

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
COUNCIL MEETING
SEPTEMBER 17, 2019
MINUTES**

Mr. Fralin called the meeting to order at 9:05 a.m. in the Hurley Convergence Center, Digital Auditorium Room 136, University of Mary Washington, Fredericksburg, Virginia. Council members present: Ken Ampy, Rosa Atkins, Marge Connelly, Heywood Fralin, Henry Light, Stephen Moret, William Murray, Carlyle Ramsey, Marianne Radcliff, Tom Slater and Katharine Webb.

Council member absent: Gene Lockhart.

Council member Victoria Harker participated by phone. Dialing instructions were posted in the meeting notice in advance.

Staff members present: Tom Allison, Lee Andes, Peter Blake, Joseph DeFilippo, Alan Edwards, Jean Huskey, Wendy Kang, Tod Massa, Laura Osberger, Beverly Rebar, Sylvia Rosa-Casanova, Lee Ann Rung, Alphonso Wells, Kristin Whelan and Yan Zheng.

Deb Love from the Office of the Attorney General was also in attendance.

APPROVAL OF MINUTES

On a motion by Dr. Murray and seconded by Dr. Ramsey, the minutes from the July 16, 2019, Council meeting, and the August 21, 2019, Council retreat were approved unanimously in block (12-0).

REMARKS FROM TROY PAINO, PRESIDENT, UNIVERSITY OF MARY WASHINGTON (UMW)

Mr. Fralin thanked President Paino for hosting the meetings on September 16 and noted that members enjoyed learning the history of Brompton House.

President Paino introduced the UMW education partners who were present: Marci Catlett, interim superintendent of Fredericksburg City Schools; Dr. Janet Gullickson, president, Germanna Community College; Scott Baker, superintendent, Spotsylvania County schools. He noted that UMW also works closely with Scott Kisner from Stafford County schools.

Dr. Paino said he noted remarks from speakers at the joint meeting about what employers are looking for and summarized them as: non-routine cognitive skills; digital skills; adaptability; team-oriented learning, intellectual agitators; communication skills (written) and general relationship skills. He then explained the initiatives underway at UMW that are addressing some of these issues.

He spent his first year learning about what made UMW special and what people believed about its future. As a result, the UMW strategic plan is created around four

pillars: 1: values of service, community and civic engagement; 2: immersing students in learning experiences, 3: adapting liberal arts to the global digital environment and 4: creating a diverse and inclusive community for academic excellence and success.

UMW has established a new Center for Community Engagement. The university is working to address food insecurities on campus and in the area, and has established a food pantry on campus. Students will now be required to have an experience beyond the classroom, and some courses are including community engagement and working in team environments to solve problems. A program called "Life after UMW" will start next year to get students to think about what their life will look like after graduation and how they can live a life of meaning.

President Paino addressed the ways in which UMW has changed over the last 10-15 years, noting some the challenges and ways in which they are addressing those challenges.

He is thankful for what SCHEV is doing in financial aid but he suggested that SCHEV push back with the legislature about funding by degree. He said that approach punishes institutions like UMW and he felt that funding by learning outcomes would be a better approach.

Presidents Paino and Gullickson explained the complex issues that arise when dual enrollment courses are offered in high school and welcomed SCHEV's involvement to help resolve them. President Paino answered questions from members.

REPORT OF THE AGENCY DIRECTOR

Mr. Blake reviewed each of the items included in his written report in the agenda materials.

He reported that Deb Love has been selected as Chief of the Education division in the Office of the Attorney General (OAG). It is undecided whether she will continue to represent SCHEV.

ACTION ON 2020 MEETING SCHEDULE AND LOCATIONS

Mr. Blake said at the last meeting, Council requested that staff poll the members to determine the best dates for January and March 2020. The recommended dates were derived from that poll. On a motion by Mr. Slater and seconded by Ms. Connelly the following resolution was approved unanimously (12-0):

BE IT RESOLVED that the State Council of Higher Education for Virginia approves the following schedule for calendar year 2020 and requests that staff distribute the dates to the Council:

January 7 – SCHEV

March 16-17 – Radford University

May 18-19 – Virginia Wesleyan University

July 13 – Germanna Community College

September 14-15 – University of Virginia
October 26-27 – SCHEV

The chairman called for a break at 10:00. The meeting resumed at 10:10.

REPORT FROM THE COMMITTEES

Report from Academic Affairs Committee

Mr. Ampy provided a report of the items:

Action on Programs at Public Institutions

Mr. Ampy provided a brief introduction and the committee's recommendation was seconded by Dr. Murray. The following resolution was approved unanimously (12-0):

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to the University of Virginia to initiate a Master of Arts (M.A.) degree program in Media, Culture and Technology (09.0199), effective spring 2020.

Program Proposals in the Review Pipeline

Dr. DeFilippo provided an update to the committee, which appears on page 14 of the agenda book.

Action on Organizational Change

Mr. Ampy provided background information and the committee's recommendation was seconded by Dr. Ramsey. The following resolution was approved unanimously (12-0):

BE IT RESOLVED that the State Council of Higher Education for Virginia approves the establishment of the School of Data Science at the University of Virginia, effective September 18, 2019.

Action on Private Postsecondary Education Institutional Certification

The committee's recommendation was seconded by Dr. Murray and the following resolution was approved unanimously (12-0):

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies University of Reston to operate a degree-granting postsecondary institution in the Commonwealth of Virginia, effective September 17, 2019.

Action on Report of Audit (VUST)

The committee's revised recommendation was seconded by Ms. Radcliff and the following resolution was approved unanimously (12-0):

BE IT RESOLVED that the State Council of Higher Education for Virginia authorizes staff to pursue Administrative Process Act procedures required to effectuate revocation of Virginia University of Science and Technology's certificate to operate.

Briefing on University of Virginia's College at Wise Degree Escalation

Mr. Ampy noted that Chancellor Henry presented information to the committee about UVA-Wise's intention to submit a future request to offer a Master's degree in education.

Update on Graduate Outcomes Survey

Mr. Ampy said Dr. Ellis presented an update to the committee. Many focus group meetings have occurred around the state; data from these groups will help launch a pilot survey. Council will continue to receive updates. Mr. Slater attended the focus group meetings and the committee thanked him for his input. Mr. Moret also has been involved and he offered the services of the Virginia Economic Development Partnership to help expand the survey.

Report from Resources and Planning Committee

Mr. Slater provided a report on the following items:

Action on Institutional Performance Standards

The committee's recommendation was seconded by Dr. Murray and the following resolution was approved unanimously (12-0):

BE IT RESOLVED that consistent with § 23.1-206, Code of Virginia, the State Council of Higher Education for Virginia certifies for 2019-2020 that Longwood University and Richard Bland College have satisfactorily met the performance standards of the Virginia Higher Education Opportunity Act and Appropriation Act.

The committee's recommendation was seconded by Dr. Ramsey and the following resolution was approved unanimously (12-0):

BE IT RESOLVED that the State Council of Higher Education approves Virginia Military Institute's request for exemption from the requirement to meet the education-related measure to maintain or increase the number of in-state two-year transfers to four-year institutions, due to its unique mission and other exemptions the institution previously received in code and from SCHEV in the area of transfers and related initiatives, and directs staff to work with the institution to establish a replacement education-related performance measure.

Review of Proposed Changes to the Domicile Guidelines

Mr. Slater said the committee took no action on this item, but he encouraged questions from members. Mr. Andes provided a summary of the document included in the agenda

materials. Domicile guidelines are directed in the Code of Virginia to help institutions be consistent in determining eligibility for in-state tuition. Mr. Andes noted that a 10-member committee has worked on this for the last two years and have collaborated with institutions and legal counsel. He said some of the changes are the result of a minor change in the Code but most are codifying items that have previously been a verbal understanding with institutions. Dr. Murray suggested making Council aware of any litigation in this area at the next meeting and suggested that staff confer with the military advisory committee to ensure the guidelines do not result in unintended consequences for that community of students.

Update on Six-Year Plan Process

Mr. Slater said Dr. Huskey provided a report to the committee. He noted that the Op Six group has devoted much time to this process, which shows their attention to how institutions are following The Virginia Plan. Mr. Fralin asked if staff could explore an opportunity for Council to meet with the Op Six group. Mr. Blake agreed to look into the matter. Dr. Huskey explained the changes to this year's six-year plans as they relate to The Virginia plan, and answered questions from members. She agreed to share with Council, summary reports of the six-year plan meetings, if that would be helpful.

Update on Enrollment Projections and Degree Estimates

Mr. Slater said Mr. Massa provided an overview to the committee. He noted that the committee suggested providing a summary sheet rather than individual tables when this item is presented in October. Mr. Massa provided feedback but noted that he is still reviewing estimates that came in two days prior to this meeting. He answered questions from members related to private institutions.

Update on Financial Aid Reform Study

Mr. Slater said Mr. Andes provided an update to the committee and invited him to address the Council about this interesting study. Mr. Andes said Council makes a recommendation for financial aid and determines the methodology, but the study is taking a fresh look at how we make those recommendations. The partnership model has been in use since 2005, but there is room for improvement with this model. Mr. Andes said he has been working with the Governor's office and institutional representatives over the summer. Three options were presented in the agenda materials. He reminded members that this item will be brought to the Council for approval in October. Ms. Connelly's preference is the third option, which is more likely to open doors for students. Mr. Light noted that keeping students enrolled requires additional infrastructure, not just funding; Dr. Atkins said students need academic preparation but also social/emotional development in order to be successful.

Review of Draft Budget and Policy Recommendations

Mr. Slater said the committee took considerable time discussing the proposed budget recommendations. Ms. Kang requested that Council members weigh in on each of the items to help staff prepare a final version for approval in October.

Ms. Kang noted that the committee's choice on page 195 was option #1.6, which was also favored by the institutions. Mr. Slater commended Ms. Kang and her staff for the work they have put into this process. He noted that representatives from the private institutions were present at the committee meeting and brought forward a budget request related to the Tuition Assistance Grant (TAG) funding. He indicated that a copy of the handout will be made available on the SCHEV website and on the board portal.

The capital recommendations emphasize maintenance reserve. Mr. Fralin asked if SCHEV has ever calculated the extra cost incurred by deferring maintenance for long periods of time and Dr. Zheng responded. He noted that some institutions are spending their own funds for maintenance reserve and suggested that maintenance costs be built in to all new buildings when they are brought online. And the amounts should increase over time. Dr. Murray asked Council to consider if the state's capital outlay model is the best one for the 21st century.

Report from the August 21 Retreat on The Virginia Plan

Mr. Blake yielded to Ms. Connelly and Mr. Slater, who co-chaired the retreat. Ms. Connelly directed members to the chart on page 253 of the agenda materials. She noted that staff did an outstanding job of capturing the recommendations made at the retreat. Noting that Council's goal for the priority initiatives is for action-oriented items, without being too technical. She opened the floor for questions or comments.

Mr. Moret suggested establishing a group to help articulate the supply/demand imbalances in the labor market (item 3 on page 253). Staff will develop a final draft to present to Council in October. Additional stakeholder input will then be added and the final recommendations will be brought to the Council for approval in January. Mr. Light favored the first suggestion related to research (item 6 on page 253), rather than the and/or option. Dr. Atkins informed members that the Virginia Board of Education is working on a request for funds to bring development agents into the K-12 system to set up internships that will be codified at the state level.

RECEIPT OF PUBLIC COMMENT

Ms. Stacie Gordon from Partners for College Affordability spoke about financial aid funding. She provided staff with a copy of her remarks.

Ms. Sookyung Oh, National Korean American Service and Education Consortium (NAKASEC), had requested to speak but was delayed in traffic and did not attend before the meeting adjourned. Her remarks relating to the need for talent in Virginia were provided to staff and will be sent to Council members.

CLOSED SESSION

Mr. Blake said a closed session was originally scheduled to take place regarding a lawsuit filed by an institution against individual Council members over certification. Ms. Love received a settlement of the case and had obtained signatures from each Council member in advance. Therefore, the closed session was not needed.

RECEIPT OF ITEMS DELEGATED TO STAFF

Mr. Blake reported that the actions taken by staff on behalf of Council as delegated items were included in the agenda book. As required, a copy of these items is attached to the minutes.

OLD BUSINESS

No old business was brought forward.

NEW BUSINESS

Mr. Fralin said Council needs better information at the state and regional levels about employer demand to help guide new program degree development. He asked Ms. Webb and Ms. Radcliff to work with staff to identify opportunities to improve the alignment between employer demand and college and university degree programs. He also asked that this topic be on future agendas of the Academic Affairs Committee.

MOTION TO ADJOURN

The meeting adjourned at 11:35 p.m.

The next meeting will be held on October 28-29 at the SCHEV offices.

Katharine Webb
Council Secretary

Lee Ann Rung
Director, Executive and Board Affairs

Items Delegated to Director/Staff

Pursuant to the Code of Virginia, § 23.1-203 and Council's "*Policies and Procedures for Program Approval and Changes*," the following items were approved/not approved as delegated to staff:

Degree Program Actions

Institution	Degree/Program/CIP	Effective Date
Germanna Community College	<p>Program Title Changes Approved:</p> <ul style="list-style-type: none"> • Certificate program in Police Science to the new title of Administration of Justice (43.0103) • Associate of Applied Science degree program in Police Science to the new title of Administration of Justice (43.0103) 	Fall 2019
Longwood University	<p>Program Name/Title Change Approved: Change the name/title of the Master of Business Administration degree program in Master of Business Administration (52.0201) to the Master of Business Administration (MBA) degree program in Business Administration (52.0201)</p>	Fall 2019
Lord Fairfax Community College	<p>Program Title Change Approved: Change the Certificate program in Office Legal Assistant/Paralegal Studies to the new title of Legal Administration (22.0302)</p>	Fall 2019
Northern Virginia Community College	<p>Spin-off Approved: Spin-off an Associate of Science degree program in Psychology (42.0101) from the existing A.S. in Social Sciences, Psychology Specialization (45.0101)</p>	Fall 2019
University of Mary Washington	<p>Substantial Program Modification Approved: Modify the credit hours of the Master of Business Administration (MBA) degree program in Business Administration (52.0201) from 30 credit hours to 36 credit hours</p>	Fall 2019
Virginia Commonwealth University	<p>CIP Code Change Approved: Change the CIP code of the Master of Arts degree program in Economics from (52.0601) to (45.0603)</p>	Fall 2019
Virginia Commonwealth University	<p>Facilitated Staff Approval: Doctor of Philosophy degree program in Pharmaceutical Engineering (51.2003)</p>	Fall 2020

Institution	Degree/Program/CIP	Effective Date
Virginia Polytechnic Institute and State University	Program Name Change Approved: Change the name of the Graduate Certificate program in Information Assurance Engineering (11.1003) to the Graduate Certificate program in Cybersecurity Engineering (11.1003)	Spring 2020

Pursuant to the Code of Virginia, § 23.1-203 and Council's "*Policies and Procedures for Program Approval and Changes*," the following items were reported:

Diploma, Certificate, Discontinued and Modified Programs

Institution	Degree/Program/CIP	Effective Date
Blue Ridge Community College	Initiate a new Certificate program in Paramedic (51.0904)	Fall 2019
College of William and Mary in Virginia	Initiate a new Graduate Certificate program in Business Analytics Foundations (52.1301)	Spring 2020
George Mason University	Program Discontinuance: Discontinue the Master of Science degree program in Peace Operations (30.2801) [Council Approval: September 21, 2010]	Fall 2019
George Mason University	Initiate a new Graduate Certificate program in Tactical Athlete Strength, Conditioning and Injury Prevention (31.0507)	Summer 2020
Longwood University	Program Discontinuance: Discontinue the Bachelor of Science degree program in Athletic Training (51.0913) [Council Approval: September 9, 2008]	Fall 2019
Old Dominion University	Program Discontinuance: Discontinue the Master of Science degree program in Community Health (51.1504) [Council Approval: June 6, 1978]	Fall 2019
University of Virginia	Program Discontinuances: <ul style="list-style-type: none"> • Doctor of Philosophy degree program in Engineering Physics (14.1201) [Council Approval: BCHE] • Undergraduate Certificate program in Federal Acquisition (52.0202) 	Fall 2019

Institution	Degree/Program/CIP	Effective Date
Virginia Polytechnic Institute and State University	Initiate a new Graduate Certificate Program in Inclusion and Diversity (30.2301)	Fall 2019

Pursuant to the Code of Virginia, § 23.1-203 and Council's "Policies and Procedures for Internal and Off-Campus Organizational Changes," the following items were approved as delegated to staff:

Organizational Changes

Institution	Change/Site	Effective Date
George Mason University	Rename the Graduate School of Education to the School of Education . The School has been renamed to reflect the "full repertoire" of undergraduate and graduate programs and activities. The new name will "encourage a sense of academic community by signaling" to current and prospective students that "undergraduate study is a priority for the school."	August 1, 2019
George Mason University	Reorganize the School of Sport, Recreation and Tourism to create two schools: the School of Kinesiology and the School of Sport, Recreation and Tourism Management . The reorganization will allow the institution to group academic programs with the appropriate school and allow the school's administration to address faculty, programming, and student needs specific to the school's focus. The establishment of separate schools "will facilitate a more discrete visioning: a sense of academic community for students, faculty, staff and alumni."	August 28, 2019
Old Dominion University	Rename the College of Continuing Education and Professional Studies to the School of Continuing Education . ODU indicates that the renaming "will demonstrate the focus of the school and the programming administered by the school."	July 1, 2019
Old Dominion University	Rename the Department of Music to the F. Ludwig Diehn School of Music . The department has been re-named to honor a gift from the Hampton Roads Community Foundation totaling \$1 million to be provided over a 6-year period of \$150,000	July 1, 2019

Institution	Change/Site	Effective Date
	each year for 6 years and \$100,000 for one year. The pledge from the Foundation recognizes F. Ludwig Diehn, a distinguished member of Hampton Roads and contributor to the field of music.	
Old Dominion University	Rename the Department of Modeling, Simulation and Visualization Engineering to the Department of Computational Modeling and Simulation Engineering . ODU indicates that the renaming “allows for more visibility and uniqueness for the department, college, and institution.”	July 1, 2019
Virginia Commonwealth University	Rename the Department of Oral Health Promotion and Community Outreach to the Department of Dental Public Health and Policy . The Department has been re-named to accurately reflect the unit’s activities and developing research focus. VCU indicates that the new name will highlight the department’s emphasis “on oral health policy and research at the community and population level.”	August 1, 2019

Pursuant to the Code of Virginia, Section § 23.1-211 and Council’s *“Commonwealth of Virginia Policy on the Reciprocal Authorization of Distance Education and Related Activities,”* the following items were approved as delegated to staff:

**National Council for State Authorization Reciprocity Agreements (NC-SARA)
Approvals**

Institution	Effective Date
Centura College-Chesapeake	July 31, 2019

Pursuant to the Code of Virginia § 23.1-213 to 230 and 8VAC-40-31-90 of the Virginia Administrative Code, the following items were approved as delegated to staff:

**Postsecondary, Non-Degree Institutions Certified to Operate in
the Commonwealth of Virginia**

Institution	Location	Effective Date
Clarys Advance Nursing Education	Sterling, VA	7/24/2019
MAB Institute	Broadway, VA	6/20/2019
Salvation Academy	Alexandria, VA	6/20/2019
Training Solutions Center	Sterling, VA	6/20/2019

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
ACADEMIC AFFAIRS COMMITTEE
SEPTEMBER 16, 2019
MINUTES**

Mr. Ampy called the meeting to order at 1:00 p.m., in room 201 of the Hurley Convergence Center at the University of Mary Washington in Fredericksburg, Virginia. Committee members present: Ken Ampy, Heywood Fralin, Marianne Radcliff, Carlyle Ramsey, and Katie Webb.

Committee members absent: Gene Lockhart.

Staff members present: Joseph G. DeFilippo, Ashley Lockhart, Beverly Rebar, Sylvia Rosa-Casanova, and Paul Smith.

APPROVAL OF MINUTES

On motion by Dr. Ramsey, and seconded by Ms. Radcliff, the minutes from the July 16, 2019, meeting were approved unanimously.

Mr. Ampy introduced and invited staff to present information on the following topics:

ACTION ON PROGRAMS AT PUBLIC INSTITUTIONS

In attendance:

- Elizabeth Ellcessor, Assistant Professor, Media Studies
- Edward Barnaby, Senior Assistant Dean of Graduate Programs

Dr. DeFilippo introduced the program proposal from the University of Virginia, a Master of Arts (M.A.) in Media, Culture, and Technology (CIP 09.0199). He described the 30 credit Master's program as well as the demand for professionals in this field. There was some discussion about duplication and how job placement rates in similar programs could help clarify the question of need.

On motion by Dr. Atkins, seconded by Ms. Radcliff, the following resolution was approved unanimously to be forwarded to the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia grants approval to the University of Virginia to initiate a Master of Arts (M.A.) degree program in Media, Culture and Technology (09.0199), effective spring 2020.

DISCUSSION OF PROGRAM PROPOSALS IN THE REVIEW PIPELINE

Dr. DeFilippo introduced a report of the program proposals that are currently under review as of August 26, 2019.

ACTION ON ORGANIZATIONAL CHANGE

In attendance:

- Archie Holmes, Vice Provost for Academic Affairs

Dr. DeFilippo introduced the action on an organizational change at the University of Virginia with the establishment of the School of Data Science, and explained how this action fits the definition of a “complex” organizational change, as well as a significant reallocation of funds. Dr. Holmes of the University of Virginia described the history of the program and the how it will expand upon the institution’s current data science program.

There was some discussion about the coordination between the School of Data Science and other schools at the University of Virginia, as well as how data literacy touches both the technical and ethical aspects of the university’s research mission. Dr. Holmes also described some other potential organizational changes in the pipeline and future collaborations with other institutions.

On motion by Dr. Ramsey, seconded by Ms. Webb, the following resolutions were approved unanimously to be forwarded to the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia approves the establishment of the School of Data Science at the University of Virginia, effective September 18, 2019.

ACTION ON PRIVATE POSTSECONDARY EDUCATION INSTITUTIONAL CERTIFICATION

Dr. DeFilippo introduced the action on private postsecondary educational certification for the University of Reston. He explained that they intend to seek SACS-COC accreditation and have sufficient funds to operate. There was some discussion about the structure of the university staff and the type of students who would be recruited by the institution, which would mostly consist of those with F-1 visas.

On motion by Ms. Webb, seconded by Dr. Ramsey, the following resolutions were approved unanimously to be forwarded to the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia certifies University of Reston to operate a degree-granting postsecondary institution in the Commonwealth of Virginia, effective September 17, 2019.

ACTION ON REPORT OF AUDIT (VUST)

Dr. DeFilippo introduced the action on report of audit for Virginia University of Science and Technology and described the new guidelines recently adopted by Council. He explained that in its most recent audit, two of the three triggering criteria to begin the Administrative Process Act Procedures required to effectuate revocation of its certification to operate in Virginia were found. VUST has yet to receive accreditation, although the institution claims to have begun the process.

There was some discussion about the wording of the resolution originally proposed by staff, which was amended to the language below. There were questions regarding the

timeline leading to potential revocation, including an informal fact-finding conference or how the institution could enter into a consent agreement.

On motion by Ms. Webb, seconded by Dr. Atkins, the following resolutions were approved unanimously to be forwarded to the full Council:

BE IT RESOLVED that the State Council of Higher Education for Virginia authorizes staff to pursue Administrative Process Act Procedures required to effectuate revocation.

BRIEFING ON UNIVERSITY OF VIRGINIA'S COLLEGE AT WISE DEGREE ESCALATION

Dr. Donna Henry gave a presentation to the committee on the University of Virginia's College at Wise's plan for degree escalation. She described the objective to enhance and expand access to higher education in Southwest Virginia in order to serve the region and meet local demand. Dr. Henry explained that the college's first step would be to provide a master's in education, which would improve the teacher preparation pipeline in the region.

UPDATE ON GRADUATE OUTCOME SURVEY

Dr. DeFilippo introduced Dr. Jim Ellis, Director of Design and Methodology, Survey and Evaluation Research Laboratory, Center for Public Policy, L. Douglas Wilder School of Government and Public Affairs at Virginia Commonwealth University. Dr. Ellis gave a presentation to the committee with an update on the Graduate Outcome Survey. There was some discussion about the focus groups and the design phase, as well as the issue of increased funding for the project.

REPORT OF THE STAFF LIAISON TO THE COMMITTEE

Dr. DeFilippo briefly reported on staff activities and achievements.

ADJOURNMENT

Mr. Ampy adjourned the meeting at 3:04 p.m.

Kenneth Ampy
Chair, Academic Affairs Committee

Ashley Lockhart
Staff, Academic Affairs

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
RESOURCES AND PLANNING COMMITTEE
SEPTEMBER 16, 2019
MINUTES**

Tom Slater, the committee chair, called the meeting to order at 1 p.m. in the Digital Auditorium of the Hurley Convergence Center, University of Mary Washington, Fredericksburg, Virginia. The committee members present: Marge Connelly, Victoria Harker, Henry Light and William Murray.

The following committee members were absent: Stephen Moret.

Staff members present: Tom Allison, Lee Andes, Peter Blake, Alan Edwards, Jean Huskey, Wendy Kang, Tod Massa, Laura Osberger, Lee Ann Rung, Kristin Whelan and Yan Zheng.

Others present: Robert Lambeth, Pamela Fox and Robert Lindgren.

APPROVAL OF MINUTES

On a motion by Dr. Murray and seconded by Mr. Slater, the minutes from the July 16, 2019, meeting were approved unanimously.

ACTION ON INSTITUTIONAL PERFORMANCE STANDARDS

Dr. Huskey updated Council on the progress of Richard Bland College and Longwood University in addressing their deficiencies in the Institutional Performance Standards (IPS) measures. After an interim review by the Department of Accounts, it was determined that both institutions have made satisfactory progress, thus SCHEV staff recommends that both institutions receive certification for financial benefit for 2019-2020.

On a motion by Dr. Murray and seconded by Ms. Connelly, the following resolution was approved unanimously to be forwarded to the full Council:

BE IT RESOLVED that consistent with § 23.1-206, Code of Virginia, the State Council of Higher Education for Virginia certifies for 2019-2020 that Longwood University and Richard Bland College have satisfactorily met the performance standards of the Virginia Higher Education Opportunity Act and Appropriation Act.

Dr. Huskey also presented an interim review update for Norfolk State University and Richard Bland College on deficiencies these institutions had in the education-related performance measures. The remediation plans produced by these institutions include initiatives to address retention, completion and improve enrollment and degree projections. Both institutions believe that the changes they have implemented will produce positive results. Staff notes that these changes implemented in 2018 may take several years to impact performance measure results.

Virginia Military Institute requested exemption from Performance Measure 6 – Maintain or increase the number of in-state two-year transfers to four-year institutions. Owing to its unique mission, VMI contends that it should receive an exemption on this measure. Council recommends that staff work to establish a replacement performance measure for VMI.

On a motion by Dr. Murray and seconded by Ms. Connelly, the following resolution was approved unanimously to be forwarded to the full Council:

BE IT RESOLVED that the State Council of Higher Education approves Virginia Military Institute’s request for exemption from the requirement to meet the education-related measure to maintain or increase the number of in-state two-year transfers to four-year institutions, due to its unique mission and other exemptions the institutions previously received in code from SCHEV in the area of transfers and related initiatives, and directs staff to work with the institution to establish a replacement education-related measure.

REVIEW OF PROPOSED CHANGES TO THE DOMICILE GUIDELINES

Mr. Andes reviewed the updates to SCHEV’s domicile guidelines. He presented the draft of the Domicile Guidelines and sought input from Council members.

The updates are the result of the work of a 10-member committee comprised of representatives from public and private institutions called the Domicile Guidelines Review Committee. The purpose of the committee is to align the guidelines with the statute. The committee produce guidance on implementation of the guidelines. Most changes to the document were updated to reduce redundancy, clarify definitions and correct the eligibility for certain non-immigrant groups. SCHEV staff has distributed this draft document to all institutions and is gathering responses.

Council members asked if military guidelines were updated and if staff received advice from the military. Council requested a briefing from the Office of the Attorney General before they take action.

UPDATE ON SIX-YEAR PLAN PROCESS

Dr. Huskey updated the Council on the six-year plan process. The six-year plans were delivered by the institutions on July 1. SCHEV staff created summary reports and held 15 meetings in less than a month with representatives of the institutions and members of the Op Six. In total, the six-year-plan process resulted in eight days of meetings, 18 separate one-on-one meetings for a total of 50 total meeting hours. The Op Six and their staff have devoted over 600 person hours to the process and 125 staff members from the institutions attended the meetings. Institutional responses and final comments are due October 1 and the Op Six will respond by November.

The changes for the 2019 plans, as outlined by Dr. Huskey are as follows:

- Emphasis placed on aligning institutional goals with the goals for The Virginia Plan.
- Addition of tuition predictability plans.
- The opportunity for institutions to request a performance pilot.
- Allowance of requests for general fund support.

The summary reports were created once the institutions submitted their initial plans on July 1. The summary reports were created for the following topics:

- Tuition predictability plans.
- Education and General (E&G) nongeneral and non-E&G fee revenue information.
- Academic plans.
- Salary increase plans.
- General fund (GF) requests.
- Financial aid provided from tuition generated revenue.
- Institutional Performance Partnership Agreements (IPPAs).
- New programs.
- Capital outlay projects.

Among the suggestions discussed by Council, members would like the institutions to have plans for economic downturns and plans to address efficiency. The Council also expressed concern that tuition freezes not result in a larger tuition increase in the future. The Council asked and were informed that 13 institutions volunteered for the tuition modification plan.

UPDATE ON ENROLLMENT PROJECTIONS AND DEGREE ESTIMATES

Mr. Massa updated the Council on the 10-month process of tracking enrollment projections and degree estimates for public colleges and universities prior to expected Council action at the October Council meeting.

Mr. Massa reported that this preliminary data, estimates and projections data indicate that Virginia is still on track to meeting our goal of becoming the best educated state in the country by 2030.

Total public headcount in Virginia's public institutions will increase in the fall by 3.4%. Projections for 2018-19 – 2025-26 show an increase of annual full-time equivalent enrollment of 3.3%. Out-of-state student enrollment grew at 14% but is minimal outside of Virginia Tech, UVA and W&M.

Other data highlighted by Mr. Massa included the following:

- Undergraduate certificates will increase by 13%.
- Transfer-oriented associate degrees will increase by 8%.
- Applied/occupational associates' degrees will increase by 8%.
- Bachelor's degrees awards will increase by 8%.
- Awards of first professional degrees will decrease by -six awards.

- Master's degree awards will increase by 15%.
- Doctor's degrees will increase by 8%.
- Awards of total degrees and certificates will increase by 10%.

Mr. Massa also pointed out that several institutions have enrollment that has shrunk by 5% or more. Longwood University, Radford University, University of Mary Washington and Old Dominion are among the schools that have seen a decrease in enrollment. In spite of this, Virginia has maintained a streak of growth every year since 2001.

The preliminary enrollment projections for the community colleges appear to be down, but many programs through the community colleges don't enroll until halfway through the fall semester.

Mr. Massa provided Council members tables summarizing enrollment projections and degree estimates for each public institution. Council members requested an additional summary including all institutions. Council members asked what contributes to enrollment projections missing the estimates. The unexpectedly large increase in enrollment at Virginia Tech and increased competition from outside the state contribute to unpredictability in the enrollment data.

UPDATE ON FINANCIAL AID REFORM STUDY

Mr. Andes and Mr. Allison provided the Council with an update on the Financial Aid Reform study. The purpose was to discuss progress of the study and alternate financial aid funding approaches being developed by SCHEV.

The current financial aid model for the Commonwealth, the Partnership Model, was adopted in 2005-06. Since its adoption, the state contribution to need-based financial aid funding has increased from \$84 million to \$223.3 million. The current model leaves room for improvement. In developing new models, SCHEV is examining where the lower income students are enrolled, more detail about their background and the educational outcomes for this group. There are about 75,000 low-income (according to the FAFSA definition) in Virginia and they receive the plurality of financial aid funds, but 6% of our financial aid is spent on students who come from high-income families. The amount of unmet need in financial aid packages directly correlates to completion rates.

The committee members asked Mr. Andes and Mr. Allison to consider other approaches to aid that would target specific groups and outcomes, but would not result in a tuition price increase. They also expressed interest in a financial aid model that would attract the 25,000 high school graduates who do not pursue higher education and a model that would take advantage of available capacity at institutions. Committee members encouraged staff to examine additional types of investments to reach desired educational outcomes and look at the messaging when appealing to the legislature. Members expressed interest in knowing what the additional investment in financial aid would be to reach the desired outcomes. When asked if another state has a model for Virginia going forward, Mr. Andes indicated that there are as many models as there are states. If outcomes is the measure, then Virginia is the benchmark.

The second half of the Financial Aid Reform study going forward will examine methods of how the Commonwealth awards financial aid to increase access and affordability.

DRAFT OF BUDGET AND POLICY RECOMMENDATIONS FOR 2020-2022

Ms. Kang reviewed the budget and policy recommendations with the committee. The budget and policy recommendations are discussed in the four following categories: systemwide operating budget, capital outlay, maintenance reserve and the Higher Education Equipment Trust Fund.

SYSTEMWIDE OPERATING BUDGET

Ms. Kang introduced the five keys areas of focus for the 2020-22 SCHEV budget and policy considerations:

1. Affordability
2. Access and completion
3. Talent development
4. Efficiency, effectiveness and long-term planning
5. More equitable outcomes for enrollment, completion and attainment

The areas of focus were developed over the last year through SCHEV'S work with Lumina Strategy Labs and the findings from a task force on educational attainment. SCHEV also has conducted ongoing discussions with Council, a Day of Dialogue with institutions, the six-year planning process, two Council retreats, as well as regular conversations with institutions and policy makers on Capitol Square. These preliminary considerations will provide the framework for final recommendations in October.

Areas of action and consideration regarding Affordability include the following:

- Need-based undergraduate financial aid
- Virginia Military Survivors and Dependent Education Program (VMSDEP)
- Office of the Qualified Education Loan Ombudsman
- Virginia Graduate Commonwealth Award
- Two-year College Transfer Grant
- SREB Doctoral Scholars Program
- Virginia Tuition Assistance Grant (TAG)
- Increase limit on number of out-of-state students

Areas of action and consideration regarding Access and Completion include the following:

- Guidance to Postsecondary Success (GPS)
- Broaden access to alternative delivery models for nontraditional students
- Free or low cost options at community colleges
- Institution-based efforts to support completion

The area of action and consideration regarding Talent Development focuses on growing internships statewide. Broadening the reach of the Internship Pilot Program is worth examining closer.

In the area of action and consideration regarding assessing supply and demand to support workforce alignment, SCHEV recommends:

- Better coordination between SCHEV and the Governor's Chief Workforce Development Advisor, the Virginia Employment Commission, the Virginia Economic Development Partnership, the Virginia Board of Workforce Development and the Weldon Cooper Center.
- Periodic assessment of supply and demand to provide recommendations to align programming.
- Support the Tech Talent Incentive Program.
- Support investment in research.

The Council heard from the president of the Council of Independent Colleges in Virginia (CICV), Robert Lambeth, President Pamela Fox of Mary Baldwin University and President Robert Lindgren of Randolph-Macon College about how increasing the TAG grant to \$5,000 would result in a boost in enrollment for the CICV schools, thus contributing to the access and completion goals for SCHEV. They shared information on how many Pell-eligible students the CICV schools serve. The presidents expressed concern that there are ten programs are only available at the public institutions. President Lambeth also expressed interest in participating in the Internship Pilot Program.

Areas of action and consideration regarding Efficiency, Effectiveness and Long-term Planning include the following:

- Review of costs of higher education and explore outcomes funding strategies.
- Further support reserve funding to prepare for an economic downturn.
 - Suspend Institutional Performance Standards Level II measures.

Areas of action and consideration regarding Equitable Outcomes include the following:

- Additional support for Old Dominion University's Center for Social Mobility and Attainment.
- Coordinate with other initiatives.

Other initiatives for budget and policy considerations are as follows:

- Virtual Library of Virginia (VIVA) to help provide access to high-quality access for students and faculty.
- Commonwealth Graduate Engineering Program to expand its impact and reach throughout the Commonwealth.
- Virginia Sea Grant to provide one-year scholarships to upper-level undergraduate students in STEM programs. Establish post-graduate fellowships with state agencies.
- Credits to Careers Pilot to assist individuals with military experience convert that experience into credits.

SCHEV is considering budget recommendations of \$250 million to \$300 million for the 2020-22 biennium.

CAPITAL OUTLAY

Higher education institutions submitted 147 capital outlay project requests to the Department of Planning for 2020-2022. Using the Council Fixed Assets Guidelines, staff reviewed 123 of the project requests that have a general fund component in 2020-2022.

Eighteen of the 123 project requests that SCHEV reviewed are authorized for planning by the General Assembly or are related to funding of authorized construction. Projects in planning are expected to require approximately \$767 million.

SCHEV staff, following the SCHEV Fixed Asset Guidelines and programmatic reviews from site visits and discussions with institutional experts assigned priorities in the following groups:

Priority 1: Support space needs for instruction and research, critical maintenance and other programmatic justifications.

Priority 2: Projects that do not meet space and productivity criteria in the Council's Fixed Asset Guidelines but have some programmatic justification.

Priority 3: Projects that do not meet space and productivity criteria in the Council's Fixed Asset Guidelines and have less immediate space and programmatic justification.

Priority 4: Non-guideline requests. No assessment is made.

The expected commitment by the Commonwealth for higher education projects is \$767 million. There is a limited capacity to issue additional debt beyond 5%. SCHEV staff deferred assessing 39 new construction projects that did not fall into the priority areas. These projects would require approximately \$2.4 billion in total funding.

MAINTENANCE REVIEW

A new statewide facility database, COVA Trax/M-R-Fix, is expected to be fully implemented by the end of this year. All institutions are participating by submitting their facility data into this new statewide database. After implementation, the data will be used to estimate maintenance funding. As the COVA Trax/M-R-Fix will not be available until the end of the year, staff recommends that the Council defer the determination of funding amounts to the Department of Budget and Planning this year.

HIGHER EDUCATION EQUIPMENT TRUST FUND

The Higher Education Equipment Trust Fund (HEETF) implemented with the help of an equipment allocation methodology based on institutional needs for regular inventory replacement and technology upgrades. The HEETF addresses half of identified need, and institutional operating funds cover the other half. To continue the progress made in the 2018-20 biennium, the needs covered by HEETF will require \$73.6 million per year or \$147.2 million for the 2020-22 biennium.

The HEETF model also includes funding for student use. To continue to fund computers with the aim of a 14:1 student-to-computer ratio, an additional yearly allocation of \$13.1 million is needed. This policy allows for computer replacement approximately once every three years.

In 2015, on the recommendation of SCHEV staff, the Commonwealth established a pooled bond authorization to finance, over time, new or renovated facilities and equipment for research activities. This year staff calculates \$27.2 million to maintain current funding levels in research.

In 2016, George Mason University was designated as a Carnegie Research (R1) University. SCHEV recommends that in addition to the research equipment allocation recommended for GMU, the governor and General Assembly consider additional support through the HEEFT to encourage the highest levels of research activities, especially in the areas of neuroscience, biomedical research, cybersecurity and information technologies.

Estimated debt service payments by institution total \$13.7 million from the general fund for the traditional HEETF calculation and \$4.2 million from the HEETF from the general fund for the Research HEETF calculation in FY2022, amounting to an overall total of \$17.9 million in FY2022.

Council may wish to explore aligning its recommendations on HEETF allocations with other relevant opportunities, such as the Virginia Research Investment Fund, the Talent Initiative and the Commonwealth Research and Technology Roadmap.

Council expressed concern that the General Assembly could unexpectedly limit funding for HEETF long-term projects. Council suggests a robust list of short-term outlays.

MOTION TO ADJOURN

The Chair adjourned the meeting at 2:55 p.m.

Tom Slater
Committee Chair

Kristin Whelan
Coordinator, Executive & Board Affairs