

**STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
BOARD OF VISITORS ORIENTATION
LEWIS GINTER BOTANICAL GARDENS
OCTOBER 18 and 19, 2022
MINUTES**

OCTOBER 18

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 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.

Expectations Of Board Members

Dr. Ed Feulner welcomed guests and highlighted the role of board members including representing the citizens of Virginia, affordable access, and clear pathways for careers. Dr. Feulner emphasized Governor Youngkin's higher education goals, including freedom of speech and expression.

Dr. Feulner presented seven rules on college board service, including: (1) speak what is on your mind, even if it is in the minority (2) stay focused on the big picture, (3) ask tough questions, (4) your assignment is not short-term so hang in there, (5) one person can make a difference, (6) look at what is in place, and (7) you are in charge, and you have responsibility to the students and citizens.

Dr. Feulner answered questions from the members.

Remarks from Governor Youngkin

Mr. Ampy introduced Glenn Youngkin, Governor of the Commonwealth of Virginia. The Governor discussed the responsibilities of the board. He emphasized the importance of board members in shaping the future of the Commonwealth and said that his administration is prepared to make sure every graduate is prepared for life, which includes being college and career ready.

The Governor said that one-size-fits-all approach is not effective because each student comes with their own skills, backgrounds and abilities. He discussed the commitment to keep tuition flat this year for in-state students and said that institutions need to forecast and plan, focus on outcomes and increase efficiencies related to cost reduction in higher education budgeting. Regarding outcomes, he encouraged measures that are specifically

related to jobs and salaries. He said he supports free speech and academic freedom on campuses, highlighting that “we can disagree without being disagreeable.”

Governor Youngkin closed his remarks with a charge to prepare students to be college and career ready, and he thanked the members for their service.

The Governor’s Finance-related Priorities and Virginia’s Economic Outlook

Mr. Blake introduced Stephen Cummings, Secretary of Finance, who provided a PowerPoint presentation with an overview of the current economic environment in Virginia. He described the surplus revenues of \$3.2 billion and how it would be appropriated.

Secretary Cummings displayed monthly budget statements showing reserve funds at more than 15% of revenues by year-end in FY 2024. He reviewed statewide capital expenditures and the proportion allotted to higher education, as well as the percent growth of general fund revenue collections. Secretary Cummings highlighted the need to review procurement, real estate, cash balances, and program assessment.

Secretary Cummings talked about transparency and how his secretariat will review institutions with a set of common metrics regarding their basic financial health.

He then answered questions from the members.

Overview of Virginia Higher Education

Katharine Webb, Council Vice Chair, and Mr. Blake provided an overview of SCHEV and college and university governance in Virginia. Ms. Webb said that governors and board members often share common goals around affordability, accessibility and quality. Ms. Webb spoke of SCHEV’s role in promoting, advocating, developing policy and research and facilitating collaboration.

Mr. Blake reviewed the statewide strategic plan. He described the benefits of higher education to individuals and communities and provided an overview of governance roles, including state committees that SCHEV meets with regularly. Mr. Blake spoke of the duties of SCHEV, including approving programs and providing educational program for board of visitors’ members.

Mr. Blake introduced Mr. Gil Bland, former Council Chair, who remarked upon the richness of higher education offerings in Virginia. He spoke about a demographic shift in which, according to latest census, Virginia now has a 52% non-white population. He recommended that institutions reach out to the local school system to pay attention to the pipeline and said the SCHEV website has substantial data that can be of use.

Fundamentals of Service on a Public Board

Moderator Alvin Schexnider, Council member, former President of Thomas Nelson Community College and former Interim President of Norfolk State University, introduced Michael Poliakoff, President, American Council of Trustees & Alumni (ACTA) and Henry Stoever, President and CEO, Association of Governing Boards (AGB)

Dr. Schexnider asked how the role of a board member on a public board differs from that of a private board member. Dr. Poliakoff discussed the importance of shared governance. He also said that the board has various constituents to serve. Mr. Stoever noted similarities regarding fiduciary duties, time and the partnership between board rectors and college and university chief executives. He also described the roles boards play in terms of mission, shared governance, allocation of scarce resources and the interaction with foundations.

Dr. Poliakoff encouraged institutions to adopt strong policies on free speech and to adopt policies that require students to take a U.S. history or government course. Mr. Stoever recommended that board members read, listen, and learn to be able to fulfill their role as a board member. Mr. Stoever discussed the importance of understanding competition and the importance of transformation.

Dr. Schexnider asked how to create a board that is effective and consequential. Mr. Stoever said to stay at a strategic level. The board and president are in partnership and need to have a strong understanding of mutually agreed upon expectations. Dr. Poliakoff provided slides with an overview of ACTA resources for board members. He included language from the Virginia Code about the primary duty of the members being to the citizens.

Dr. Schexnider asked what it means to have a fiduciary duty as a board member. Dr. Poliakoff said it is not enough to hear what is presented to you at meetings; look at other resources and best practices across the country. Mr. Stoever discussed the importance of understanding competition and of transformation.

The panel responded to questions from the members.

Ms. Webb introduced Alan Gernhardt, Executive Director, Virginia Freedom of Information Advisory Council, and Mike Melis, Senior Assistant Attorney General.

Mr. Gernhardt talked about the Freedom of Information Act (FOIA) and advised that any request by a member of the public to see a record is a FOIA 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. Mr. Gernhardt provided an overview of new provisions governing electronic meetings.

Mr. Melis briefed the group on the role of the Office of the Attorney General as the exclusive counsel for the institutions of higher education. He said if member ever have concerns about legal advice that received, should work with rector to ask for clarification

from him or other chiefs. He noted additional aspects of FOIA and recommended the practice of using university email account for business in case of FOIA requests or litigation discovery.

Mr. Melis then highlighted the conflicts of interest laws and said they were complex and fact-specific, so members are not expected to know everything about it. However, he encouraged them to bring it to staff's attention if they think situation might involve a conflict of interest.

The panel answered questions from members concerning FOIA requirements.

Analyzing and Benchmarking Institutional Spending

Ms. Webb introduced Armand Alacbay, Chief of Staff and Senior Vice President of ACTA.

Mr. Alacbay spoke about rising tuition costs and relation to spending by the institutions. ACTA created a website, HowCollegesSpendMoney.com, that has data and reports on spending in various categories. He demonstrated the website and its report capabilities, then responded to questions from the members.

Higher Education Priorities of the Youngkin Administration

Mr. Blake introduced Aimee Guidera, Secretary of Education, who thanked the members for committing to service on the boards. She spoke about priorities for higher education, referring to the set of guiding principles included in the materials.

Secretary Guidera discussed the importance of strong leadership and the role of the board of visitors to make Virginia the best place to receive an education. She spoke of the goal of preparing students to meet the needs of the economy, focusing on outcomes and improving reporting to include more detailed summaries regarding recent graduates' employment and salary. She thanked the boards for keeping tuition flat for in-state undergraduate students in FY 2023. She noted the responsibility of institutions to connect with K-12 system. Secretary Guidera wrapped up remarks by highlighting plans to convene a workgroup on the future of education.

OCTOBER 19

Mr. Blake provided a welcome, thanked staff who were involved in planning and organizing the event and reviewed the agenda for the day.

Institutional and State Finance: Budgeting, Spending and Tuition Setting

Sarah Spota, Deputy Secretary of Education, moderated the panel.

Michael Maul, Director, Department of Planning and Budget, provided an overview of the state budgeting process for higher education. Mr. Maul reviewed the factors and

perspectives that influence budget development including the priorities of the Governor, priorities of the General Assembly, public sentiment, and increases/decreases in federal funds.

Jennifer “JJ” Davis, Executive Vice President and Chief Operating Officer, University of Virginia, described institutional finance issues and highlighted key areas of oversight/approval for the board. Ms. Davis encouraged board members to understand the organizational structure of the institution, the institution’s value proposition and the institutional financial framework. She reviewed enterprise risk management issues with financial implications and discussed the talent and knowledge pipeline, noting the difficulty of finding and keeping talent.

Ms. Davis concluded by encouraging board members to rely on the institution’s strategic plan. She advised that they ask tough strategic questions but keep hands out of day-to-day management (“noses in/fingers out”).

Davis Rennolds, Chair, Administration, Advancement, Finance and Facilities Committee, Board of Visitors, University of Mary Washington, described how he came on the board and the background of an institution that went through significant changes from 2006-2015. He emphasized the importance of a healthy board with trust among fellow members and the president as a key indicator of health.

Ms. Spota asked the panel about the effort to reform funding models for higher education. Ms. Davis said that it is important to recognize the differences among the institutions and use metrics that reflect these differences. Mr. Maul discussed the challenge of finding students and encouraged members to find students who thought they might not be successful in higher education and bring them into the system.

Regarding a question about how institutions can cut costs, the panel discussed various ideas, including sharing services, using open access materials and examining institutional degree and program offerings. Panel members also said that programs that promote staff within the organization can be helpful in some administrative and operational functions.

The session wrapped up with discussion on allocation of scarce resources highlighting the need for longer-term forecasting, planning assumptions, increasing demands of the student body and the needs of the faculty. The panel answered questions from the members about athletics, enrollment and capital budgets.

Risk Assessment and Management

Former Secretary of Education Jim Dyke provided an introduction to the topic of risk assessment and management in higher education.

Qian Cai, Director, Demographics Research Group, Weldon Cooper Center, University of Virginia, discussed changing demographics and the potential impact on enrollment. Dr. Cai’s presentation covered the changing center of Virginia’s population and the natural increase in

people moving to Virginia as well as the birth rate decline, and migration (people moving out of Virginia). She also discussed racial demographics and the age breakdown by race of the Virginia population.

Dr. Cai answered questions from the members.

Odds vs Risks in Institutional Governance and Administration

Mr. Blake introduced the panel, which was moderated by Wendy Kang, Director of Finance Policy and Innovation for SCHEV.

Maribeth Herod, Rector, Board of Visitors, James Madison University, described her perspective on risk management. She described the tools available to assess risk of the institution and the board members' role in governance and oversight. Members must understand the key risks and make sure they are appropriately measured and controlled. Strategy needs to be aligned with the risk profile of the organization.

Michael Rao, President, Virginia Commonwealth University, advised the members to use the limited time they have to meet together efficiently. Members should be aware of all policies that are in place and ensure that there is a high level of awareness across campus about the policies. He spoke about other risks that should be addressed, such as campus safety and compliance.

The panel discussed the enrollment decline and the need to understand the changes in Virginia's demographics as well as how students learn.

The panelists answered questions from the members.

Michael Petters, Executive Vice Chair of Huntington Ingalls, closed the session. Based on his experience at Huntington Ingalls and on the board of William & Mary, Mr. Petters provided remarks regarding how a board might thinkg about risk management.

Student Mental Health and Wellness; Vibrant and Safe Campuses

Suzanne Youngkin, First Lady, Commonwealth of Virginia, moderated the panel, which included John Littel, Secretary of Health and Human Resources; Member, Board of Visitors, William and Mary; Frances Keene, Interim Vice President for Student Affairs, Virginia Tech; and Janet Gullickson, President, Germanna Community College

First Lady Youngkin introduced the panelists and asked them to describe their background and experience in mental health. Panel discussed the shifts that were made during the pandemic and what was done to take care of students, faculty and staff. They then addressed the top two needs related to mental health, noting that increased academic policy flexibilities and training peers in residence halls to care for the mental well-being of others were the top needs.

First Lady Youngkin asked panelists how board members can engage with the college campus. President Gullickson recommended utilizing campus trainings and resources and Dr. Keene pointed to data showing increased levels of anxiety and depression and said it is important to understand the types of student services needed today. Secretary Littel encouraged board members to understand the difference between real and perceived needs because services are paid for by fees, so this impacts the affordability conversation.

First Lady Youngkin asked panelists to describe best practices they know of across the Commonwealth or the country. Panelists mentioned some programs out of state including a community college in Texas, the UVA Rise program and the Ohio State wellness app.

The panelists answered questions from the members.

Boards' Roles in Freedom of Speech/Expression, Academic Freedom and Intellectual Diversity

Secretary Guidera moderated the panel. She noted that the tabletop exercise was created by the Bipartisan Policy Center. Panelists included Dr. Poliakoff; Joe Cohn, Legislative and Policy Director, Foundation for Individual Rights and Expression (FIRE); Jim Douglas, Member, Governors' Council, Bipartisan Policy Center (Campus Free Expression Project) and former Governor, Vermont; and Timothy Zick, Professor, William & Mary Law School

Professor Zick talked about free speech and academic freedom issues on campus. From a historical perspective, commitment to free speech on campus has rarely been unwavering and current controversies are similar to those of the past. He reviewed Supreme Court precedent. Institutions should ensure that all on campus understand the role of academic freedom and freedom of speech.

Mr. Cohn said that every advancement in civil rights succeeded because people were able to challenge the status quo with their speech. He presented a PowerPoint with the free speech rankings of Virginia institutions. He advised members to ensure there are no policies that violate Supreme Court precedent. He urged members to be consistent regarding advocacy for the rights of speakers who disagree with your opinion. Free speech only works if it applies to everyone.

Governor Douglas talked about the Bipartisan Policy Center's Academic Leaders Task Force on Campus Free Expression and presented the task force's four key recommendations in a PowerPoint. He advised members to be prepared for controversial speech, do assessment and collect data, and select peers against which to benchmark.

Dr. Poliakoff reviewed the ACTA standard for freedom of expression. He spoke about creating a culture of free expression and reducing barriers.

The panelists answered questions from the members.

Best Practices for Effective Governance: Advice from Rectors and Presidents

Judi Lynch, member and former Vice Rector, Board of Visitors, Longwood University, moderated the panel. The panel included Makola Abdullah, President, Virginia State University; Taylor Reveley IV, President, Longwood University; Whitt Clement, Rector, Board of Visitors, University of Virginia, and former Chair, SCHEV; and Jimmy Hazel, member and former Rector, Board of Visitors, George Mason University

The panelists responded to the moderator's questions. They discussed how board members should approach speaking to the press and public about issues with the institution and the ideal relationship between the rector and the president. Mr. Hazel advised members to show up at meetings, be transparent as possible; discuss issues in advance so there are no surprises at meetings. President Reveley advised members not engage too much on social media. President Abdullah talked about the importance of a free flow of information between the board members and the president so that there are no surprises.

The panelists answered questions from the members.

Conclusions, Reflections and Appreciation

Mr. Blake and Kay Coles James, Secretary of the Commonwealth made concluding remarks, and Secretary James conferred appointments.

Victoria Harker
Council Secretary

Beverly Rebar
SCHEV staff