\$132,734,110	\$2,161,977,947	\$2,145,052,467	\$4,307,030,414

Institution	FY16 Available Resources ^{4,5}			% of Funding to Total Need	Funding Shortfall			Incremental Funding in FY2016		
	GF	NGF	Total		GF	NGF	Total	GF	NGF	Total
Christopher Newport University	\$24,181,355	\$42,971,527	\$67,152,882	98%	(\$17,762,531)	\$16,117,743	(\$1,644,788)	\$334,216	\$214,046	\$548,263
College of William and Mary	\$37,751,617	\$136,318,592	\$174,070,209	>100%	(\$21,808,974)	\$42,220,477				
George Mason University	\$113,684,848	\$369,495,475	\$483,180,323	>100%	(\$120,189,301)	\$135,115,930				
James Madison University	\$69,232,473	\$205,901,185	\$275,133,658	>100%	(\$59,510,684)	\$67,636,616				
Longwood University	\$23,335,288	\$39,057,974	\$62,393,262	99%	(\$16,685,924)	\$15,956,991	(\$728,934)	\$154,056	\$88,922	\$242,978
Norfolk State University	\$31,612,846	\$36,628,413	\$68,241,259	91%	(\$10,680,929)	\$3,607,640	(\$7,073,289)	\$1,324,030	\$1,033,733	\$2,357,763
Old Dominion University	\$100,730,076	\$163,065,308	\$263,795,385	88%	(\$68,435,406)	\$31,669,362	(\$36,766,044)	\$6,897,365	\$5,357,983	\$12,255,348
Radford University	\$42,809,245	\$78,005,698	\$120,814,943	98%	(\$33,672,173)	\$31,251,039	(\$2,421,133)	\$500,916	\$306,128	\$807,044
University of Mary Washington	\$19,705,221	\$43,243,182	\$62,948,403	99%	(\$17,859,071)	\$17,327,974	(\$531,098)	\$104,829	\$72,204	\$177,033
University of Virginia	\$115,261,971	\$487,814,003	\$603,075,973	>100%	(\$62,045,731)	\$157,800,917				
University of Virginia at Wise	\$12,666,960	\$9,623,587	\$22,290,547	96%	(\$1,826,700)	\$994,592	(\$832,109)	\$173,860	\$103,510	\$277,370
Virginia Commonwealth University	\$153,558,329	\$402,024,470	\$555,582,799	>100%	(\$112,157,718)	\$122,982,112				
Virginia Military Institute	\$6,753,917	\$21,342,734	\$28,096,650	97%	(\$4,830,665)	\$3,869,664	(\$961,000)	\$127,719	\$192,614	\$320,333
Virginia State University	\$21,890,375	\$39,459,196	\$61,349,571	90%	(\$10,606,660)	\$4,074,490	(\$6,532,170)	\$1,043,004	\$1,134,386	\$2,177,390
Virginia Tech	\$140,935,616	\$478,991,372	\$619,926,988	>100%	(\$105,506,768)	\$109,050,854				
Richard Bland College	\$5,296,105	\$5,096,023	\$10,392,128	>100%	(\$739,381)	\$1,938,727				
Virginia Community College Sys	\$316,752,403	\$591,926,651	\$908,679,054	98%	(\$261,500,685)	\$244,297,795	(\$17,202,891)	\$3,581,109	\$2,153,188	\$5,734,297
Total, All Institutions	\$1,236,158,646	\$3,150,965,387	\$4,387,124,033	>100%	(\$925,819,301)	\$1,005,912,920	(\$74,693,456)	\$14,241,103	\$10,656,715	\$24,897,819

Notes:

- (1) Based on actual FY14 student FTE and FY12-FY14 3-year average discipline credit hours.
- (2) The blended salary is based on the FY14 ABB.
- (3) Based on FY14 average peer faculty salary in IPEDS and Virginia budgeted faculty salaries in FY14ABB.
- (4) Available resources are FY16 general fund appropriations net of September budget cuts and FY16 nongeneral fund revenue from the six-year plans.
- (5) GF adjustments are OCR funding at NSU and VSU, and VCCS central office.
- (6) NGF Adj1 is adjusted required funding for programs 101-40, 102 and 103 made in October 2009.

Options for Average Virginia Teaching and Research Faculty Salary to Reach the 60th Percentile of Peers^{1,2,3}

Inst	FY2014		Option 1: One Time to Goal by FY2016						Option 2: Phase Over Three Years, Goal by FY2018						
	Appropriated	T&R Faculty	One time to the Goal		Funding Need By Fund Share			Required T&F Incr for 100% NGF Funding	Over Three Years		Funding Need By Fund Share in FY16			Required T&F Incr for 100% NGF Funding	Total Funding Need over Three Years
	Va T&R Faculty Salary	Salary Percentile to Peers	60th Percentile Goal	Required Annual Increase ^{4,5}	GF	NGF	Total		60th Percentile Goal ⁶	Required Annual Increase	GF	NGF	Total		
CNU	\$72,011	40	\$79,694	10.7%	\$1,376,449	\$872,651	\$2,249,100	5.8%	\$86,263	6.2%	\$797,569	\$505,648	\$1,303,217	3.4%	\$4,157,059
CWM	\$96,342	34	\$107,485	11.6%	\$2,859,983	\$4,435,893	\$7,295,876	4.9%	\$116,345	6.5%	\$1,602,577	\$2,485,629	\$4,088,206	2.7%	\$13,079,092
GMU	\$83,504	5	\$101,589	21.7%	\$15,456,639	\$15,332,486	\$30,788,125	10.2%	\$109,963	9.6%	\$6,837,518	\$6,783,035	\$13,620,553	4.5%	\$44,909,905
JMU	\$77,233	40	\$84,907	9.9%	\$4,396,544	\$4,801,247	\$9,197,791	4.6%	\$91,906	6.0%	\$2,664,572	\$2,909,847	\$5,574,419	2.8%	\$17,746,720
LU	\$70,739	53	\$72,247	2.1%	\$219,011	\$126,978	\$345,989	1.0%	\$78,202	3.4%	\$354,589	\$205,583	\$560,172	1.6%	\$1,738,302
NSU	\$69,062	61	\$67,896	n/a	\$0	\$0	\$0	0.0%	\$73,493	2.1%	\$181,931	\$144,110	\$326,040	0.9%	\$998,805
ODU	\$77,992	35	\$85,501	9.6%	\$3,852,346	\$2,978,055	\$6,830,401	4.8%	\$92,550	5.9%	\$2,367,588	\$1,830,263	\$4,197,851	2.9%	\$13,351,184
RU	\$69,954	29	\$79,708	13.9%	\$3,210,830	\$1,976,295	\$5,187,125	7.3%	\$86,279	7.2%	\$1,663,164	\$1,023,692	\$2,686,856	3.8%	\$8,654,858
UMW	\$76,114	26	\$86,059	13.1%	\$1,572,542	\$1,124,786	\$2,697,328	6.6%	\$93,153	7.0%	\$840,290	\$601,031	\$1,441,320	3.5%	\$4,633,701
UVA	\$99,042	32	\$110,369	11.4%	\$6,690,158	\$12,208,594	\$18,898,752	3.6%	\$119,466	6.4%	\$3,755,878	\$6,853,947	\$10,609,826	2.0%	\$33,910,021
UVAW	\$72,067	80	\$67,982	n/a	\$0	\$0	\$0	0.0%	\$73,586	0.7%	\$30,234	\$18,296	\$48,530	0.6%	\$146,611
VCU	\$86,307	33	\$94,268	9.2%	\$6,392,452	\$6,547,735	\$12,940,187	3.8%	\$102,038	5.7%	\$3,960,541	\$4,056,749	\$8,017,290	2.3%	\$25,448,874
VMI	\$75,915	35	\$86,232	13.6%	\$516,603	\$781,395	\$1,297,998	4.6%	\$93,341	7.1%	\$269,697	\$407,934	\$677,631	2.4%	\$2,180,646
VSU	\$67,642	40	\$73,189	8.2%	\$753,554	\$860,052	\$1,613,606	4.0%	\$79,222	5.4%	\$496,243	\$566,376	\$1,062,618	2.6%	\$3,363,098
VT	\$93,104	31	\$101,709	9.2%	\$8,049,846	\$11,875,515	\$19,925,361	5.1%	\$110,093	5.7%	\$4,987,405	\$7,357,656	\$12,345,061	3.1%	\$39,186,297
RBC	\$60,260	77	\$55,150	n/a	\$0	\$0	\$0	0.0%	\$60,947	0.4%	\$6,129	\$3,143	\$9,273	0.2%	\$27,930
VCCS	\$63,527	51	\$67,527	6.3%	\$8,375,611	\$4,982,620	\$13,358,232	2.5%	\$73,093	4.8%	\$6,381,418	\$3,796,282	\$10,177,700	1.9%	\$32,022,139
Inst Total					\$63,721,570	\$68,904,301	\$132,625,871				\$37,197,342	\$39,549,222	\$76,746,564		\$245,555,243
4-yr Average Ranking		38													
Average Increase				10.8%				4.9%		5.3%				2.4%	
VIMS					\$747,144	\$39,323	\$786,467				\$418,658	\$22,035	\$440,693		\$1,409,875
VSU ext					\$141,141	\$7,428	\$148,569				\$92,946	\$4,892	\$97,838		\$309,649
VT ext					\$1,996,483	\$105,078	\$2,101,561				\$1,236,952	\$65,103	\$1,302,054		\$4,133,045
UVA FP					\$83,816	\$0	\$83,816				\$47,055	\$0	\$47,055		\$150,392
VCU FP					\$24,423	\$0	\$24,423				\$15,132	\$0	\$15,132		\$48,032
Total					\$66,714,577	\$69,056,131	\$135,770,708				\$39,008,085	\$39,641,251	\$78,649,336		\$251,606,236

- Notes:
- (1) 2013-14 peer salary came from IPEDS 2013 SA.
 - (2) Funding need is derived by assuming salary increases on July 1.
 - (3) Institutions' base salary came from 2014 activity-based budget.
 - (4) n/a means Virginia institution has reached the 60th percentile of its peer salaries.
 - (5) Average increase excludes institutions that are already at or above the goal.
 - (6) Assumed peer salaries will have an annual 2% increase in 2015-18.

SCHEV Survey of Operation and Maintenance Costs for New E&G and Research Facilities Coming On-Line in FY 2016							
Institution	Building Name	Building E&G Percent	Building Research Percent	FY 16 Months	GF Share	SCHEV GF Recommendation FY2016	SCHEV NGF Recommendation FY2016
CNU	Student Success Center	100%	0%	12	61.0%	\$404,430	\$258,570
Total						\$404,430	\$258,570
CWM	Tyler Hall	100%	0%	2	38.7%	\$55,889	\$88,527
CWM	Integrated Science Center 3	100%	0%	2	38.7%	\$89,957	\$142,491
CWM	427 Scotland Street	100%	0%	12	38.7%	\$18,282	\$28,958
CWM	101 Chandler Court	100%	0%	12	38.7%	\$6,000	\$9,504
Total						\$170,128	\$269,480
GMU	Fenwick Addition	100%	0%	10	49.9%	\$985,733	\$989,683
GMU	Central Heat/Cooling Plant Addition	100%	0%	12	49.9%	\$87,325	\$87,675
GMU	Life Science Lab PPEA	0%	100.0%	12	49.9%	\$293,163	\$881,838
GMU	Point of View Center (new facility)	100%	0.0%	12	49.9%	\$205,588	\$206,412
GMU	Potomac Science Center	40%	60.0%	4	49.9%	\$92,622	\$172,544
Total						\$1,664,431	\$2,338,151
JMU	Student Success Center	100%	0%	12	48.2%	\$939,097	\$1,009,238
Total						\$939,097	\$1,009,238
LU	Blackwell	100%	0%	12	63.4%	\$67,426	\$38,924
LU	University Technology Center	100%	0%	12	63.4%	\$212,436	\$122,637
LU	Bedford Hall Addition (unanticipated safety costs)	100%	0%	12	63.4%	\$53,890	\$31,110
Total						\$333,752	\$192,671
NSU	New Nursing and General Classroom Building	100%	0%	12	56.2%	\$758,700	\$591,300
Total						\$758,700	\$591,300
ODU	ODU Systems Research and Academic Building - Main Campus	100%	0%	12	56.3%	\$290,095	\$225,172
ODU	Performing Arts / Fine Arts Building Phase 2 - Main Campus	100%	0%	12	56.3%	\$76,837	\$59,641
ODU	New Arts Building - Main Campus	100%	0%	12	56.3%	\$173,851	\$134,943
ODU	New Art Studio Building - Main Campus	100%	0%	12	56.3%	\$123,998	\$96,248
ODU	New Education Building - Main Campus	100%	0%	2	56.3%	\$116,038	\$90,069
Total						\$780,820	\$606,072
RBC	Ernst Hall	100%	0%	12	65.7%	\$97,541	\$50,923
Total						\$97,541	\$50,923
RU	Center for the Sciences	100%	0%	12	62.1%	\$468,892	\$286,167
RU	New Academic Building, Phases I and II	100%	0%	2	62.1%	\$50,064	\$30,554
Total						\$518,955	\$316,722
UMW	Woodard Hall**	100%	0%	12	59.2%	\$53,872	\$37,128
UMW	Mercer Hall***	100%	0%	12	59.2%	\$23,680	\$16,320
UMW	Seacobeck Hall****	100%	0%	12	59.2%	\$101,824	\$70,176
UMW	Technology Convergence Center*****	100%	0%	12	59.2%	\$284,160	\$195,840
Total						\$463,536	\$319,464

SCHEV Survey of Operation and Maintenance Costs for New E&G and Research Facilities Coming On-Line in FY 2016 (cont.)							
Institution	Building Name	Building E&G Percent	Building Research Percent	FY 16 Months	GF Share	SCHEV GF Recommendation FY2016	SCHEV NGF Recommendation FY2016
UVA	Drama Education Addition	100%	0%	12	34.9%	\$128,676	\$240,024
UVA	FM Landscape Shop	100%	0%	12	34.9%	\$36,820	\$68,681
UVA	Acquisition of 560 Ray C Hunt	25%	75%	12	34.9%	\$286,660	\$1,027,540
UVA	Facilities Management Shop Building	100%	0%	11	34.9%	\$57,515	\$107,285
UVA	2023 Ivy Road (Cary's Camera)	100%	0%	12	34.9%	\$32,876	\$61,324
UVA	Lacy Hall	100%	0%	12	34.9%	\$99,884	\$186,316
UVA	New Cabell Hall	100%	0%	12	34.9%	\$233,237	\$435,063
UVA	Rugby Road Administrative Building	100%	0%	12	34.9%	\$124,942	\$233,058
Total						\$1,000,609	\$2,359,291
UVA-W	New Library	100%	0%	6	62.7%	\$248,144	\$147,620
Total						\$248,144	\$147,620
VCCS	SSVCC (Daniels) - Learning Resource Ctr.	100%	0%	12	62.5%	\$295,529	\$177,318
VCCS	NVCC(Loudoun) - Higher Education Ctr.	100%	0%	12	62.5%	\$341,023	\$204,614
VCCS	NVCC (Annandale) Expand Braut Building	100%	0%	12	62.5%	\$169,470	\$101,682
VCCS	NVCC (Woodbridge) Workforce Development Center	100%	0%	12	62.5%	\$551,606	\$330,963
VCCS	JTCC (Midlothian) - Phase III Academic Bldg.	100%	0%	12	62.5%	\$477,385	\$286,431
VCCS	NVCC (Alexandria) Replace Tyler Academic Bldg.	100%	0%	3	62.5%	\$164,877	\$98,926
VCCS	PHCC - Motorsports/Workforce Development Ctr. Phase II	100%	0%	1	62.5%	\$2,251	\$1,351
VCCS	SSVC(Christianna) - Student Support and Learning Ctr	100%	0%	7	62.5%	\$211,322	\$126,793
VCCS	BRCC - New Academic Bldg.	100%	0%	2	62.5%	\$55,878	\$33,527
Total						\$2,269,340	\$1,361,604
VCU	Information Commons	100%	0%	11	48.8%	\$254,756	\$267,285
Total						\$254,756	\$267,285
VMI	Cornack	100%	0%	12	39.9%	\$46,142	\$69,503
VMI	CPTF	100%	0%	1	39.9%	\$30,838	\$46,449
Total						\$76,980	\$115,952
VSU	Multipurpose Center	88%	0%	10	47.9%	\$355,157	\$483,593
VSU	20712 Fourth Avenue	100%	0%	12	47.9%	\$21,862	\$23,778
VSU	MT Carter Addition	0%	100%	12	47.9%	\$19,869	\$63,091
VSU	Lockett Hall	100%	0%	12	47.9%	\$70,783	\$76,990
Total						\$467,671	\$647,452
VT	Davidson Hall Renovation	100%	0%	12	40.0%	\$223,580	\$335,371
VT	Signature Engineering Building	100%	0%	12	40.0%	\$869,568	\$1,304,353
VT	Performing Arts Center	100%	0%	12	40.0%	\$336,129	\$504,193
VT	Classroom Building	100%	0%	5	40.0%	\$148,107	\$222,160
Total						\$1,577,384	\$2,366,077
VT-Ext.	Human and Agricultural Biosciences Building 1	100%	0%	12	95.0%	\$1,160,282	\$61,067
Total						\$1,160,282	\$61,067
VIMS	Moxley Property	100%	0%	12	95.0%	\$7,524	\$396
VIMS	Abrahamson Property	60%	40%	12	95.0%	\$10,868	\$3,432
Total						\$18,392	\$3,828
Grand Total						\$13,204,949	\$13,282,767

**Higher Education Equipment Trust Fund (HEETF)
Comparison of SCHEV Recommendations to Appropriations
(2015-16)**

Option 1				
Institution	Total Recommendation	Total Appropriation	Total Appropriation As Percentage of Recommendation	Recommended Additional Funding⁽¹⁾
GMU	\$ 4,841,055	\$ 3,568,904	74%	\$ 1,272,151
ODU	\$ 4,791,326	\$ 4,312,086	90%	\$ 479,240
UVA	\$ 19,022,742	\$ 12,666,897	67%	\$ 6,355,845
VCU	\$ 11,656,788	\$ 7,969,949	68%	\$ 3,686,839
VT	\$ 18,598,755	\$ 12,606,388	68%	\$ 5,992,367
W&M	\$ 2,311,762	\$ 2,340,828	101%	\$ (29,066)
W&M-VIMS	\$ 798,914	\$ 435,000	54%	\$ 363,914
CNU	\$ 721,464	\$ 608,154	84%	\$ 113,310
UVA-Wise	\$ 208,780	\$ 202,068	97%	\$ 6,712
JMU	\$ 2,238,601	\$ 1,861,748	83%	\$ 376,853
LU	\$ 735,234	\$ 599,263	82%	\$ 135,971
UMW	\$ 667,955	\$ 528,581	79%	\$ 139,374
NSU	\$ 1,109,650	\$ 967,377	87%	\$ 142,273
RU	\$ 2,020,840	\$ 1,406,595	70%	\$ 614,245
VMI	\$ 1,011,217	\$ 714,250	71%	\$ 296,967
VSU	\$ 1,315,604	\$ 1,081,905	82%	\$ 233,699
RBC	\$ 159,658	\$ 129,092	81%	\$ 30,566
VCCS	\$ 17,155,040	\$ 11,765,909	69%	\$ 5,389,131
SWVHEC	\$ 131,884	\$ 64,575	49%	\$ 67,309
RHEA	\$ 72,083	\$ 62,570	87%	\$ 9,513
IALR	\$ 213,761	\$ 221,003	103%	\$ (7,242)
SVHEC	\$ 180,478	\$ 77,214	43%	\$ 103,264
New College	\$ 25,331	\$ 27,799	110%	\$ (2,468)
TOTAL	\$ 89,988,922	\$ 64,218,155	71%	\$ 25,770,767

Option 2				
Institution	Research Initiative Recommendation	Research Initiative Appropriation	Total Appropriation As Percentage of Recommendation	Recommended Additional Funding⁽²⁾
GMU	\$ 683,635	\$ 387,306	57%	\$ 296,329
ODU	\$ 447,158	\$ 268,659	60%	\$ 178,499
UVA	\$ 6,796,211	\$ 4,236,579	62%	\$ 2,559,632
VCU	\$ 3,320,820	\$ 2,445,569	74%	\$ 875,251
VT	\$ 6,672,940	\$ 4,278,311	64%	\$ 2,394,629
W&M	\$ 550,695	\$ 486,458	88%	\$ 64,237
W&M-VIMS	\$ 566,542	\$ 143,120	25%	\$ 423,422
CNU	-	-	-	-
UVA-Wise	-	-	-	-
JMU	-	-	-	-
LU	-	-	-	-
UMW	-	-	-	-
NSU	-	-	-	-
RU	-	-	-	-
VMI	-	-	-	-
VSU	-	-	-	-
RBC	-	-	-	-
VCCS	\$ 4,000,000	\$ 2,000,000	50%	\$ 2,000,000
SWVHEC	-	-	-	-
RHEA	-	-	-	-
IALR	-	-	-	-
SVHEC	-	-	-	-
New College	-	-	-	-
TOTAL	\$ 23,038,001	\$ 14,246,002	62%	\$ 8,791,999

⁽¹⁾ Debt service for the additional funding won't begin till FY17. The estimated debt service need is about **\$4.1** million in FY17.

⁽²⁾ Debt service for the additional funding won't begin till FY17. The estimated debt service need is about **\$1.4** million in FY17.

Virginia Student Financial Aid Program – Undergraduate Funding

Funding Required to return to FY2014 Levels

Institution	FY14 PM % Met	FY16 Funds	FY16 Total Funding To Maintain FY14	Increase Needed
Christopher Newport University	48.0%	4,577,403	5,912,889	1,335,486
College of William & Mary	62.7%	3,235,804	3,753,640	517,836
George Mason University	36.1%	15,536,039	19,052,033	3,515,994
James Madison University	46.1%	7,419,088	9,670,140	2,251,052
Longwood University	43.4%	4,176,583	5,534,215	1,357,632
Norfolk State University	39.6%	7,813,592	8,898,258	1,084,666
Old Dominion University	38.5%	16,693,350	20,016,691	3,323,341
Radford University	48.5%	7,416,618	10,464,527	3,047,909
University of Mary Washington	33.6%	1,821,686	2,687,484	865,798
University of Virginia	76.8%	5,776,211	6,006,765	230,554
University of Virginia - Wise	45.2%	2,099,938	2,325,948	226,010
Virginia Commonwealth University	39.9%	21,170,891	27,067,251	5,896,360
Virginia Military Institute	50.6%	870,928	993,709	122,781
Virginia State University	37.3%	6,006,890	6,742,101	735,211
Virginia Tech	49.7%	15,117,631	18,792,034	3,674,403
Four-Year Institution Totals	42.6%	119,732,652	147,917,683	28,185,031
Richard Bland College	19.8%	454,107	546,311	92,204
Virginia Community College System	25.5%	37,891,836	48,119,293	10,227,457
Two-Year Institution Totals	25.4%	38,345,943	48,665,604	10,319,661
Totals	36.6%	158,078,595	196,583,287	38,504,692

Funding Required to return to FY2015 Levels

Institution	FY15 PM % Met	FY16 Funds	FY16 Total Funding To Maintain FY15	Increase Needed
Christopher Newport University	41.3%	4,577,403	5,090,999	513,596
College of William & Mary	57.9%	3,235,804	3,464,816	229,012
George Mason University	30.6%	15,536,039	16,178,324	642,285
James Madison University	39.8%	7,419,088	8,339,106	920,018
Longwood University	36.9%	4,176,583	4,697,787	521,204
Norfolk State University	39.5%	7,813,592	8,874,491	1,060,899
Old Dominion University	36.4%	16,693,350	18,951,979	2,258,629
Radford University	39.0%	7,416,618	8,401,400	984,782
University of Mary Washington	29.4%	1,821,686	2,348,357	526,671
University of Virginia	70.7%	5,776,211	5,776,211	-
University of Virginia - Wise	43.9%	2,099,938	2,256,982	157,044
Virginia Commonwealth University	38.5%	21,170,891	26,118,278	4,947,387
Virginia Military Institute	48.4%	870,928	950,029	79,101
Virginia State University	33.9%	6,006,890	6,122,807	115,917
Virginia Tech	45.8%	15,117,631	17,334,095	2,216,464
Four-Year Institution Totals	38.8%	119,732,652	134,905,662	15,173,010
Richard Bland College	25.2%	454,107	695,425	241,318
Virginia Community College System	21.2%	37,891,836	39,984,421	2,092,585
Two-Year Institution Totals	21.2%	38,345,943	40,679,846	2,333,903
Totals	32.3%	158,078,595	175,585,508	17,506,913

Virginia Student Financial Aid Program – Graduate Aid

	FY16 Graduate Aid Funding	OPTION 1		OPTION 2	
		Repeat FY13 Funding Increase	Proposed Total Funding for FY16	Distribute to Research Institutions	Proposed Total Funding for FY16
PUBLIC 4-YEAR INSTITUTIONS					
Christopher Newport University	3,704	3,704	7,408	-	3,704
College of William & Mary	748,007	63,688	811,695	80,557	828,564
George Mason University	1,886,190	265,472	2,151,662	441,362	2,327,552
James Madison University	541,870	151,648	693,518	-	541,870
Longwood University	6,259	699	6,958	-	6,259
Norfolk State University	406,072	65,345	471,417	-	406,072
Old Dominion University	2,237,734	216,206	2,453,940	245,767	2,483,501
Radford University	670,612	100,212	770,824	-	670,612
University of Mary Washington	6,199	6,199	12,398	-	6,199
University of Virginia	4,498,154	333,033	4,831,187	430,660	4,928,814
Va. Institute of Marine Sciences	241,540	3,013	244,553	2,542	244,082
Virginia Commonwealth University	2,899,292	264,043	3,163,335	269,309	3,168,601
Virginia State University	256,344	36,456	292,800	-	256,344
Virginia Tech	4,490,716	268,136	4,758,852	307,657	4,798,373
TOTAL 4-YEAR INSTITUTIONS	18,892,693	1,777,854	20,670,547	1,777,854	20,670,547

Virginia Tuition Assistance Grant Program

Incremental Cost of Increasing the Maximum Annual TAG Award
FY2016 Base Appropriation = \$64,812,665

Projected TAG Award	2015-16	
	Appropriations Needed	Change in FY2016 Appropriations
\$3,020 / \$1,510	\$64,812,665	\$0
\$3,100 / \$1,550	\$66,273,545	\$1,460,880
\$3,200 / \$1,600	\$68,411,402	\$3,598,737
\$3,300 / \$1,650	\$70,549,258	\$5,736,593
\$3,400 / \$1,700	\$72,687,114	\$7,874,449
\$3,500 / \$1,750	\$74,824,970	\$10,012,305
\$3,750 / \$1,800	\$80,069,394	\$15,256,729

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

James Madison University
Festival Conference and Student Center, Ballroom A
Harrisonburg, Virginia
September 15, 2014
3:00 – 5:00 p.m.

Joint Meeting with Council of Presidents

1. Welcome and Introductions
2. Preliminary Findings of Study on Student Access and Affordability
3. Overview of Statewide Strategic Plan
4. Discussion of FY14 Budget Process and SCHEV Recommendations
5. Council Updates
6. Adjournment

STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
James Madison University
Festival Conference and Student Center, Board of Visitors' Room
Harrisonburg, Virginia
September 16, 2014
9:00 a.m. – 12:30 p.m.

1. Call to Order and Announcements 9:00 a.m.
2. Public Comment Period
3. Approval of Minutes: 9:05 a.m.
 - July 21, 2014 Strategic Planning Task Force [Page SP1](#)
 - July 22, 2014 Council Meeting [Page 1](#)
 - August 12, 2014 Special Council Meeting [Page SCM1](#)
4. Remarks by President Alger 9:10 a.m.
5. Director's Report 9:30 a.m. [Page 20](#)
6. Committee Reports: 9:45 a.m.
 - Executive Committee
 - a. Update on Strategic Plan Development
 - b. Action on Framework for Strategic Plan Goals [Page E4](#)
 - Academic Affairs Committee
 - a. Discussion of Committee Priorities
- BREAK 10:30 a.m.
- TJ21 Committee
 - a. Action on Institutional Performance Measures [Page TJ4](#)
 - b. Discussion of 2014-2016 Systemwide Operating Budget Amendments [Page TJ7](#)
 - c. Discussion of Committee Priorities
7. Items Delegated to Staff 12:10 p.m. [Page 22](#)
8. New Business 12:20 p.m.
9. Adjournment 12:30 p.m.

NEXT MEETING:
October 27-28 – 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 or contact Lee Ann Rung at LeeAnnRung@schev.edu.

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
STRATEGIC PLANNING TASK FORCE
JULY 21, 2014
MINUTES**

Mr. Bland called the meeting to order at 2:05 p.m. in the Workforce Development and Conference Center, Section A, Parham Road campus of J. Sargeant Reynolds Community College, Richmond, Virginia. Task Force members present: Gilbert Bland, Gene Lockhart, G. Gilmer Minor, and Carlyle Ramsey.

Task Force members absent: Marge Connelly, Heywood Fralin, and Pamela Moran.

Other Council member present: Henry Light

Staff members present: Peter Blake, Beverly Covington, Joe DeFilippo, Alan Edwards, Dan Hix, Tod Massa, Ashley Myers, Kirsten Nelson, Lee Ann Rung, and Susan Wood. Mike Melis from the Office of the Attorney General was also present.

UPDATE ON STRATEGIC PLAN DEVELOPMENT

Dr. Wood provided summary of the activities since the March meeting of the Task Force, including site visits and regional meetings that the consultant has conducted to date. She indicated that 400 anonymous responses have been received through the online survey. Mr. John Lee, President of JBLA Associates, reviewed the draft Gap Analysis and Data Memos. He reported that by 2040 half of the population will be races/ethnicities other than white, non-Hispanic and that the Hispanic/Latino population will double in the next 15 years. Mr. Lee answered questions from members and reviewed the ethnic/racial enrollment breakdown for each sector. Members suggested that gender also be added to the data. Mr. Lee reviewed affordability and net price, as well as risks, challenges, and opportunities from his slide presentation.

Mr. Blake asked Dr. Wood to discuss next steps. She indicated that future steps will build on the discussions from this meeting. A special Council meeting has been scheduled for August 12. This follows an intense day of meetings with staff summarizing the consultant findings from all meetings with stakeholders to date. Dr. Wood indicated that the reports forthcoming include the Policy Scan, Goals and Strategies, and Organizational Audit Memos. Mr. Lee requested that the draft document discussed today not be distributed, as a final version is being prepared.

ADJOURNMENT

The meeting was adjourned at 3:30 p.m.

Gilbert Bland
Acting Committee Chair

Lee Ann Rung
Director, Executive and Board Affairs

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
COUNCIL MEETING
JULY 22, 2014
MINUTES**

Mr. Bland called the meeting to order at 9:05 a.m. in the Workforce Development and Conference Center, Section A, Parham Road campus, J. Sargeant Reynolds Community College, Richmond, Virginia. Council members present: Gilbert Bland, Johanna Chase, Marge Connelly, Henry Light, Gene Lockhart, G. Gilmer Minor, William Murray, Gary Nakamoto, and Carlyle Ramsey.

Council members absent: Martin Briley, Heywood Fralin, Steve Haner, and Pamela Moran.

Staff members present: Peter Blake, Joseph DeFilippo, Alan Edwards, Dan Hix, Tod Massa, Jean Mottley, Ashley Myers, Kirsten Nelson, Sylvia Rosa-Casanova, and Lee Ann Rung. Mike Melis from the Office of the Attorney General was also in attendance.

PUBLIC COMMENT

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

APPROVAL OF MINUTES

On a motion by Ms. Chase and seconded by Dr. Murray, the minutes from the May 20, 2014, Council meeting were approved unanimously.

INTRODUCTION OF NEW MEMBERS

Mr. Bland introduced the three new Council members: Marge Connelly, Henry Light, and William (Bill) Murray and read their bios. Members welcomed them to the Council.

REPORT FROM NOMINATING COMMITTEE/COUNCIL ELECTIONS

Mr. Lockhart said the he worked individually with committee members to avoid conflicts with the Freedom of Information Act (FOIA) to identify Council leadership for the coming year. **The nominating committee, which was chaired by Mr. Lockhart and included Ms. Chase and Dr. Ramsey, proposed the following elected officers: Gil Minor, Council Chair and Heywood Fralin, Vice Chair. The nominating committee also recommended the appointment of Ms. Chase as Secretary.** There were no further nominations from the floor and Mr. Bland closed the election process and requested a vote. **The committee's resolution was**

approved unanimously. Ms. Chase did not participate in the committee's discussion of her appointment as Secretary. Mr. Fralin was not present at the meeting, but Mr. Lockhart indicated that he agreed to accept the position of Vice Chair if elected.

Mr. Bland expressed his gratitude to his fellow members for their support during his tenure as Chair over the last two years. He said it was an invaluable learning experience. He also thanked Mr. Blake and the SCHEV staff for their outstanding efforts. Mr. Bland expressed his thanks to Mr. Minor and said he has learned much from him as they traveled across the Commonwealth discussing the issues of importance to SCHEV. Mr. Bland expressed his utmost confidence in Mr. Minor's ability to lead the Council and said he is looking forward to working with him over the next year.

Mr. Minor said it has been a pleasure to watch the evolution of Council over the last five years, and he thanked Mr. Bland for his hard work. He said while the days ahead will be challenging, he felt the Council has a great team. Mr. Minor expressed the need for Council to be an advocate for the entire Commonwealth and help move the state to higher levels. He stressed the importance of the community colleges in these efforts. Mr. Minor said in the coming weeks, he would develop a list of 3-4 priorities for the Council and encouraged other members to do the same and provide their suggestions to Mr. Blake.

Mr. Blake expressed his thanks to Mr. Bland and Mr. Minor for their presence and leadership over the last year and presented Mr. Bland with a SCHEV jacket.

Mr. Bland passed the gavel to Mr. Minor who chaired the remainder of the meeting.

REMARKS BY PRESIDENT GARY RHODES

Mr. Minor introduced President Rhodes, and thanked him for hosting the Council meetings and dinner. President Rhodes is Reynolds' third president and has been at Reynolds for 12 years.

President Rhodes said the name of J. Sergeant Reynolds has not changed, but has been branded and shortened to Reynolds. One out of every four workers in the greater Richmond region attended Reynolds Community College, which is the third largest community college in Virginia. The facility opened in 1972 and has served 322,529 students since that time. President Rhodes reviewed the service regions that Reynolds serves and said workforce development is an integral part of Reynolds' mission. Reynolds has a guaranteed transfer agreement with 25+ public and private Virginia colleges and universities. The community college has three campuses – downtown (urban); Parham Road (suburban); and Goochland (rural). President Rhodes said land is reserved and there could be a fourth campus located in Varina in the future.

Dr. Rhodes said several local talented local residents have donated much of the artwork on display on the campus, including Dr. Baxter Perkinson, residents of

Westminster Canterbury retirement community, and the Goochland women's prison, as well as corporate donations by Media General. President Rhodes provided information about Reynolds' advanced college academies in which high school students begin taking classes at Reynolds in their junior year of high school and graduate with a two-year Associate's degree at the same time they graduate from high school. This provides a cost effective way for students to expedite their college experience and prepare them for the workforce and an improved life in the community.

DIRECTOR'S REPORT

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

Office of the Attorney General – Mr. Blake introduced Mike Melis as SCHEV's representative from the Office of the Attorney General.

2014-15 tuition and fees report – Mr. Blake shared preliminary data from the report, which will be released in August.

GEAR UP grant – He informed the Council that staff submitted Virginia's application for the next round of federal grants, which will begin this fall.

Boards of Visitors' orientation – Mr. Blake reminded members that the orientation will be held on October 21-22. He mentioned also that a separate session is being planned for October 21 for college and university rectors.

New staff – Mr. Blake announced three new full-time staff and introduced them to the Council: Wendy Kang, director of higher education innovation; Jean Mottley, senior associate for finance policy, and Anita Karthikeyan, database administrator (Ms. Karthikeyan was not in attendance).

Update on Executive Directive No. 6 – an update on the activities related to the Executive Directive was included with the agenda materials.

Research summit – Notes from the summit held on June 9, 2014, were included in the agenda materials. Mr. Bland congratulated SCHEV staff and former Council member, Joann DiGennaro, for their leadership in hosting this successful event.

Virginia Summit on Economic Competitiveness and Higher Education – Mr. Blake distributed information about this event, which is scheduled for September 17, 2014. Mr. Minor encouraged Council members to attend and indicated that Ms. Rung would handle registration for all Council members.

Legislative meetings – Mr. Blake and Ms. Nelson have begun scheduling meetings with legislators that will continue over the summer and into September.

September Council meetings – Mr. Blake reminded members that the September 15-16 meetings at James Madison University (JMU) will include the annual joint meeting with public presidents.

THE CHANGING FACE OF VIRGINIA HIGHER EDUCATION

Mr. Blake introduced Presidents Robert Templin, president of Northern Virginia Community College (NOVA), and Angel Cabrera, president of George Mason University.

President Templin spoke about the shift in demographics, saying that 2.3 million more people will be living in Virginia by 2040, and 85% of that growth will come from minorities and immigrants. Additionally, over one-half of the total population growth will come from the Latino population. To help increase access to this under-served population of students, a joint program was designed by George Mason University and Northern Virginia Community College to increase low income minority and immigrant students who enroll and complete the baccalaureate degree.

The program called “Pathway to the Baccalaureate” has been ongoing for ten years. Students begin the program in high school. Counselors are currently placed in 55 high schools and help identify students with a GPA of 2.85 who are not likely to go to college but who have potential.

Once a student enters the program, he/she is guaranteed admission to Northern Virginia Community College and George Mason University. The program has produced significant results (88% college going rate; 83% baccalaureate graduation rate within three years of transferring from NOVA). He attributed the success to the fact that the two universities behave as one system and utilize a highly structured, case management approach.

Dr. Cabrera gave credit to Dr. Templin for leading this innovative effort. He provided statistics on Mason’s enrollment and distributed a copy of the institution’s 2014-24 strategic plan. Dr. Cabrera said there is a very strong correlation between 21st century education and economic growth of the region. He stressed the mission of the Pathways program; i.e., producing an educated workforce and ensuring no one with talent is left out. Dr. Cabrera said this requires redefining what a great university should be, which should be about how many lives it changes for the better. The Pathways program is a great example as it places under-served students on a level playing field with their counterparts. Dr. Cabrera stressed the importance of inclusive excellence to assist under-served students. A diverse student population assists students to succeed in a global economy.

Council members congratulated the presidents for establishing a great model and expressed a desire to build on the collaborative approach they have developed with this program.

Mr. Minor called for a break at 10:40 a.m. The Council meeting resumed at 10:55 a.m.

COMMITTEE REPORTS

Executive Committee

Action on meeting schedule for calendar year 2015

Mr. Minor said the committee suspended approval of the scheduled until the August special meeting. He encouraged members to alert staff of any issues with the proposed dates.

Academic Affairs Committee

Mr. Lockhart provided the following report with assistance from Dr. DeFilippo:

Action on Programs at Public Institutions

The committee took action on seven programs that were approved in block. Mr. Lockhart recognized and thanked institutional representatives who were present. Mr. Lockhart said the committee finds it extremely helpful to have institutional representatives attend the meetings. Mr. Minor recognized the committee's efforts to expedite the program approval process that will allow staff to approve certain programs and spend more time on programs that require additional follow-up with the institutions.

The committee's recommendations were seconded by Dr. Murray and the following resolutions were approved unanimously by the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to George Mason University to initiate a Bachelor of Science (B.S.) degree program in Atmospheric Sciences (CIP: 40.0401), effective spring 2015.

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to George Mason University to initiate a Doctor of Philosophy (Ph.D.) degree program in Bioengineering (CIP: 14.0501), effective spring 2015.

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to Virginia Polytechnic Institute and State University to initiate a Bachelor of Science (B.S.) degree program in Microbiology (CIP: 26.0502), effective spring 2015.

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

a Bachelor of Science (B.S.) degree program in Nanoscience (CIP: 40.9999), effective spring 2015.

Action on Final Approval of University of Mary Washington Bachelor of Science in Nursing

The committee's recommendation was seconded by Dr. Murray and the following resolution was approved unanimously by the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to the University of Mary Washington to initiate a Bachelor of Science in Nursing (B.S.N) degree program in Nursing (CIP: 51.3801), effective fall 2014.

Report on Proposed Engineering Programs at Christopher Newport University and George Mason University

The committee's recommendations were seconded by Dr. Murray and the following resolutions were approved unanimously by the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to Christopher Newport University to initiate a Bachelor of Science in Electrical Engineering (CIP: 14.1001), effective spring 2015.

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to George Mason University to initiate a Bachelor of Science in Mechanical Engineering (CIP: 14.1901), effective spring 2015.

Action on Private and Out-of-state Postsecondary Education (POPE) Institutional Certifications

Dr. DeFilippo said because of time limitations at the committee meeting, the last three approval items were approved in block. He provided a brief overview and the committee's recommendations were seconded by Dr. Murray. The following resolutions were approved unanimously by the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Augusta Health School of Clinical Laboratory Science to operate a postsecondary institution in the Commonwealth of Virginia, effective July 22, 2014.

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Heart to Heart Career Training Center to operate a postsecondary institution in the Commonwealth of Virginia, effective July 22, 2014.

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Mid-Atlantic Coding to operate a postsecondary institution in the Commonwealth of Virginia, effective July 22, 2014.

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies Empire Beauty School to operate a postsecondary institution with branches in Midlothian, Richmond and Virginia Beach in the Commonwealth of Virginia, effective July 22, 2014.

Action on Program Productivity Review

The committee's recommendation was seconded by Dr. Ramsey and approved unanimously by the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia approves the following degree program actions, as listed by institution, degree level, and title:

A. Continue without condition:

- **Christopher Newport University**
 - Bachelor, Interdisciplinary Studies
- **College of William & Mary**
 - Bachelor, Chinese Language and Culture
 - Bachelor, German
 - Master, Applied Science
 - Master, Psychology
- **George Mason University**
 - Bachelor, Religious Studies
 - Bachelor, Astronomy
 - Bachelor, Global and Environment Change
 - Master, Anthropology
 - Master, Art History
 - Master, Bioinformatics Management
 - Doctoral, Computational and Data Science
 - Doctoral, Criminology, Law and Society
 - Doctoral, Sociology
- **James Madison University**
 - Master, Mathematics
 - Master, Art
- **Longwood University**
 - Bachelor, Economics
 - Bachelor, Modern Languages
 - Master, Sociology
- **Norfolk State University**
 - Bachelor, Building Construction Technology
 - Bachelor, Optical Engineering
 - Bachelor, Physics
 - Master, Severe Disabilities
 - Master, Pre-Elementary Education
 - Master, Music
 - Master, Materials Science
 - Doctoral, Social Work

- **Doctoral, Materials Science and Engineering**
- **Old Dominion University:**
 - **Bachelor, Asian Studies**
 - **Bachelor, Economics**
 - **Bachelor, Women's Studies**
 - **Bachelor, Chemistry**
 - **Master, Applied Sociology**
 - **Master, Chemistry**
- **Radford University**
 - **Bachelor, Philosophy and Religious Studies**
 - **Doctoral, Counseling**
- **University of Mary Washington**
 - **Bachelor, Physics**
- **University of Virginia**
 - **Bachelor, Architectural History**
 - **Bachelor, German**
 - **Bachelor, Italian**
 - **Bachelor, Astronomy**
 - **Master, Asian Studies**
 - **Master, Government**
 - **Master, Philosophy**
 - **Master, Linguistics**
 - **Master, Classics**
 - **Master, German**
 - **Master, Italian**
 - **Master, Music**
 - **Master, Slavic Languages and Literature**
 - **Doctoral, Classics**
- **University of Virginia at Wise**
 - **Bachelor, Management Information Systems**
 - **Bachelor, Mathematics**
 - **Bachelor, Computer Science**
 - **Bachelor, Software Engineering**
- **Virginia Commonwealth University**
 - **Bachelor, African American Studies**
 - **Bachelor, Financial Technology**
 - **Master, Economics**
 - **Master, Music**
 - **Master, Biostatistics**
 - **Doctoral, Epidemiology**
- **Virginia Military Institute**
 - **Bachelor, Applied Mathematics**
 - **Bachelor, Computer Science**
 - **Bachelor, Physics**
- **Virginia State University**
 - **Bachelor, Economics and Finance**
 - **Bachelor, Social Work**
 - **Master, Criminal Justice**

- **Master, Interdisciplinary Studies**
- **Master, Computer Science**
- **Virginia Tech**
 - **Master, Foreign Language and Culture**
 - **Master, Theater Arts**
 - **Doctoral, Social, Political, Ethical and Cultural Thought**
 - **Doctoral, Geospatial and Environmental Analysis**
 - **Doctoral, Rhetoric and Writing**

B. Continue the following programs, subject to condition:

- **George Mason University**
 - **Bachelor, Computational and Data Science:** Continue program, on condition that a plan for enhancing program performance be approved by GMU's Board of Visitors no later than June 1, 2015. If a plan is not submitted, or if it is determined by Council to be insufficient to restore the program to viability, the program shall be closed.
 - **Bachelor, Latin American Studies:** Continue program, on condition that a plan for enhancing program performance be approved by GMU's Board of Visitors no later than June 1, 2015. If a plan is not submitted, or if it is determined by Council to be insufficient to restore the program to viability, the program shall be closed.
- **Longwood University**
 - **Master, Business Administration:** Continue program, on condition that a plan for enhancing program performance be approved by LU's Board of Visitors no later than June 1, 2015. If a plan is not submitted, or if it is determined by Council to be insufficient to restore the program to viability, the program shall be closed.
- **University of Virginia**
 - **Doctoral, German:** Continue program, on condition that a plan for enhancing program performance be approved by UVA's Board of Visitors no later than June 1, 2015. If a plan is not submitted, or if it is determined by Council to be insufficient to restore the program to viability, the program shall be closed.
 - **Doctoral, Slavic Languages and Literature:** Continue program, on condition that a plan for enhancing program performance be approved by UVA's Board of Visitors no later than June 1, 2015. If a plan is not submitted, or if it is determined by Council to be insufficient to restore the program to viability, the program shall be closed.
- **Virginia State University**
 - **Master, Mathematics:** Continue program, on condition that a plan for enhancing program performance be approved by VSU's Board of Visitors no later than June 1, 2015. If a plan is not submitted, or if it is determined by Council to be

insufficient to restore the program to viability, the program shall be closed.

C. Close the following programs:

- **George Mason University**
 - Bachelor, Business Administration
 - Bachelor, Electronic and Communication Engineering
 - *Master, Dance*
 - Master, Epidemiology and Biostatistics
 - Master, Senior Housing Administration
 - Master, Health Science
 - Doctoral, Physical Science
 - Doctoral, Information Technology
- **Norfolk State University:**
 - Bachelor, Business Education
 - Master, Applied Sociology
 - Master, Teaching
 - *Master, Optical Engineering*
- **Old Dominion University:**
 - Bachelor, Acting
 - Master, Physical Therapy
- **Radford University:**
 - Bachelor, Geography
- **University of Mary Washington**
 - Bachelor, American Studies
- **University of Virginia:**
 - Master, Digital Humanities
- **Virginia Commonwealth University:**
 - Bachelor, Recreation, Parks and Sports Management
 - Master, Taxation
 - Master, Athletic Training
- **Virginia State University:**
 - Bachelor, Public Administration
 - Bachelor, Administrative Systems Management
 - Bachelor, Industrial and Technology Education
 - Bachelor, Engineering Technology
 - Bachelor, Physics
 - *Master, History*
 - *Master, English*
 - Master, Plant Science
- **Virginia Tech:**
 - Bachelor, Humanities, Science and Environment
 - Master, Hospitality and Tourism
 - Master, Dairy Science
 - Master, Horticulture
 - Doctoral, Hospitality and Tourism

Action on Policy on the Reciprocal Authorization of Distance Education

Dr. Defilippo explained the background and necessity of this item. The committee's recommendation was seconded by Dr. Murray and the following resolution was approved unanimously by the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia (SCHEV) approves the *Commonwealth of Virginia Policy on the Reciprocal Authorization of Distance Education and Related Activities*. The Policy shall become effective immediately and the Director is authorized to implement its provisions as soon as feasible.

TJ21 Implementation Committee

Action on 2014-15 Full Cost Report

Dr. Ramsey chaired the committee meeting in Mr. Haner's absence and provided a brief background of the report. The committee's recommendation was seconded by Dr. Murray and the following resolution as approved unanimously by the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia approves the 2014-15 Full Cost Report.

Update on 2014-16 Budget

Dr. Ramsey reported that the budget is still a work in progress. While there is currently an approved budget, additional information will be forthcoming from the Governor and General Assembly that will be shared with the Council at the next meeting.

Discussion of Institutional Performance Standards

Dr. Ramsey asked Ms. Mottley to provide the staff overview and she answered questions from members. Mr. Lockhart stressed the need for Council to understand faculty and administrative costs going forward. Mr. Blake reminded members that the Joint Legislative and Audit Review Commission (JLARC) is wrapping up a two-year study which will partially address administrative efficiencies and costs, which could be useful.

Discussion of Mid-career Wage Data

Mr. Massa reviewed the data that was presented to the committee and reminded the Council that the final information will be available on the website in August.

Report on Six-year Planning Process

Ms. Mottley reviewed the six-year planning process and schedule. Additional updates will be shared with the Council at future meetings.

Strategic Planning Task Force

Update on Strategic Plan Development

Mr. Lee provided an update on the gap analysis and management memo that was reviewed by the task force at the July 21 meeting. He reported on the meetings that have taken place to date throughout the state; discussed next steps; and reminded members that the Council will hold a special meeting on August 12 to further discuss the strategic plan. Additionally, JBL Associates is conducting a review of SCHEV as an organization to see how the agency aligns itself to the state plans. Mr. Lee informed the Council that he expects to complete the process by the end of October, with a preliminary report to Council in September. Mr. Lockhart stressed the importance of the special August 12 meeting to allow the Council to review the consultant's findings. There was consensus that the final plan should contain less than ten priorities, with a concentration on three top issues that SCHEV can address.

ITEMS DELEGATED TO STAFF

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

NEW BUSINESS

Mr. Minor acknowledged three members who have served their terms on the Council and asked Mr. Blake to read each resolution. Ms. Haddad was in attendance and received her resolution. She said she enjoyed working on the Council and thanked the members and SCHEV staff for their hard work and support. Mr. Bland and Mr. Minor thanked Ms. Haddad for her outstanding service to the Council and relayed personal stories of her support to them. The following resolutions were seconded by Mr. Bland and approved unanimously by the full Council. Mr. Minor asked that staff mail the resolutions to Mr. Smith and Ms. DiGennaro since they were not in attendance:

Mary C. Haddad

WHEREAS, Mary C. Haddad served as an exemplary member of the State Council of Higher Education for Virginia from 2008 to 2014, and as chair of the Council's Academic Affairs Committee from 2011 to 2013; and

WHEREAS, Ms. Haddad demonstrated an unwavering commitment to excellence in her work with the Outstanding Faculty Awards by serving on the selection committee; and

WHEREAS, she brought to the Council a unique perspective from her prior service as a board member of a public institution, and proficiently shared her experiences with newly appointed visitors; and

WHEREAS, Ms. Haddad consistently stressed the importance of SCHEV's role in supporting each institution's unique mission; and

WHEREAS, Ms. Haddad demonstrated her strong dedication to the students of the Commonwealth, particularly in highlighting the needs of underserved students; and

WHEREAS, her engaging personality and cooperative nature served the Council well and allowed her to work collegially with fellow Council members in addressing the important issues of the Council; and

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

NOW, THEREFORE, BE IT RESOLVED, that the State Council of Higher Education for Virginia expresses its sincere gratitude and appreciation to **Mary C. Haddad** for her distinguished service and commitment to advancing the well-being of higher education in Virginia, and extends to her best wishes for continued success in all future endeavors.

Julious P. Smith

WHEREAS, Julious P. Smith, Jr., served as an exemplary member of the State Council of Higher Education for Virginia from 2010 to 2014; and

WHEREAS, he ably served on several committees, including the Academic Affairs Committee, Executive Committee, and as chair of the Strategic Planning subcommittee; and

WHEREAS, Mr. Smith provided excellent guidance and volunteered countless hours in leading the Council's efforts in developing its statewide strategic plan for higher education; and

WHEREAS, Mr. Smith's leadership and accomplishments in the legal profession and community service benefited the Council in its public policy deliberations and recommendations to the Governor and General Assembly; and

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

WHEREAS, Mr. Smith garnered the support and gratitude from fellow Council members who have had the privilege of serving with him; and

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

NOW, THEREFORE, BE IT RESOLVED, that the State Council of Higher Education for Virginia sincerely appreciates and thanks **Julious P. Smith, Jr.** for his distinguished service and commitment to advancing the well-being of higher education in Virginia, and extends to him best wishes for continued success in all future endeavors.

Joann P. DiGennaro

WHEREAS, Joann P. DiGennaro served with notable distinction as a member of the State Council of Higher Education for Virginia from 2010 to 2014; and

WHEREAS, she ably served on several committees, including the Academic Affairs Committee, the Strategic Planning subcommittee and as chair of the Research Forum subcommittee; and

WHEREAS, Ms. DiGennaro's passion for enhancing Virginia's standing in academic research led to the creation of a highly successful research summit which resulted in several calls to action that will propel Virginia forward in its research efforts; and

WHEREAS, her steadfast support for assessment in student learning helped the Council remain focused on improving Virginia's system of higher education to benefit the citizens of the Commonwealth while addressing workforce needs; and

WHEREAS, Ms. DiGennaro displayed diligence and fortitude while working with the Council's many constituencies, and remained steadfast to her convictions through many complex issues; and

WHEREAS, Ms. DiGennaro's extensive worldwide expertise in educational excellence enabled her to offer constructive observations and suggestions that improved the Council's decision making process; and

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

NOW, THEREFORE, BE IT RESOLVED, that the State Council of Higher Education for Virginia extends its thanks and appreciation to **Joann P. DiGennaro** for her distinguished service and commitment to advancing the well-being of higher education in Virginia, and extends to her best wishes for continued success in all future endeavors.

ADJOURNMENT

Mr. Minor said he would be making committee assignments and requested member input. He plans to communicate with all members when assignments are complete.

Mr. Minor invited Dr. Murray, Mr. Light, and Ms. Connelly to provide comments after attending their first meeting, and each provided input.

Mr. Minor requested that members consider ways to make Council meetings more productive. He also requested that members consider their top three priorities prior to receiving the consultant report at the August 12 meeting.

Mr. Minor said he was looking forward to working with the officers (Mr. Fralin and Ms. Chase) in their new leadership roles, and he acknowledged Mr. Blake for establishing important relationships with SCHEV's constituents.

Mr. Minor asked for clarification on the FOIA as it relates to Council's work. Mr. Blake reminded members to avoid using the "reply all" option when responding to emails. Members were asked to provide any feedback individually to Mr. Blake so that responses could be consolidated through staff. Mr. Melis also provided a brief overview of FOIA and staff agreed to send members a link to the FOIA video that is on the SCHEV website.

Mr. Minor reminded members of the special meeting to review the strategic plan on August 12 at the offices of Owens and Minor in Mechanicsville, Virginia. The next full Council meeting will be held September 15-16, 2014, at James Madison University. The September 15 agenda will include a joint meeting with public college presidents.

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

G. Gilmer Minor
Chair

Lee Ann Rung
Director, Executive and Board 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
Virginia Commonwealth University	Program credit hour change: Decrease the total credit hours from 130 to 120 for the Bachelor of Science (BS) degree program in Clinical Radiation Sciences (51.0911)	Immediately

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 reported to staff:

Institution	Degree/Program/CIP	Effective Date
Norfolk State University	Discontinue the Associate of Science (AS) degree program in Nursing (51.3801).	Summer 2014
Old Dominion University	Initiate (Graduate) Certificate program in Modeling and Simulation for Business and Public Administration (52.9999)	Immediately

Pursuant to the Code of Virginia, Section 23-9:6:1 and Council's "Policies and Procedures for Program Approval and Changes," the following item was not approved as delegated to staff:

Institution	Degree/Program/CIP	Effective Date
Norfolk State University	Change the title of the Master of Science degree program in Electronics Engineering (14.1001) to a Master of Science degree program in Electrical Engineering (14.1001)	Immediately

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

Organizational Changes / Off-campus Instructional Sites

Institution	Change / Site	Effective Date
George Mason University	Rename the School of Management to the School of Business . The School has been re-named to reflect the departments and degree programs in the school and to align the school with common nomenclature used by external constituents.	July 15, 2014
George Mason University	Reorganize and rename the School of Public Policy to the School of Policy, Government, and International Affairs . The reorganization involves: <ul style="list-style-type: none"> • moving the Department of Public and International Affairs from the College of Humanities and Sciences to the School of Policy, Government, and International Affairs; • creating the Division of Policy and Management, the Division of International Affairs, and the Division of Political Science. Degree programs will be assigned to respective divisions based on disciplinary focus and mission. The reorganization is intended to create a flagship unit, clarify the image of the University among key constituencies in the field of policy, government, and international affairs, and enable more cooperation among faculty with common teaching and research interests.	August 1, 2014
Norfolk State University	Create the Department of History and Interdisciplinary Studies from the Department of History and the Department of Interdisciplinary Studies. The Department will administer and coordinate selected academic degree programs. The merger of the two departments provides an opportunity to enhance faculty collaboration, generate cost-savings, ensure operational efficiencies, and meet	July 1, 2014

	specified goals in the 2012-2018 Strategic Plan.	
Norfolk State University	Create the Department of Visual and Performing Arts from the Department of Fine Arts and the Department of Music. The merger of the two departments provides an opportunity to enhance faculty collaboration, generate cost-savings, ensure operational efficiencies, and meet specified goals in the 2012-2018 Strategic Plan.	July 1, 2014
Old Dominion University	Rename the College of Continuing Education to the College of Continuing Education and Professional Development . The College has been re-named to reflect the variety of programs and training that will be offered and to ensure the title aligns with the mission of the college.	July 1, 2014

Governor's STEM Academies

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

Title of Academy	Governor's STEM Academy for Architecture and Applied Arts
Location	Kecoughtan High School, Hampton VA
Name of Lead Entity	Hampton City Public Schools
Date of Approval	May 14, 2014
Academy Initiation	2014-15

Title of Academy	Governor's STEM Academy for Health Sciences
Location	Bedford Science and Technology Center Bedford, VA
Name of Lead Entity	Bedford County Public Schools
Date of Approval	May 14, 2014
Academy Initiation	2014-15

Institutional Student Financial Aid Plans

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

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
SPECIAL COUNCIL MEETING
AUGUST 12, 2014
MINUTES**

Mr. Minor called the meeting to order at 12:35 p.m. in capital B conference room, Owens and Minor, Mechanicsville, Virginia. Council members present: Gilbert Bland, Johanna Chase, Marge Connelly (**by phone**), Heywood Fralin, Steve Haner, Henry Light, Gene Lockhart, G. Gilmer Minor, Pamela Moran (**by phone**), and Carlyle Ramsey.

Council members absent: Martin Briley, William Murray, and Gary Nakamoto.

Staff members present: Peter Blake, Alan Edwards, Paula Fisher, Wendy Kang, Tod Massa, Ashley Myers, Kirsten Nelson, Sylvia Rosa-Casanova, Lee Ann Rung, and Susan Wood.

ACTION ON COUNCIL MEETING SCHEDULE FOR CALENDAR YEAR 2015

Mr. Minor read the proposed dates and mentioned that staff would notify members once the September location is confirmed with the institution. On a motion by Ms. Chase and seconded by Dr. Ramsey, the following revised resolution was approved unanimously after a roll call vote:

BE IT RESOLVED that the State Council of Higher Education for Virginia approves the following meeting schedule for calendar year 2015 and requests that staff distribute the information to all Council members:

Briefings and/or committee meetings on Monday Afternoon - meetings on Tuesday (except where noted)

- **January 12 (all meetings in one day) – SCHEV Offices (Richmond)**
- **March 16-17 – travel to public institution (George Mason University)**
- **May 18-19 – travel to private institution (Hampden-Sydney College)**
- **July 20-21 – SCHEV Offices (Richmond)**
- **September 21-22 – travel to public institution (TBD – September 21 would include a meeting with public college and university presidents)**
- **October 26-27 – SCHEV Offices (Richmond)**

UPDATE ON STATEWIDE STRATEGIC PLAN

Mr. Minor asked Mr. Bland to begin the discussion, as he is currently serving as chair of the strategic plan task force. Mr. Bland provided a brief history of the process, which began last year under the leadership of former Council member, Joey Smith. He assured

members that he and Mr. Minor have represented the Council at all meetings that have been held to date. He stressed the need for guidance and direction from the full Council regarding content and tone before the planning process moves forward. Mr. Bland reported that in subsequent meetings the Council, with the help of the steering committee, will delve into more detail on the Council's role and aligning its work with the plan.

Dr. Wood introduced the consultant team from JBL Associates (JBLA) who were present:

John Lee
Stacia Aylward
Mason Erwin
Paul Lingenfelter
Mike Meotti
Don Norris
Paige Schwartz

Dr. Wood provided a brief report on the significant work that has been completed since the Council's May and July meetings. More than 500 responses were received to the public survey that was posted on the SCHEV website. Results from the survey have been included in the summary document. JBL Associates conducted regional meetings in May, June, and July with various constituencies around the state and followed up with phone calls to targeted individuals who were unable to attend the meetings. At the Council's July meeting, members reviewed the draft gap analysis and data memo; both are now final and are posted on the strategic plan page of the SCHEV website. Mr. Minor also reminded members that private colleges have been included in the process.

Mr. Lee presented information about the timing of the plan and indicated that the process is now halfway complete. A draft will be provided to the Council at its September meeting for review and discussion and the final plan will be provided to the Council for approval in October. He reviewed the timeframe, regional differences, demographics, affordability, graduation rates, and sustainability and answered questions from members.

Mr. Lockhart suggested that the data include a detailed review of operational overhead costs. Dr. Ramsey suggested that a footnote be added to the affordability section, stating that private institutions were included. Mr. Fralin suggested that the percentage of students who successfully transfer and get a degree be included as a success story. Members also requested that JBL include peer comparisons on other states that supported a tax increase to fund higher education. Mr. Lockhart suggested that a more detailed table be developed to include cost drivers.

Mr. Norris reviewed the qualitative information that JBL collected and referred to Virginia as having a "constellation of institutions" rather than a "system of higher education." Mr. Haner requested additional information related to the Virginia Commonwealth University (VCU) study regarding the neediness gap between funding for public K-12 and higher education that was mentioned in the extrapolated trends slide. Mr. Fralin said that

including the cost of remediation over the same time period would be helpful in determining the overhead costs that Mr. Lockhart suggested.

Mr. Fralin said there seems to be a “disconnect” between public perception as it relates to the cost of higher education and comments he often hears from parents. He stated that public opinion is that that tuition costs are too high but he often hears that parents are not opposed to a tuition increase. He stated that quality is affected by ineffective funding.

Ms. Moran spoke about K-20 and suggested that SCHEV leverage the data to get the Secretary of Education and the state superintendent behind what can be put into action to strengthen students’ knowledge prior to entering community college.

Mr. Minor called for a break at 2:25 p.m. The meeting resumed at 2:40 p.m.

Prior to the break, Mr. Minor asked members to provide Mr. Rung with their three priorities for the strategic plan. The following priorities, several of which were mentioned multiple times, were collected and distributed for discussion:

- Affordability (4)
- Economic prosperity
- Access (3)
- Student completion rates
- Demographic – increase under-represented minorities
- Costs
- Solving the cost problem for lower income students at lesser ranked schools
- Advancing research – has benefit of being on governor’s hot list
- Improving research (through centers of excellence)
- Getting out good info on standing of VA (collect on national comparison – need to know where we are behind to improve)
- Mentoring and instructional starting in middle school, continuing thru college or at least thru second year college
- Cutting cost of administrators in colleges or at least even out so it equals instruction
- Funding lower tiered school equal to higher tier
- Lack of academic preparation of incoming students
- Meeting the needs of employers
- Improving efficiency and productivity
- Define our relationships with all we coordinate and support
 - Access and affordability
 - High school – cc- college – pathways
 - Financial aid
 - Graduation rates
 - Return on investment – outcomes
 - Steady stream of funds for education
 - Distance learning
 - Collaboration with other schools

- Workforce development
 - Source of talent
 - Apprenticeships/internships
 - Category of jobs needed
 - Counseling
- Governance and advocacy
 - Trust and credibility – integrity
 - Value proposition
 - Communications and marketing
- Others: HBCUs; research; succession planning; productivity; facility role
- Access/affordability with focus on affordable tuition and on-time completion rates
- Excellence with focus on academic competitiveness of higher quality faculty (research dollars and compensation/benefits)
- Student success with focus on strategies that address workforce needs through improved college readiness of a changing demographic of potential students
- Quality

Ms. Aylward asked for feedback from members on the information that JBL presented. Mr. Lockhart said he was impressed by the information gathered and found the anecdotes helpful. However, he was concerned about effecting change and did not know if colleges would be agreeable to suggested changes. He recommended that SCHEV provide a roadmap, without managing the process, to help the institutions change course.

Mr. Haner said the tone of the plan will be important and stressed the importance of having a five-year goal and establishing a measurement to determine success.

Dr. Ramsey said affordability and access should be synonymous, particularly with changing demographics.

Ms. Chase agreed that the tone will be important when presenting the plan. She stressed the importance of choosing the most important priorities and developing a guide for dealing with those priorities.

Mr. Lockhart and Mr. Haner suggested that the draft plan be shared with the institutions to get feedback before the final version is printed.

Mr. Fralin said most legislators are proactive not reactive and he felt that the higher education community has not done an adequate job of advising the public about the importance of higher education to their future and to future generations.

The message in the plan needs to be more compelling and increased funding should be coupled with increased efficiencies. Mr. Fralin and Mr. Haner encouraged the Council to acknowledge the continued state support for capital expenditures in the plan.

Mr. Haner left the meeting at 3:40 p.m. and Ms. Connelly disconnected at the same time.

Ms. Aylward reviewed the proposed framework for the strategic plan, including mission, vision, and values that was discussed extensively with staff and Council representatives prior to the meeting. She requested Council input on the draft mission statement and there was general consensus that members were in agreement with the proposed version.

Ms. Aylward shared two draft vision statements and requested input from members. Council members expressed a need for additional work on the vision statement.

Council did not reach consensus on the draft values statement and questioned the need to include them in the plan. If included, members stressed that the values be better defined.

Ms. Moran mentioned the notion of “womb to tomb” learning and said the result of not advancing education is a failed economy.

Staff agreed to work with JBLA to incorporate the ideas brought forward and to prepare revised documents for the Council’s review.

Mr. Minor stressed the need for agreement from the Council before moving the plan forward, but because several of the items required further discussion, he requested that the executive committee meet within the next ten days to develop a revised version of the vision and values statements before the September Council meeting. In response to a request from Dr. Ramsey, Ms. Aylward agreed to work with staff and Council representatives to include a few goals in the next round of reviews. Staff agreed to send all revised documents to members as soon as possible. Mr. Lockhart asked the Council to consider adding one additional page to let readers know what will be addressed in the plan. Members agreed that the one page document from JBLA that included five themes could serve this purpose.

The meeting adjourned at 4:20 p.m.

Johanna Chase
Council Secretary

Lee Ann Rung
Director, Executive & Board Affairs

**State Council of Higher Education
Director's Report
September 16, 2014**

2014-15 tuition and fees report. We recently released the 2014-15 tuition and fee report. Tuition and mandatory fees increased \$551 at the four-year institutions and \$180 for the community colleges. Total undergraduate tuition, fees, room and board charges at four-year institutions are now 46.9% of per capita disposable income. Tuition and fees at community colleges jumped to 10.6% of per capita disposable income. A summary of the report is enclosed, and the full report can be found on the SCHEV website.

College and university six-year plans. Public colleges and universities submitted updates to their six-year academic and financial plans in early August. As required in the Top Jobs 21 legislation, representatives of the legislative money committees, the Department of Planning and Budget, the Secretary of Education, the Secretary of Finance and SCHEV met August 26 to review the plans. The group prepared questions and comments for the institutions. Responses from the institutions are due October 1.

Budget reduction plans. Governor McAuliffe has directed agencies and institutions to prepare budget reduction plans totaling 5% for FY 2015 and 7% for FY 2017. Those plans are due later this month, after which the Governor will announce strategies for closing the budget gaps.

Research summit update. Following the SCHEV-sponsored Higher Education Research Summit, the Joint Commission on Technology and Science established a subcommittee to explore the possibility of creating and maintaining an inventory of specialized equipment held by institutions of higher education. SCHEV staff will serve on the subcommittee.

Boards of visitors' orientation. The event will take place October 21 and 22 in Richmond. Preceding the session, SCHEV will host a gathering of board rectors, vice rectors and presidents. We are working with a planning committee to complete the agenda.

New staff. Holly Johnson is Administrative Assistant in Academic Affairs. She comes to SCHEV from Virginia Commonwealth University where she provided administrative support to two medical departments. Dr. Paul Smith serves as Associate for Student Mobility Policy and Research. He will be responsible for research and policy in the area of student transfer, and will serve as liaison to the community college system on a range of academic policies. He recently completed his PhD with a dissertation that examined outcomes of community college transfers to VCU.

Open VA. The second Open VA conference is scheduled for October 18, 2014, at the Virginia Beach campus of Tidewater Community College. The purpose of the conference is to develop policy recommendations for encouraging the use of open resources – described as freely accessible, openly licensed documents and media

that are useful for teaching, learning, and research. The final session, "Helping Us Build Open VA," will be a culmination of the discussions with the goal of charging participants and laying out a strategy for action at SCHEV, higher education institutions, and legislative bodies. The conference website is located at <http://openva.org/schedule/>. We welcome participation by the Council members.

Student Advisory Committee: We have received nominations from the institutions for 2014-15. The committee meets four times a year.

Out and about: The American Academy of Arts and Sciences invited me to participate in a convening on address challenges facing public research universities. The meeting will be held in Keswick in late October. The first meeting of a Southern Regional Education Board Commission on College Affordability in the South, on which I serve, will be held in early October. In August, I participated in the annual policy conference of the State Higher Education Executive Officers. We continue our legislative meetings, which are going well.



2014-15 TUITION & FEE REPORT HIGHLIGHTS

Full report available at <http://www.schev.edu/Reportstats/TuitionFees/2014-15TFReport.pdf>.

Tuition & Fees: The average tuition and mandatory E&G fees (fees for instruction-related activities) for in-state undergraduate students will increase by \$433, 6.7% systemwide (\$461, 6.8% at four-year institutions, and \$180, 4.6% at the VCCS) in 2014-15. These charges increased by 5.1% last year. Tuition and all mandatory fees (includes mandatory non-E&G fees such as athletic fees, student health service fees, and student government fees) for all institutions will increase by \$558, 5.8%. Last year's increase was 4.3%. In total, including room and board charges, Virginia undergraduate students will pay on average \$864, **4.5%** more at four-year institutions. See Chart 1.

Chart 1
2014-15 Full Time In-State Undergraduate Student Charges

	Tuition and E&G Fees	% Incr.	Tuition and All Fees	% Incr.	Total Charges (incl. R&B)	% Incr.
4-Year Insts.	\$7,290	6.8%	\$10,937	5.3%	\$20,298	4.5%
RBC ¹	\$3,718	7.9%	\$5,058	25.8%	\$13,738	17.4%
VCCS	\$4,066	4.6%	\$4,080	4.6%	\$4,080	4.6%
All Inst.	\$6,457	6.7%	\$10,188	5.8%	\$18,958	5.0%

(1) RBC has made an adjustment in the way they administer the mandatory non-E&G fees and added the mean service in FY2015.

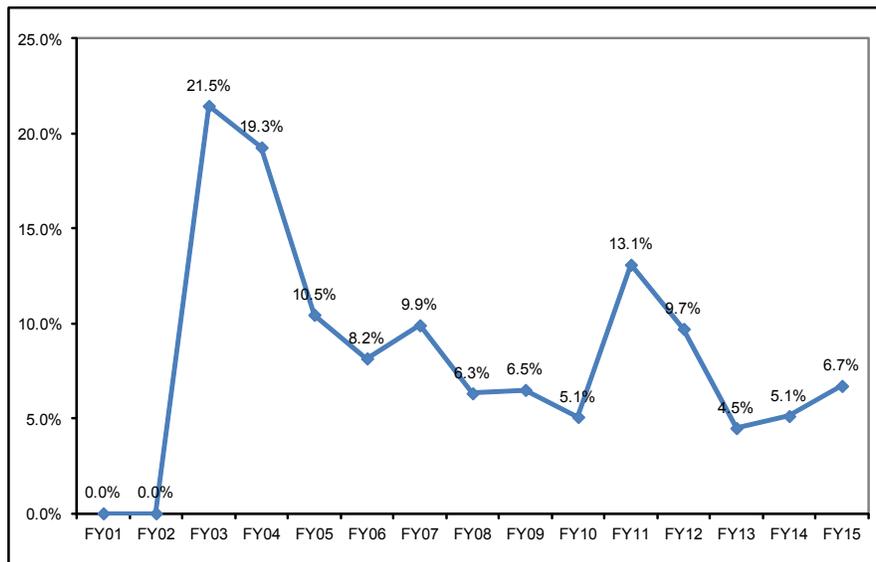
Virginia's Tuition & Fees Rank Among All States: In 2013-14, in-state undergraduate tuition and fees at Virginia public institutions ranked 11th nationally for the flagship category—the same ranking as in 2007-08 (11th) but much higher than 2000-01 (18th). The ranking for tuition and fees at other Virginia public colleges and universities has climbed from 10th to 6th (less affordable) for the same time period. Ranking and affordability are inversely related. However, an even more dramatic shift has taken place at Virginia's community colleges where the ranking has moved from 30th (more affordable) in 2007-08 to 19th in 2013-14. It is anticipated that Virginia's tuition and fee increases will be generally comparable to increases around the country in FY2015. See Chart 2 on next page.

Chart 2
Virginia Rank Among All States¹
(In-State Undergraduate Tuition and Fees at Public Institutions)

	1989-90	1993-94	2000-01	2007-08	2013-14	Estimated 2014-15 ²
Major Public Universities	8th	5th	18th	11th	11th	10th
University of Virginia						
Public Colleges and State Universities	2nd	2nd	11th	10th	6th	6th
George Mason University						
Old Dominion University						
James Madison University						
Longwood University						
Radford University						
Public Community Colleges	28th	19th	41st	30th	19th	17th

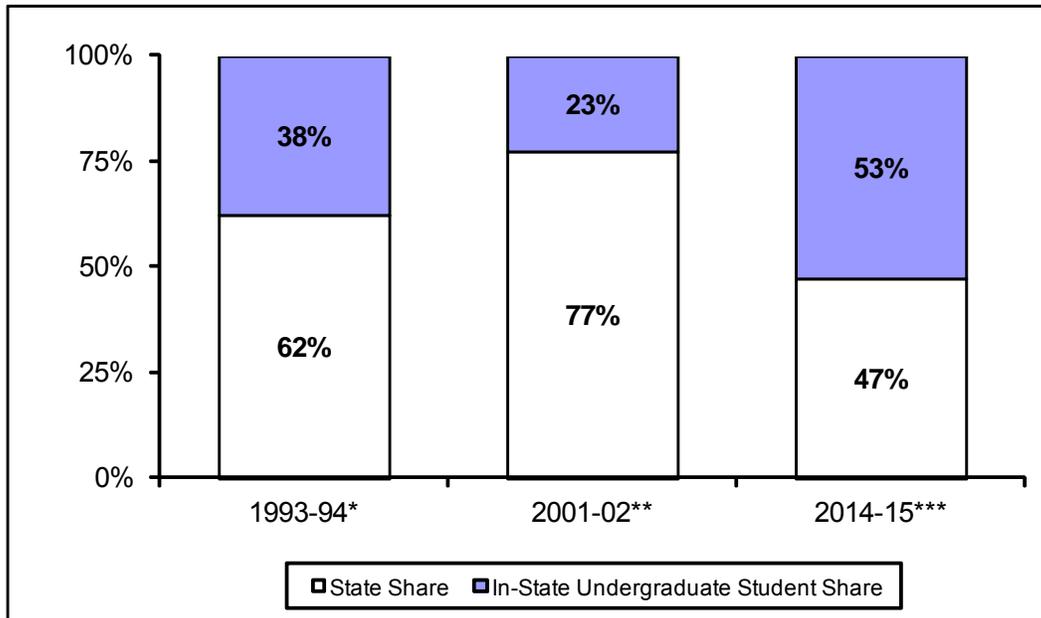
Historical Perspective of Tuition & Fee Increases: The Commonwealth has a tuition policy premised on the rationale that higher education yields both public and private benefits. However, there is an inverse relationship between state funding and the rate at which tuition is increased at Virginia’s public higher education institutions. When the state provides additional support to public higher education, institutions are able to better control the rate at which they increase tuition. When the state reduces its funding, institutions increase tuition to help offset the budget cuts. Chart 3 depicts the average annual increase in tuition and mandatory E&G fees for in-state undergraduate students in the past 15 years.

Chart 3
Average Annual Increases in Tuition and E&G Fees for
In-State Undergraduate Students FY2001-FY2014



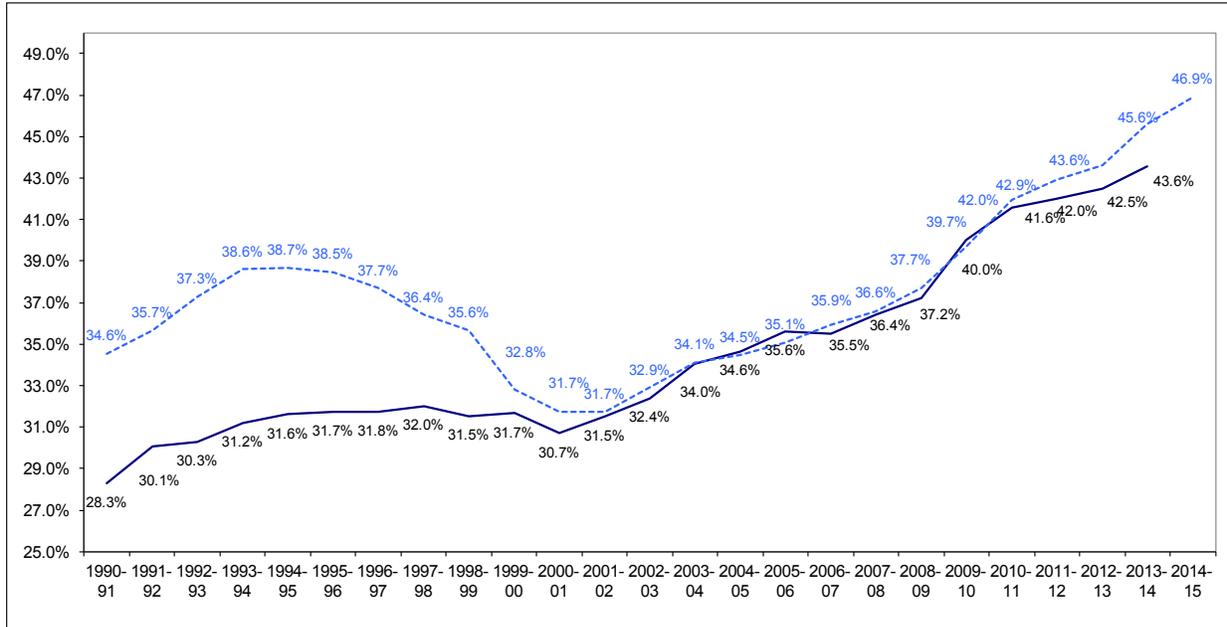
Tuition Cost-Share Trend & Affordability: In 2004, the Joint Subcommittee on Higher Education Funding Policy developed the goal of a 67%/33% cost share between the state and students. However, a combination of budget cuts and tuition increases during the past five years has led to an estimated cost-share ratio of 47% for the state and 53% for students for FY2015. That's twenty percentage points lower than the target of 67%. See Chart 4.

Chart 4
Cost-Share Relationship between the State and In-State Undergraduate Students



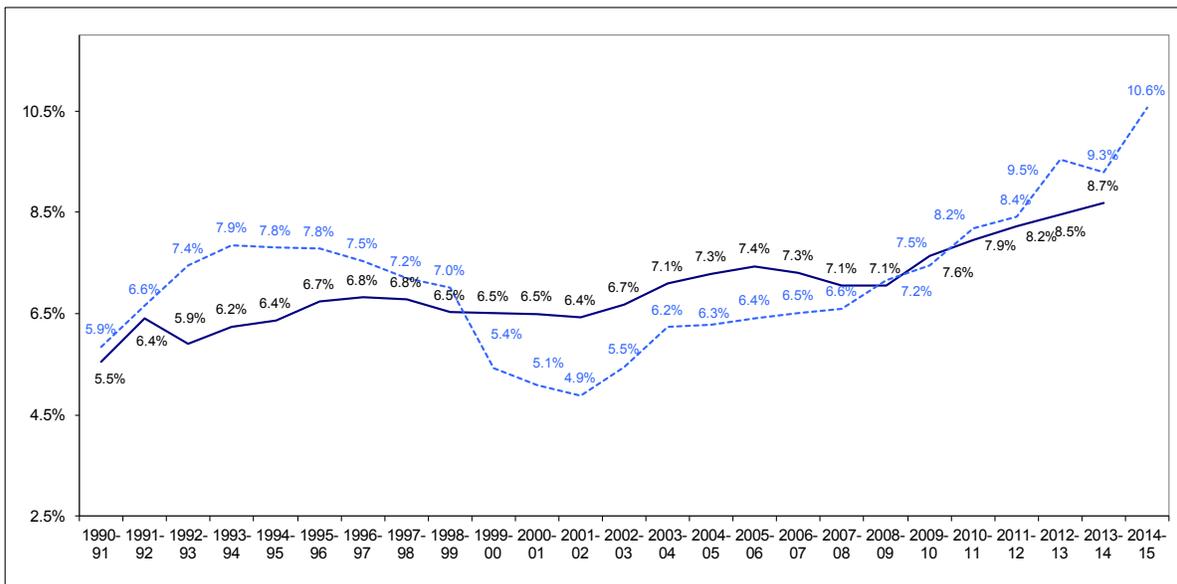
Tuition as a Percentage of Per Capita Disposable Income: As a percentage of per capita disposable income (income available for spending and saving), the average total cost for an in-state undergraduate student living on campus at a four-year institution is estimated at 46.9% in FY2015. See Chart 5 on next page. This measure of affordability has crept steadily higher from a low point (more affordable) of 32.2% in FY2002 and has surpassed the historical peak (least affordable) of 45.6% set last year.

Chart 5
Average Public Four-Year Total Undergraduate Charges
As a Percent of Per Capita Disposable Income



It is estimated that the Virginia two-year college charges as a percent of per capita disposable income will be at 10.6% in FY2015, setting a new record of the percent share (least affordable).

Chart 6
Average Public Two-Year Total Undergraduate Charges
As a Percent of Per Capita Disposable Income ^{1,2}



Full-Time, In-State, Undergraduate Student Charges by Institution: Chart 7 lists the increases to tuition, fees, and room & board for undergraduate students at each public higher education institution in the Commonwealth for the 2014-15 academic year.

**Chart 7
2014-15 Full-Time, In-State, Undergraduate Student Charges by Institution**

Institutions	Tuition and Mandatory E&G Fees			Mandatory Non-E&G Fees			Tuition and Total Mandatory Fees			Average Room and Board ¹			Total		
	Charge	% Incr	\$ Incr	Charge	% Incr	\$ Incr	Charge	% Incr	\$ Incr	Charge	% Incr	\$ Incr	Charge	% Incr	\$ Incr
GMU	\$7,562	4.7%	\$342	\$2,820	4.9%	\$132	\$10,382	4.8%	\$474	\$9,432	4.9%	\$442	\$19,814	4.8%	\$916
ODU	\$5,813	5.8%	\$321	\$3,437	3.3%	\$109	\$9,250	4.9%	\$430	\$9,268	4.0%	\$356	\$18,518	4.4%	\$786
UVA	\$10,932	4.5%	\$472	\$2,066	3.4%	\$68	\$12,998	4.3%	\$540	\$10,052	3.4%	\$335	\$23,050	3.9%	\$875
VCU ²	\$10,356	4.0%	\$396	\$2,042	0.0%	\$0	\$12,398	3.3%	\$396	\$9,318	2.6%	\$236	\$21,716	3.0%	\$632
VT	\$10,197	5.1%	\$494	\$1,820	3.9%	\$68	\$12,017	4.9%	\$562	\$7,924	3.6%	\$274	\$19,941	4.4%	\$836
CWM ³	\$12,564	19.3%/2.8%/0%	\$2,033	\$5,092	3.2%	\$160	\$17,656	14.2%/2.9%/1.0%	\$2,193	\$10,344	5.4%	\$528	\$28,000	10.8%/3.9%/2.7%	\$2,721
CNU	\$6,962	6.2%	\$408	\$4,684	3.2%	\$146	\$11,646	5.0%	\$554	\$10,314	3.6%	\$356	\$21,960	4.3%	\$910
UVA-Wise	\$5,012	4.4%	\$211	\$3,856	4.0%	\$148	\$8,868	4.2%	\$359	\$10,340	3.5%	\$350	\$19,208	3.8%	\$709
JMU	\$5,406	5.9%	\$302	\$4,256	4.5%	\$184	\$9,662	5.3%	\$486	\$9,196	3.6%	\$323	\$18,858	4.5%	\$809
LU	\$6,930	7.4%	\$480	\$4,650	-4.9%	(\$240)	\$11,580	2.1%	\$240	\$9,256	4.3%	\$380	\$20,836	3.1%	\$620
UMW	\$7,146	5.7%	\$388	\$3,106	7.0%	\$204	\$10,252	6.1%	\$592	\$9,430	3.4%	\$308	\$19,682	4.8%	\$900
NSU	\$4,536	19.1%	\$726	\$3,016	-11.7%	(\$400)	\$7,552	4.5%	\$326	\$8,624	3.0%	\$250	\$16,176	3.7%	\$576
RU	\$6,440	5.8%	\$354	\$2,920	1.0%	\$30	\$9,360	4.3%	\$384	\$8,406	3.1%	\$250	\$17,766	3.7%	\$634
VMI	\$7,498	5.9%	\$418	\$8,020	9.5%	\$696	\$15,518	7.7%	\$1,114	\$8,372	3.5%	\$284	\$23,890	6.2%	\$1,398
VSU	\$5,078	3.5%	\$172	\$2,924	1.6%	\$46	\$8,002	2.8%	\$218	\$10,128	1.2%	\$120	\$18,130	1.9%	\$338
RBC ⁴	\$3,718	7.9%	\$272	\$1,340	133.4%	\$766	\$5,058	25.8%	\$1,038	\$8,680	13.0%	\$1,000	\$13,738	17.4%	\$2,038
VCCS ^(5,6)	\$4,066	4.6%	\$180	\$14	0.0%	\$0	\$4,080	4.6%	\$180	N/A	N/A	N/A	\$4,080	4.6%	\$180
Avg. 4-yr Insts. ⁷	\$7,290	6.8%	\$461	\$3,647	2.5%	\$90	\$10,937	5.3%	\$551	\$9,360	3.5%	\$319	\$20,298	4.5%	\$871
Avg. All Insts. ⁷	\$6,890	6.7%	\$433	\$3,298	3.9%	\$125	\$10,188	5.8%	\$558	\$9,318	4.0%	\$362	\$18,958	5.0%	\$898

(1) Charges listed here represent the weighted average double occupancy room charge and the maximum weekly meal plan offered, not necessarily the plan used by most students.

(2) The tuition and mandatory E&G fees for resident undergraduates will increase by 4% in 2014-15. Resident undergraduates who entered VCU before fall 2013 are called "block schedule students" and will be charged a lump sum of \$8,593 for tuition and mandatory E&G fees. Resident undergraduates who entered VCU in fall 2013 or later are charged by credit hour and referred as "credit hour undergraduates". Their tuition and mandatory E&G fees will be \$10,356 if taking 30 credits for fall and spring semesters in 2014-15. Tuition for credit hour undergraduate students is calculated on a sliding per credit hour basis with a 50% discount for 15 and more credits per semester.

(3) The 2014-15 tuition and mandatory E&G fee for first-time freshmen and transfer students is \$12,564, an increase of 19.3%. Tuition for sophomore students remains at \$10,531, a 0% increase. The charge for junior and senior students is \$9,182, an increase of 2.8%. The college adopted guaranteed tuition for incoming in-state undergraduate students in 2013-14. The tuition charged in their freshman year is frozen for all four years of their undergraduate attendance.

(4) RBC has made an adjustment in administering the mandatory Non-E&G fees. It also starts providing a mandatory basic meal plan of \$1000 for residential students in 2014-15.

(5) Northern Virginia Community College (NVCC), J.Sargeant Reynolds Community College (JSRCC), Tidewater Community College (TCC), Thomas Nelson Community College (TNCC), Virginia Western Community College (VWCC), and Piedmont Virginia Community College (PVCC) have tuition differentials in addition to the systemwide tuition. The differentials per academic year are as follows: NVCC-\$664.50; JSRCC-\$93; TCC-\$30; TNCC-\$30; VWCC-\$30, and PVCC-\$30.

(6) Other mandatory fees vary by college, ranging from \$59.40 to \$820.50 per academic year, and are not included in this summary. Average Room and Board is not applicable because VCCS does not have this charge.

(7) Increases for tuition and mandatory E&G fees and total are weighted to account for variable increases at CWM and VCU.

State Council of Higher Education for Virginia Agenda Item

Item: #7 – Items Delegated to Staff

Date of Meeting: September 16, 2014

Presenter: Peter Blake, Director
peterblake@schev.edu

Most Recent Review/Action:

No previous Council review/action

Previous review/action

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

Action: The Council approved delegation of certain items to staff

Background Information/Summary of Major Elements:

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

Materials Provided:

Program actions approved:

- George Mason University
- Norfolk State University
- Northern Virginia Community College
- Virginia Polytechnic Institute and State University

Programs actions reported:

- Old Dominion University
- Paul D. Camp Community College
- Virginia Commonwealth University
- Virginia Polytechnic Institute and State University
- Virginia State University

Organizational changes/off-campus instructional sites:

- Old Dominion University

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

Program Actions

Institution	Degree/Program/CIP	Effective Date
George Mason University	New Program Approved: Bachelor of Science degree program in Cyber Security Engineering (43.0303)	Spring 2015
Norfolk State University	Program Title Change: From a Bachelor of Science in Electronics Engineering (14.1001) to a Bachelor of Science in Electrical and Electronics Engineering (14.1001)	Fall 2014
Northern Virginia Community College	New Program Approved: Associate of Applied Science degree program in Cybersecurity (11.1003)	Fall 2014
Virginia Polytechnic Institute and State University	New Program Approved: Bachelor of Science degree program in Computational Modeling and Data Analytics (27.0304)	Spring 2015

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 reported:

Institution	Degree/Program/CIP	Effective Date
Old Dominion University	Initiate Graduate Certificate program in Entrepreneurship and Innovation for Engineers (14.9889)	Fall 2014
Paul D. Camp Community College	Initiate Certificate program in Practical Nursing (51.3901)	Fall 2014
Virginia Commonwealth University	<u>Initiate new certificate programs:</u> <ul style="list-style-type: none"> • Undergraduate Certificate program in Sustainable Innovation (30.3301); • Undergraduate Certificate program in Venture Creation (52.0101); • Graduate Certificate program in Online Teaching for K-12 Educators (13.1299); • Graduate Certificate program in 	Fall 2014

Institution	Degree/Program/CIP	Effective Date
	Teaching English to Speakers of Other Languages (13.1401); <ul style="list-style-type: none"> • Graduate Certificate program in Medical Education (13.1201); and • Graduate Certificate program in Addiction Studies (34.0104) 	
Virginia Polytechnic Institute and State University	<u>Initiate new certificate programs:</u> <ul style="list-style-type: none"> • Graduate Certificate program in Educational Research (13.0603); • Graduate Certificate program in Technology Management (52.1206); • Graduate Certificate program in Human System Integration (14.1206); • Graduate Certificate program in Treatment Process Engineering (14.0801); • Graduate Certificate program in Special Education Administration and Supervision (13.0402); • Graduate Certificate program in Material Culture and Public Humanities (30.1201); • Graduate Certificate program in Problem Solving for Leading Change (52.0213); • Graduate Certificate program in Human-Centered Design (50.0401); • Graduate Certificate program in Global Sustainability (30.3301); • Graduate Certificate program in Interdisciplinary Water and Science (51.2299); • Graduate Certificate program in Health Product Risk Management (01.1001); and • Graduate Certificate program in Water Quality Management (15.0599) 	Fall 2014
Virginia State University	Discontinue the Bachelor of Science in Public Administration degree program (44.0401). [Program Approved: May 5, 1981]	Fall 2014
Virginia State University	Discontinue the Master of Science in Plant Science degree program (01.1101). [Program Approved: May 14, 2006]	Fall 2015

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

Organizational Changes / Off-campus Instructional Sites

Institution	Change / Site	Effective Date
Old Dominion University	Rename the College of Business and Public Administration to the Strome College of Business . Renaming the College of Business and Public Administration is in recognition of a donation to support the university, to improve national ranking and keep pace with peer institutions, and to emphasize the focus of programs on business and issues related to business.	Fall 2014