

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
BOARD OF VISITORS ORIENTATION
LEWIS GINTER BOTANICAL GARDEN
OCTOBER 19, 2021
MINUTES**

Mr. Peter Blake, Director of SCHEV, welcomed the attendees and commented on how they would benefit from the program for the day. He recognized many of the individuals who would be appearing on the agenda, including several Council members. Attached is a copy of the attendee list.

Mr. Blake introduced SCHEV Vice Chair, Ken Ampy. Mr. Ampy provided a welcome and comments on the importance of board service and the role of the board member in strengthening the value proposition of their institution. He introduced the Honorable Kelly Thomasson, Secretary of the Commonwealth.

Secretary Thomasson explained her role as the Secretary of the Commonwealth and the process of filling gubernatorial appointments. She thanked the members for doing the hard work on the boards and for contributing to the Commonwealth's goals for diversity. Secretary Thomasson introduced Henry Stoever, President and CEO, Association of Governing Boards (AGB).

Leading Practices of Effective Public-institution Boards

M. Stoever introduced four words to summarize the advice he would give about effective board service: Students, independence, strategy, and board professional. Success for students should be primary on the board's agenda. Independence means that members should listen to stakeholders, but think independently. Strategy is for the future because the world is changing so fast. The board professional will be a member single biggest ally and resource so be sure to find out who that person is at the institution.

Mr. Stoever presented slides regarding AGB and regarding board service. He said that the environment is brutally challenging and advised members to take a close look at financial forecast for 2023 and beyond because the federal stimulus money will run out. From 1945 to 2000, the population grew significantly, and there was the industrial revolution but by 2000, the average kids per household was two and now it is less. The traditional age student no longer exists. Institutions have filled gaps by recruiting international and adult students, but COVID impacted that strategy. He advised members to think about their institution's value proposition and relevance.

Mr. Stoever highlighted six principles that are important to board work - accountability, president, strategy, composition, oversight and commitment. His advised members to engage in continuous learning, get to know the institution's board professional and understand how they operate/communicate, communicate with the board chair and

president, and know when board and committee meetings will be held and put on calendar and keep that time sacred.

Mr. Stoever answered questions about the relationship between the president and the board chair and the role of the board professional. He concluded by encouraging members not to be resistant to change because that could render higher education obsolete.

Virginia and National Higher Education: Key Facts, Projections and Opportunities

Mr. Blake introduced Atif Qarni, Secretary of Education. Secretary Qarni thanked the board members for their service. He said that the silver lining of the pandemic is that we have been able to reimagine how higher education can be done. In Virginia, the Governor led an initiative called G3, which is transformative. He offered thoughts about providing wrap-around services and the possibility of more institutions becoming Hispanic Serving Institutions (HSIs) and be able to leverage more federal funding. Secretary Qarni encouraged members to keep an eye on data to know where students are coming from.

Mr. Blake pointed out the brochure included in the materials and highlighted some of the information in it, including a description of the background and role of SCHEV. One of SCHEV's primary duties is to create the statewide strategic plan. He presented a slide deck with an overview of the strategic plan, Pathways to Opportunity, and its three goals – Equitable, Affordable and Transformative. He then highlighted some of the data tools available on the SCHEV website.

Mr. Blake introduced Tom Harnisch, vice president for government relations with the State Higher Education Executive Officers (SHEEO). Mr. Harnisch noted positive things happening in Virginia. He reviewed the status of budget reconciliation package and initiatives for free community college plan, retention and completion grants, teacher preparation programs, additional funds for HBCUs and MSIs. He reviewed the status of regulatory and legal actions concerning DACA and international students.

Mr. Harnisch and Secretary Qarni answered questions from the members.

Mr. Blake introduced John Broderick, Member, State Council of Higher Education for Virginia; former President, Old Dominion University.

Rectors and Presidents Differentiate Governance from Administration

President Broderick spoke about the relationship between boards and rectors from his perspective as a former president. He introduced the panel, including Marianne Radcliff, former Rector, Board of Visitors, Longwood University; former Member, State Council of Higher Education for Virginia, Devon Henry, Rector, Board of Visitors, Norfolk State University and Troy Paino, President, University of Mary Washington.

The panelists spoke first about their background, current role and their overall perspective on the difference between governance and administration. They provided advice to members on how to get more familiar with the campus and administration without crossing the line into administration. The panelists answered questions from the audience regarding shared governance and relationships with faculty, how to avoid surprises and how to ensure the board has the relevant information to make decisions.

Board Members' Responsibilities for Diversity, Equity and Inclusion

Mona Siddiqui, Deputy Chief Diversity Officer, provided an overview of DEI priorities of the Northam administration, accomplishments of the DEI office and guidance on board service. She introduced the speaker, Artis Hampshire-Cowan, Senior Consultant and Senior Fellow, AGB Consulting.

Ms. Hampshire-Cowan spoke about justice, equity and inclusion as a fiduciary responsibility. Fiduciary responsibility means a duty of care and obedience and a concern about diversity is a leadership calling. To develop competencies to do this work, board members should commit to a personal journey, listen, learn, and ask questions. Look at the board culture, composition, competencies and the dynamics related to JEI work. Test if JEI efforts are intentional, pervasive and visible and have clearly articulated metrics around these priorities. Lead through community investment. She concluded by asking members to consider the question: Are you the trustee to ensure your institution's future?

Mr. Blake introduced SCHEV Chair, Marge Connelly. She thanked members for their work and remarked upon the difficulty of board service.

The members had lunch in the Massey Auditorium at the Lewis Ginter Botanical Garden.

Boards' Legal and Ethical Responsibilities

Henry Light, Member, State Council of Higher Education for Virginia, introduced Alan Gernhardt, Executive Director, Virginia Freedom of Information Advisory Council and Deb Love, Chief, Education Section, Office of the Attorney General.

Ms. Love briefed the group on the role of the Office of the Attorney General (OAG) as the exclusive counsel for the institutions of higher education. She said that she would be the attorney to advise board about problems with the president if any arise. To meet legal obligations, she advised member to take fiduciary duties seriously and to educate themselves about the matters they are acting on and exercise duties in good faith. She highlighted the conflicts of interest laws and advised them to think critically about optics of what they do and raise any concerns with university counsel as soon as possible.

Mr. Gernhardt talked about the Freedom of Information Act (FOIA), remarking that it is one of the few laws that has a policy statement. It ensures government

operates as openly as possible. The rules of construction favor release of records, therefore almost all exemptions allowed are discretionary although other laws may prohibit release of records (such as FERPA). He recommended responding to any request, whether or not it is in writing or references FOIA. Regarding public meetings, any time three or more members get together, it is considered a meeting. There must be notice to the public and minutes must be taken. He provided an overview of the rules related to conducting closed meetings.

The panel answered questions from members concerning FOIA requirements.

Hot Topics and Trends in College Student Life

Fran Bradford, Deputy Secretary of Education, introduced the topic of the panel, commenting that many things about college life and about students have changed since many of the members attended college. There are really three pandemics at work – COVID, mental health and social change. She introduced the panelists, Reuban Rodriguez, Associate Vice President and Dean of Students, Virginia Commonwealth University and Carina Sudarsky-Gleiser, Director, Counseling Center, William and Mary.

The panelists spoke briefly about what they are seeing on their campuses. Ms. Sudarsky-Gleiser said that one challenge is the lack of clinicians for student counseling centers. There is a large percentage of students who are experiencing mental health issues, so there is a large demand for services. The stigma of mental health issues has decreased, which is a good thing, but with that comes demand. COVID brought new challenges for students. Racial trauma also factored in; social justice issues are connected to systemic issues, so need to address that systemically, as opposed to working one-on-one with a student.

Mr. Rodriguez said COVID exposed a lot of injustices that have been there for decades and students still are in crisis from the situation. At urban schools throughout the country, it is a common theme. Regarding social justice issues, students have been wanting immediate action on their concerns.

The panelists answered questions from the members.

The ABCs of Higher Education Finance and Institutional Budgeting

Katie Webb, Member, State Council of Higher Education for Virginia introduced the panelists, Joe Flores, Secretary of Finance, Amy Sebring, Chief Operating Officer, William and Mary and Michael Maul, Associate Director for Education and Transportation, Virginia Department of Planning and Budget.

Secretary Flores presented on Virginia's Budget Process: What You Need to Know. He reviewed the timeline of the process, the respective roles of the Governor and the General Assembly, revenue sources for the general and nongeneral funds and how those revenues are spent. He talked about the economic impacts from the pandemic and factors that may influence the budget process in the upcoming session.

Mr. Maul provided an overview of DPB and its role in the state budgeting process. He broke down how general funds are allocated among state functions and among the categories of higher education spending. Higher education is a shared cost between the institutions and the state. Funding per FTE has risen, but due to increase in NGF (tuition), which is one of few state funding sources that has surpassed inflation (until COVID). Mr. Maul highlighted impacts to institutional budgets due to the pandemic, such as the need for personal protection equipment, social distancing infrastructure, testing costs and loss of auxiliary revenue. Federal aid offset a significant amount of revenue loss and increased costs.

Ms. Sebring presented on institutional finance issues and highlighted key areas of oversight/approval for the board.

Key questions:

1. Revenues. Board members should understand the major sources and key drivers, including state, students, research, and philanthropy.
2. Expenses. This includes the major areas of expenditure for the institution by program area, personnel costs and structure of the workforce.
3. Cost structure, e.g., are costs variable vs. fixed? This will inform how quickly the institution can pivot when needed.
4. Financial strength. Review financial statements, assess auxiliary and other reserves, be aware of financial ratios and how to use them, and watch data trends.

Strategic Academic Planning for Workforce and Economic Development

Megan Healy, Secretary of Labor kicked off the discussion by connecting the higher education system to workforce development. She introduced the panelists, Stephen Moret, President and Chief Executive Officer, Virginia Economic Development Partnership and Member, State Council of Higher Education for Virginia and Dave Doughty, Provost, Christopher Newport University.

Dr. Moret talked about the importance of a state's workforce to businesses seeking a site to set up business. He said that the ultimate purpose of higher education is to be able to find a good job and named some of the most in-demand jobs. He advised board members to think about experiential learning opportunities/career development/coaching, because employers express interest in hiring people with experience, even for their first job after college. He highlighted current administration initiatives in this area, including the Tech Talent Investment program, the Virginia Talent Accelerator program, Fast Forward, G3, and the new Virginia Office of Education Economics, which will provide research to enable institutions to make better informed decisions.

Dr. Doughty talked how to go about examined proposed new programs. He described CNU's experience developing a new curriculum in neuroscience in order to get more

students going to med school. He advised looking at demand and supply before embarking on a new program. Play to the institution's strengths, keep an ear to ground, and let the administration know what you are hearing.

Dr. Healy advised members to look at programs in terms of whether they are really preparing graduates for jobs.

The panelists answered questions from the members regarding decreased demand for programs, role of boards in helping Virginia attract new business to the state, how to support low income students and how higher education can be more flexible to respond to workforce needs.

Governor's Remarks on Higher Education and Board Service

Thaddeus Holloman, Member, State Council of Higher Education for Virginia introduced the Honorable Ralph Northam, Governor of the Commonwealth of Virginia.

Governor Northam thanked the new board members for their willingness to serve and said that he hopes they will find it to be very rewarding. He noted that Virginia is fortunate to have really good colleges and universities. His administration's focus has been on jobs and diversifying Virginia's economy. He talked about the G3 program and investing in HBCUs. It is important for board members to know what jobs are out there and consider internships, which are good for both the business and the students. Their priorities should be affordability, campus safety, and diversity and inclusion.

Synthesis, Appreciation and Conferral of Appointments

Secretary Thomasson and Mr. Blake made concluding remarks and conferred appointments.

Katherine Webb
Council Secretary

Beverly Rebar
SCHEV staff