

STATE BOARD FOR COMMUNITY COLLEGES

MEETING NO. 290
March 22, 2007

Lord Fairfax Community College
Middletown Campus
173 Skirmisher Lane
Middletown, Virginia
9:00 a.m.

The State Board for Community Colleges convened at 9:00 a.m. on March 22, 2007, in Room 315 on the Middletown Campus of Lord Fairfax Community College, 173 Skirmisher Lane, Middletown, Virginia.

Members Present: Mr. Alan G. Toxopeus, Chair
Ms. Shahnaz Ahmed
Mrs. Megan Beyer
Mr. Mark R. Graham
Mr. Gary C. Hancock
Mr. Chris A. Lumsden
Mr. Nathaniel X. Marshall
Mr. Jeffery K. Mitchell
Mr. R. Michael Mohler
Mr. Michael Petters
Mr. William E. Porter
Mr. Paul Reagan
Mr. Robert W. Shinn

Members Absent: Ms. Adele Johnson
Ms. Connie R. Kincheloe

Staff Present: Mr. Peter Blake
Mr. John Brilliant
Mr. Tom Cantone
Ms. Ellen Davenport
Dr. Glenn DuBois
Mr. Trenton Hightower
Mrs. Patricia Holmes
Ms. Sharon Hutcheson
Mr. Will Johnson
Mr. Jeff Kraus
Dr. Christopher Lee
Dr. Neil Matkin
Mrs. Marlene Mondziel
Ms. Karen Petersen

Staff Present: Dr. Jennifer Sager
Dr. Monty Sullivan
Mr. Ed Watson
Dr. Susan Wood

Others Present: Mr. Thad Biggers, Career Switcher Program graduate
Dr. Elizabeth Crowther, RCC President
Mr. Everett Jordan, Northrop Grumman Newport News
Ms. Janet Ping, LFCC
Mrs. Terri Tucker, Career Switcher Program graduate
Dr. John Sygielski, LFCC President
Ms. Rebecca Waters, Career Switcher Program Director
Dr. F. David Wilkin, VHCC President

I. OPENING

A. Call to Order

The Chair, Mr. Alan Toxopeus, called the meeting to order.

B. Roll Call

Dr. Glenn DuBois, Chancellor, took a roll call to determine that a quorum was present.

C. Welcome and Introductions

Chairman Toxopeus welcomed all those in attendance and expressed his delight that the State Board was meeting at Lord Fairfax Community College.

D. Minutes – Meeting No. 289, January 17, 2007

A motion was made by Mr. Marshall and seconded by Ms. Ahmed that:

“THE STATE BOARD FOR COMMUNITY COLLEGES APPROVES THE MINUTES OF THE JANUARY 18, 2007 MEETING AS SUBMITTED.”

The motion carried.

E. Public Comment

There was no public comment.

F. Education – Career Switcher

Mr. Toxopeus asked the Chancellor to introduce the presentation. Dr. DuBois stated that the Career Switcher Program was an innovative one based at Rappahannock Community College (RCC) and Dr. Elizabeth Crowther, President, was here to provide a report on the program. She thanked the State Board for the opportunity. Dr. Crowther noted that the Career Switcher Program retrained members from the workforce to be teachers in the classroom in the public school systems across the state. She stated that that Dr. Susan Wood, Assistant Vice Chancellor for Educational Programs and Instructional Technology, and Dr. Karen Newtzie from RCC were the ones who turned the concept into reality. She introduced the current program manager, Ms. Rebecca Waters. Dr. Crowther reported that the model developed was based on an enrollment of 90 students statewide and that was the current enrollment. It is an important program that benefits economic development in the local communities and that the Career Switcher graduates have a lot to offer their students in the classroom.

Ms. Waters noted that the Virginia Department of Education approached the VCCS in spring 2003 with the initial proposal. A statewide program was developed after nine community colleges responded favorably to the initial survey. In 2004 the program was piloted at Thomas Nelson and Patrick Henry community colleges. By the fall of 2006, the program was self-supporting with the community colleges providing accessible and effective programming in critical shortage areas at six sites across the Commonwealth through asynchronous, synchronous and compressed video delivery. Successful graduates are licensed in critical shortage areas of math, science, foreign language, and ESL (English as a Second Language). VCCS partnerships with Academic Services and Research, Workforce Development, and Instructional Technology are all essential to the successful operation of the program. Ms. Waters reported that 138 individuals had completed licensure eligibility. After teaching successfully for one academic year, the Career Switchers are eligible to receive their five-year teaching license.

Ms. Waters introduced two graduates from the program, Mr. Thad Biggers and Mrs. Terri Tucker. Mr. Biggers is in his second year of teaching math at Bruton High School in York County. Mrs. Tucker is in her first year of teaching ESL at Peak View Elementary School in Rockbridge County. Both expressed their enthusiasm for the program and for teaching.

In response to an inquiry of Mr. Petters, Dr. Crowther stated that the program is designed for a minimum of 90 students. Initially, the demand was unknown and the minimum was met without marketing. With marketing, the program can be promoted. Mr. Mohler asked whether there was any interest in providing programs to develop Homeland Security and EMS teachers

using this delivery model. Ms. Waters noted that the VCCS will continue to depend on the Virginia Department of Education to determine the critical program areas. An important goal is for each graduate to find a teaching position.

G. Reports from Campus Liaisons – Mr. Michael Mohler reported.

Mr. Mohler stated that he was the liaison to NVCC, the largest community college in the state and the second largest in the nation. He commended Dr. Templin, NVCC President, who promoted the college exceptionally throughout the Northern Virginia region. NVCC is an extremely diverse college with 66 cultures identified. With five campuses, the enrollment is increasing on all but the Annandale Campus. He reported that the Medical Education Campus, which opened in 2003, was developing critical Homeland Security programs.

II. CHANCELLOR'S REPORT

A. Chancellor's Report on 2006-2007 Goals

The Chancellor noted that the latest update on his 2006-2007 Goals was provided.

B. 2007 General Assembly Session

The Chancellor noted that the session was not over until April 4 when the Veto Session was completed. He stated that the session was a good one in the policy area but there was not much additional funding on the operations side. Legislation was passed that established the Community College Transfer Grant and appropriated \$1.8 million for start up costs, despite the fact that the grants would not begin until 2009 and as such the funding would lapse. He has asked the Governor to amend the legislation to begin the program now and to remove the science, teaching, engineering and math restrictions in order that all community college students meeting the merit and need-based requirements would be eligible.

Ms. Ellen Davenport, Assistant Vice Chancellor for Governmental Relations, reported that a number of bills dealing with reciprocity were introduced. One would grant in-state student status to those living within 30 miles of Virginia Highlands and Mountain Empire community colleges. Another bill authorized the State Council for Higher Education in Virginia as the agency that tracks community college students who transfer to four-year schools. Failing to receive any funding, the community college matching program legislation would be reintroduced in 2008.

C. Report on Reception in Honor of the General Assembly, January 23, 2007

Dr. Jennifer Sager, Vice Chancellor for Institutional Advancement, distributed a one-page flyer recapping the Reception held on January 23 to honor the General Assembly. The Governor attended as well as many legislators. The Chancellor commended Dr. Sager and her staff for the excellent job that they do on all of the VCCS special events.

D. New Horizons Conference, March 29, 30 & 31, 2007, Hotel Roanoke & Conference Center, Roanoke, VA

The Chancellor noted that the New Horizons Conference, a big faculty development event, would be held March 29-31 in Roanoke. The Chairman urged any member of the State Board who could attend to do so.

E. The Chancellor's Award for Leadership in Philanthropy Luncheon, Wednesday, April 25, 2007, Richmond, Virginia, 11:30 a.m.

The Chancellor reported that the second Chancellor's Award for Leadership in Philanthropy Luncheon would take place on April 25 with former Governor Gerald Baliles as the keynote speaker. At this luncheon, a philanthropy leader from each of our community colleges is honored.

Mr. Toxopeus asked the Chancellor to provide an update on the transfer agreements. Dr. DuBois reported that there were 18 guaranteed transfer agreements and more in the process. Mr. Hancock stated that every public higher education institution except for two has an agreement in place. Now, staff is working on agreements with the private colleges.

III. COMMITTEE REPORTS

A. Academic, Student Affairs and Workforce Development Committee – Gary C. Hancock, Chair, reported.

1. Minutes – Meeting of January 17, 2007

The Committee approved the minutes of the January 2007 meeting.

2. Action Items

a. Program Approvals

- (1) Wytheville Community College
Early Childhood Development
(Associate of Applied Science)

Mr. Hancock reported that Wytheville Community College (WCC) requested approval to establish an Associate of Applied Science degree in Early Childhood Development. WCC planned to convert an Early Childhood Development program now offered as a technical studies plan. Graduates of the degree program are prepared to work in a variety of child care settings including the Child Development Center operated by WCC. The Committee recommended approval. (See Appendix I.)

A motion was made by Mr. Hancock and seconded by Mr. Porter that:

“THE STATE BOARD FOR COMMUNITY COLLEGES APPROVE THE REQUEST OF WYTHEVILLE COMMUNITY COLLEGE TO OFFER AN ASSOCIATE OF APPLIED SCIENCE DEGREE IN EARLY CHILDHOOD DEVELOPMENT.”

The motion carried.

- (2) John Tyler Community College
Homeland Security
(Certificate) – New to system

Mr. Hancock reported that John Tyler Community College (JTCC) requested approval to establish a certificate program in Homeland Security. As this is the first such program proposal, it requires State Board approval. Homeland security is one of the newest in-demand fields. The program would provide emergency management practitioners the specialized training required of first responders, high-visibility workers and employees in high customer services venues. The Committee recommended approval. (See Appendix II.)

A motion was made by Mr. Hancock and seconded by Mr. Mohler that:

“THE STATE BOARD FOR COMMUNITY COLLEGES APPROVE THE REQUEST FROM JOHN TYLER COMMUNITY COLLEGE TO ESTABLISH A CERTIFICATE PROGRAM IN HOMELAND SECURITY AS PROPOSED.”

The motion carried.

- (3) Piedmont Virginia Community College
Health Information Coding Specialist
(Certificate) – New to system

Mr. Hancock stated that Piedmont Virginia Community College (PVCC) requested approval to establish a certificate program in Health Information Coding Specialist. Representatives from hospitals in the Charlottesville area approached PVCC requesting that a program be developed due to a desperate need for inpatient coding specialists at their institutions. Current Career Studies Certificate programs do not provide the necessary training required for employment. Mr. Hancock noted that Martha Jefferson Hospital provided a \$150,000 grant to fund the first two years of the program. The Committee recommended approval. (See Appendix III.)

A motion was made by Mr. Hancock and seconded by Mr. Marshall that:

“THE STATE BOARD FOR COMMUNITY COLLEGES APPROVE THE REQUEST FROM PIEDMONT VIRGINIA COMMUNITY COLLEGE TO ESTABLISH A CERTIFICATE PROGRAM IN HEALTH INFORMATION CODING SPECIALIST AS PROPOSED.”

The motion carried.

- b. Revision to the VCCS *Policy Manual*: Section 5.6.0
Grading System for Credit Classes

Mr. Hancock reported that the VCCS staff discovered an area in policy in which there was very little guidance, which led to inconsistencies in the way colleges address enrollments of non-attending students. The policy section in question is Section 5.6.0. Policy direction was needed as to how colleges handle the assignment of grades for non-attending students. The Academic and Student Affairs Council reviewed the policy and

recommended a revision that was modified slightly by the Advisory Council of Presidents. The Committee recommended approval. (See Appendix IV.)

When Mr. Petters inquired if a formal withdrawal process was in place, he was informed that one did exist but that sometimes students just stop attending. When that happens, colleges have the authority to administratively withdraw the student. Mr. Hancock noted that an area of concern existed when a student signs up for a high-demand class and then withdraws. There was no formal policy that addressed the placement of other students in the class. Also, each college publishes the final date for withdrawal without penalty to a student's grade-point-average.

A motion was made by Mr. Hancock and seconded by Mr. Porter that:

“THE STATE BOARD FOR COMMUNITY COLLEGES APPROVE THE PROPOSED REVISION TO SECTION 5.6.0 (GRADING SYSTEM FOR CREDIT CLASSES) OF THE VCCS *POLICY MANUAL*.”

The motion carried.

- c. Proposed Addition to *VCCS Policy Manual*, Section 5.1.6—
Posthumous Degrees (SB)

Mr. Hancock reported that it was determined that the VCCS did not have an official policy regarding the awarding of posthumous degrees for students. A policy was developed and approved by the Advisory Council of Presidents. With approval of this addition to the *VCCS Policy Manual*, the State Board would grant individual colleges the authority to award posthumous degrees for students based upon criteria determined by the individual colleges. The Committee recommended approval. (See Appendix V.)

A motion was made by Mr. Hancock and seconded by Ms. Ahmed that:

“THE STATE BOARD FOR COMMUNITY COLLEGES APPROVE THE ADDITION OF SECTION 5.1.6 (POSTHUMOUS DEGREES) TO THE VCCS *POLICY MANUAL*, AS PROPOSED.”

The motion carried.

- d. Requests to Award Honorary Degrees from Danville, Lord Fairfax, Southside Virginia, Tidewater, and Wytheville Community Colleges

Mr. Hancock stated that Danville, Lord Fairfax, Southside Virginia, Tidewater and Wytheville community colleges were requesting approval to award honorary degrees for selected individuals who have contributed significantly to their respective colleges. The Committee recommended approval. (See Appendix VI.)

A motion was made by Mr. Hancock and seconded by Mr. Petters that:

“THE STATE BOARD FOR COMMUNITY COLLEGES APPROVE THE REQUESTS FROM DANVILLE, LORD FAIRFAX, SOUTHSIDE VIRGINIA, TIDEWATER AND WYTHEVILLE COMMUNITY COLLEGES TO AWARD HONORARY DEGREES AS PROPOSED.”

The motion carried.

3. Information Items
 - a. AAS Approval Process

Until recently the approval process for new applied associate degree program proposals was cumbersome and often inhibited college responsiveness to the business and industry in their service areas. Conversations with the staff of the State Council for Higher Education in Virginia (SCHEV) resulted in a recommendation to the State Council that would delegate to the SCHEV staff the authority to approve a limited scope of applied degree proposals. Mr. Hancock noted that it was unfortunate that Mrs. Kincheloe was not here for this item. She was critical in the discussions with SCHEV. Mr. Hancock state that the VCCS staff would continue to dialog with the SCHEV staff to determine what other streamlining could be accomplished.

- b. Update on the Governor's Plans for Reorganizing State Workforce Programs

Mr. Hancock asked Mr. Peter Blake, Vice Chancellor for Workforce Development Services, to give the report. Mr. Blake stated that in 2006 Governor Kaine issued his Workforce Development Strategic Plan with three broad goals, greater

consolidation and integration of the state workforce system, workforce needs assessment and performance measurement, and alignment of skills with future workforce needs. Through this plan, the Governor sought a better way to organize and coordinate workforce services throughout the Commonwealth. To do this, many services would be consolidated under the VCCS. Mr. Blake noted that the VCCS was viewed positively with campuses across the state and many community connections. The Career Switcher Program was an example of an identified need being met by the VCCS. He indicated that changes may occur through executive action by the Governor that would result in more responsibility for workforce development services being given to the State Board.

c. Theme Presentation: Adult Education

Mr. Hancock noted that across the country, many community colleges have assumed a greater responsibility for providing education and training for adults who dropped out of the secondary education system. In Virginia, there are approximately 700,000 working age adults without a high school diploma or a GED diploma. The Chancellor stated that between two and four percent of these adults are recovered back into the workforce with federal and local funds that assist them in receiving their GED and acquiring workforce skills. He proposes that the VCCS play a greater role to help them gain their GED and workforce skills necessary for employment in jobs that pay greater than minimum wage. Mr. Blake reported that the responsibility for adult education falls under the Virginia Department of Education but it is a low priority. The VCCS is an appropriate choice to raise the profile and to benefit our society to reach out and bring people into an active and productive work life. The Chancellor stated that he was not suggesting that the community colleges become a GED program but could begin a recovery program for skilled workers. The Commonwealth could not afford to have 700,000 uneducated and unemployed citizens.

B. Audit Committee – Shahnaz M. Ahmed, Chair, reported.

1. Minutes - Meeting of January 17, 2007

The Committee approved the minutes of the January 2007 meeting.

2. Action Items

There were no action items.

3. Information Items

a. Internal Audit Director's Evaluation

Ms. Ahmed reported that the Committee approved the Internal Audit Director's performance evaluation and that it was endorsed by the Chancellor. She commended Mr. Brilliant, Internal Audit Director, for his work efforts and those of his team.

b. Litigation

Ms. Ahmed noted that Mr. Tom Cantone, Associate System Counsel, reviewed the litigation with the Committee.

c. Federal Student Financial Aid Audit

Ms. Ahmed reported that a Federal Student Financial Aid Audit was performed at five colleges. There were 23 findings, none of which were considered significant.

d. Proposed Changes to the FY 2007-2008 Audit Plan

Ms. Ahmed reported that the Audit Plan for FY 2007-2008 was approved by the State Board at its May 2005 meeting. It has been determined that the Student Financials Audit would not be completed during FY 2007 because of the significant time expended performing the Special Audit at Thomas Nelson Community College. The Internal Audit Department recommends that the Student Financials Audit be added to the FY 2007-2008 Audit Plan and the Financial Aid Audit and the Human Resources Audit be removed from the FY 2007-2008 Audit Plan. Mr. Brilliant noted that this would be an action item at the May 2007 meeting.

At this time, the Chairman called a 10-minute recess.

C. Facilities Committee – Robert W. “Rob” Shinn, Chair, reported.

1. Minutes – January 17, 2007

The Committee approved the minutes of the January 2007 meeting.

2. Action Items

Consent Items:

- a. Tidewater Community College
Temporary Modular Trailers
Chesapeake Campus

Mr. Shinn reported that the Committee would make one motion for both consent items. He noted that Tidewater Community College (TCC) requested approval to use modular buildings on their Chesapeake Campus, their fastest growing campus. The buildings will allow the students and faculty whose classes meet in the temporary facilities to remain on campus. The Committee recommended approval. (See Appendix VII.)

- b. Blue Ridge Community College
Campus Commons Design

Mr. Shinn stated that Blue Ridge Community College (BRCC) has an increasing need for more pedestrian connections between its western and eastern sides of the campus. Submitted for approval is the schematic design for the campus commons area and a bridge over an existing swale. The Committee recommended approval. (See Appendix VIII.)

A motion was made by Mr. Shinn and seconded by Mr. Lumsden that:

“THE STATE BOARD FOR COMMUNITY COLLEGES APPROVE THE PLACEMENT OF TEMPORARY MODULAR BUILDINGS ON THE CHESAPEAKE CAMPUS OF TIDEWATER COMMUNITY COLLEGE AND THE SCHEMATIC DESIGN OF THE CAMPUS COMMONS PROJECT AT BLUE RIDGE COMMUNITY COLLEGE AS SUBMITTED.”

The motion carried.

Discussion Items:

- c. Virginia Western Community College
Comprehensive Campus Master Plan

Mr. Shinn reported that Virginia Western Community College (VWCC) completed a new campus master plan that incorporates planning for future facilities and improvements using Leadership in Energy and Environmental Design (LEED).

VWCC is an urban campus divided by major thoroughfares. The comprehensive campus master plan unifies these diverse components. VWCC is committed to providing leadership in good stewardship of man made and natural resources. The plan will guide future renovations and development while promoting the sense of campus and community enhancing the educational experience. The Committee recommended approval. (See Appendix IX.)

A motion was made by Mr. Shinn and seconded by Mr. Hancock that:

“THE STATE BOARD FOR COMMUNITY COLLEGES APPROVE THE NEW VIRGINIA WESTERN COMMUNITY COLLEGE COMPREHENSIVE MASTER PLAN AS SUBMITTED.”

The motion carried.

- d. Danville Community College
Health Services Building
Funding Agreement

Mr. Shinn reported that no action was required on this item. Danville Community College (DCC) was given a major gift of \$9,700,000 by the Danville Regional Foundation to build a new health science building on the DCC campus. Initially an insurance indemnity provision would have been required of the State Board. This provision was very costly however. Therefore, the VCCS staff, the College and the Danville Regional Foundation developed another solution. The revised plan involves the Danville Community College Educational Foundation serving as an intercessor between the two parties, thereby satisfying the indemnification requirement of the Danville Regional Foundation. An agreement has been executed by the Chancellor to begin the project.

- e. Danville Community College
Health Services Building and
Tennis Court Relocation
Schematic Drawing Review

Mr. Shinn reported that during the 2006 General Assembly Session, an appropriation was received for the design and construction of the Health Sciences Building at DCC. The new facility would house all of the health science programs in one

high-profile building on campus. The tennis courts now located on the site would be relocated elsewhere on the campus. Mr. Lumsden noted how significant this project was to the entire Danville region. The Committee recommended approval. (See Appendix X.

A motion was made by Ms. Ahmed and seconded by Mr. Shinn that:

“THE STATE BOARD FOR COMMUNITY COLLEGES APPROVE THE SCHEMATIC DRAWINGS OF THE HEALTH SCIENCES BUILDING AT DANVILLE COMMUNITY COLLEGE AS SUBMITTED.”

The motion carried.

- f. Virginia Community College System
Level One Delegated Authority for Easements

Mr. Shinn reported that the 2005 General Assembly Session provided for a significant restructuring of operational authority for public higher education institutions. One of these was to allow the higher education institutions to convey and acquire easements pertaining to any property such institution owns or controls provided that the institution meets the conditions prescribed in the *Code of Virginia*. The adoption of written policies and procedures that pertain to easements by the State Board is required. Approval of the proposed policy would streamline the process and reduce the time required. The Committee recommended approval. (See Appendix XI.)

A motion was made by Mr. Shinn and seconded by Mr. Lumsden that:

“THE STATE BOARD FOR COMMUNITY COLLEGES APPROVE THE POLICY ON THE CONVEYANCE AND ACQUISITION OF EASEMENTS AS SUBMITTED.”

The motion carried.

- g. Virginia Highlands Community College
Artisan Center Concept Approval

Mr. Shinn reported that Virginia Highlands Community College (VHCC) joined with other organizations in their region in submitting a grant proposal for an artisan-related economic development project. In July 2005, VHCC was informed that funds were approved to establish a crafts center and the VHCC campus was identified as one of two potential sites under

consideration. In October 2005, it was announced that the Center would be funded with \$3.1 million in Virginia Works funding. A site on the VHCC campus was selected due to the educational component of the project. This is a high-profile project and a foremost artisan center in the region. The project presents its own set of challenges and represents a great partnership with the Town of Abingdon and the Tobacco Commission. The Committee recommends approval of the concept. (See Appendix XII.)

A motion was made by Mr. Shinn and seconded by Mr. Graham that:

“THE STATE BOARD FOR COMMUNITY COLLEGES APPROVE THE ARTISAN CENTER IN CONCEPT, SUBJECT TO THE COLLEGE RETURNING TO THE STATE BOARD WITH A MORE DETAILED REQUEST AND JUSTIFICATION THAT ADDRESSES THE QUESTIONS AND CONCERNS OUTLINED.”

The motion carried.

3. Information Items

- a. Virginia Community College System
Development of the Six-Year Capital Outlay
Plan, 2008-2014

Mr. Shinn stated that some of the Board members attended the briefing provided by staff yesterday on the development of the six-year Capital Outlay Plan. Handouts from that briefing were available for the other members of the Board. The staff is working hard on the preparation of the plan. The six-year Capital Outlay Plan will be presented for approval by the State Board at the May meeting.

- b. Virginia Community College System
Update on Budget Actions of the 2007
General Assembly Session

Mr. Shinn noted that an update on the General Assembly was provided previously.

- c. Virginia Community College System
SWaM Reporting

The regular SWaM update was received by the State Board. It was noted that under level one authority, the VCCS would have more tools to help them as they try to improve their SWaM utilization efforts and results.

d. Virginia Community College System
Status Report on Capital Outlay Projects

The Status Report on the Capital Outlay Projects was provided.

D. Budget and Finance Committee – Mark R. Graham, Chair, reported.

1. Minutes - Meeting of January 17, 2007

The Committee approved the minutes of the January 2007 meeting.

2. Action Items

a. Approval of Tuition and Fee Rates for 2007-08

Mr. Graham asked Ms. Petersen to provide the historical background on the tuition and fee process so that tuition increases would level out during both the good and bad times instead of sharp increases. She noted that the tuition cost-sharing remained one-third student funding and two-thirds state funding. It is a *Dateline 2009* goal to keep the tuition below one-half of the tuition and fees of the public four-year colleges and universities.

Last year, the General Assembly granted the higher education institutions the authority to set their own tuition and fees under the cost-sharing guidelines. This session the General Assembly expressed concern because several four-year institutions authorized large tuition and fees increases last year. As a consequence, the General Assembly proposed that public higher education institutions who maintain their tuition and fee increases to less than six percent would be eligible to receive a portion of the "Tuition Incentive Fund." For the VCCS, this would amount to approximately \$1 million additional to the base funding of approximately \$2 million. Therefore, the increase proposed was for a 5.72% tuition increase and a technology fee increase of \$0.35. The presidents concurred and proposed an additional 1% faculty salary increase be included while keeping the tuition and fees below 50% of the average. The Committee recommended approval. (See Appendix XIII.)

Ms. Petersen reported that the VCCS would receive a 19% increase in financial aid. An additional \$200,000 would be set aside for part-time student financial aid.

Mr. Petters questioned whether other states had adopted a 60th percentile faculty salary goal. Ms. Petersen replied she was not aware of specific goals of other states and that the four-year institutions are very close to the 60th percentile and a three to four percent increase is all they need to keep pace. The community colleges are still far behind and even with the five percent increase they are still behind but are making progress. Mr. Lumsden stated that early in his term on the State Board, the presidents reported difficulty in recruiting and retaining faculty. At that time the State Board decided to take whatever steps it could.

The Chancellor noted that the VCCS adheres to the base budget adequacy model and that Virginia families are expected to pay one-third of the cost of education. Keeping this fact in mind, it was decided that tuition increases to achieve Dateline 2009 goals would be spread over a six-year period.

Mr. Graham stated that improving the mix of full-time to part-time faculty would be difficult with the level of funding provided by the General Assembly. Ms. Petersen reported that a special initiative provided additional funding for nursing faculty salaries that was in addition to the four percent salary increase.

Mr. Porter noted that the e-rate bore more than 100% of the cost. Ms. Petersen stated that the e-rate was more than what is charged an in-state student but less than that charged an out-of-state student. The e-rate is supposed to cover all of the cost incurred to offer an online course.

A motion was made by Mr. Graham and seconded by Mr. Mohler that:

“THE STATE BOARD FOR COMMUNITY COLLEGES APPROVE THE RECOMMENDATIONS FOR TUITION AND FEE INCREASES AS PROPOSED:

- **That the State Board *authorizes an average salary increase* for both full-time and adjunct teaching faculty of 5% to be funded out of available GF and tuition resources in 2007-08. It is anticipated that administrative faculty salary increases would be allowed up to 5.0% as well, as long as a 135% ratio to full-time faculty was not exceeded.**
- **That the State Board authorize an in-state tuition rate of \$76.65 per credit hour (including the indirect cost fee), an increase of \$4.15 per credit hour over the current rate of \$72.50 per credit hour, or a 5.72% increase for 2007-08. For a full-**

- **time student taking 30 credit hours the annual cost of tuition will be \$2,285.40, an annual increase of \$124.50. An increase of 5.72% covers costs of annualizing 2006-07 salary increases, additional salary increases for 2007-08 (including teaching faculty at 5.0%), plus approximately \$4.9 million for additional operating costs assuming no enrollment growth. With 3% enrollment growth, after the costs of hiring new faculty, approximately \$2.9 million would remain for increased operating costs. This increase would be implemented effective summer 2007. For comparison purposes, an increase of 11-14% would be required to fully collect appropriated tuition revenues.**
- **That *active duty members of the military, activated guard or reservist members* that are not students under a contract between the college and the military unit, will be charged the higher of the institution's in-state rate or their military service Tuition Assistance program in accordance with state law.**
- **That the *Technology Fee* be increased by \$0.35 per credit hour – moving that fee from \$3.15 to \$3.50 per credit hour for all students. For a full-time student, this would be an annual increase of \$10.50. Combining the increase in tuition above with the technology fee increase, mandatory tuition and fees would be \$80.15 per credit hour, or \$2404.50 for a full-time student. This would be an annual increase of \$135 for a full-time student.**
- **That the *distance learning e-rate* be set at a rate equal to 100% of the total estimated costs of instruction (excluding physical plant).**
- **That the State Board approve an *out-of-state tuition rate* of \$248.80 per credit hour, also an increase of 5.72%, or an additional \$13.45 per credit hour over the current rate of \$235.35. This would be an annual increase in costs of \$403.50 for a full-time student.**
- **That the *military contract rate* be set at the in-state tuition rate of \$76.65 per credit hour, that the *business contract rate* be set \$20 higher than the in-state rate (it is \$10 higher for 2006-07) or \$96.65 per credit hour, and that the policy manual be updated to reflect the changes for *tuition reciprocity students* to provide in-state rates for those students as well.**
- **That the *out-of-state capital fee* increase from \$2.20 to \$3.00 per credit hour.**
- **That the *Part-time Tuition Assistance Program (PTAP)* be increased by \$200,000, bringing it to a total of \$2 million, an 11.1% increase.”**

The motion carried.

b. Approval of NVCC Tuition Differential for 2007-08

Mr. Graham reported that Northern Virginia Community College requests an additional differential increase of \$.35 per credit hour for in-state students and \$3 per credit hour increase for out-of-state students. He noted that in 2005 the State Board approved a Differential Tuition Policy under which NVCC proposed tuition increases through 2009. The first differential increase took effect in Spring Semester 2006. The requested increase is constrained due to the limitations posed by the General Assembly in order for the VCCS to remain eligible for funding for the "Tuition Incentive Payment." Even with the tuition differential increases, NVCC's rates remain the lowest among all community colleges in the Washington metropolitan area. The Committee recommended approval. (See Appendix XIV.)

A motion was made by Mr. Graham and seconded by Mr. Mohler that:

"THE STATE BOARD FOR COMMUNITY COLLEGES APPROVE THE REQUEST FROM NORTHERN VIRGINIA COMMUNITY COLLEGE TO INCREASE ITS TUITION DIFFERENTIAL FOR IN-STATE STUDENTS BY \$.35 PER CREDIT HOUR AND BY \$3.00 PER CREDIT HOUR FOR OUT-OF-STATE STUDENTS EFFECTIVE SUMMER SESSION 2007; AND, ADDITIONALLY, THAT THE STATE BOARD FOR COMMUNITY COLLEGES APPROVE AN AVERAGE 7% FACULTY SALARY INCREASE FUNDED WITH THE DIFFERENTIAL IN ORDER TO PROVIDE AN ADDITIONAL 2% AVERAGE INCREASE FOR NORTHERN VIRGINIA COMMUNITY COLLEGE FACULTY IN 2007-08."

The motion carried.

c. Approval of Local Fund Transfer to Foundation -- VWCC

Mr. Graham reported that Virginia Western Community College (VWCC) requested authority to transfer \$5000 from college funds to the VWCC Educational Foundation. In December 2006, a charitable gift was given to the College but the donor intended that the gift support Foundation scholarships. The VWCC Local Board approved the request to transfer the funds. VCCS policy requires State Board approval to transfer the funds as requested. The Committee recommended. (See Appendix XV.)

The motion was made by Mr. Graham and seconded by Mr. Hancock that:

"THE STATE BOARD FOR COMMUNITY COLLEGES APPROVE THE REQUEST TO TRANSFER \$5,000 FROM VIRGINIA WESTERN COMMUNITY COLLEGE TO VIRGINIA WESTERN COMMUNITY COLLEGE EDUCATIONAL FOUNDATION IN KEEPING WITH THE WISHES OF THE DONOR AND THE REQUEST OF THE LOCAL BOARD."

The motion carried.

3. Information Items

a. Update on Budget Actions of the
2007 General Assembly Session

Mr. Graham noted that the updates were provided and discussed earlier. The Chancellor added that NVCC received funding for Phase III Academic Building on its Manassas Campus.

b. Update on Restructuring – Level 2 Legislation and
Budget Language

Mr. Graham reported that the General Assembly did not pass legislation this session authorizing Level 2 operational authority for institutions. In the 2005 session, operational authority was restructured that provided certain financial incentives to higher educational institutions that met stated objectives and performance indicators. Every higher education institution has Level 1 operational authority.

c. Update on Management Standard 11
SWaM
eVA
VAPP

Mr. Graham noted that updates on Management Standard 11, SWaM, eVA, and VAPP were provided for information.

E. Personnel Committee – Nathaniel Xavier Marshall, Chair, reported.

1. Minutes—Meeting of January 17, 2007

The Committee approved the minutes of the January 2007 meeting.

2. Action Items

a. Former Employees as Local College Board Members

Mr. Marshall reported that currently there is no restriction on local board membership by previous affiliation with a community college. The Chancellor stated that the State Board created the local college boards and granted them more than advisory functions. Over the past

years a number of employees have terminated their employment with the VCCS and received appointments to their local college board. This can cause problems, especially when the employee left the college with a less than positive experience. Numerous ways exist for former employees to be involved with their local colleges other than serving on the local college board. They can serve on the foundation board besides other committees and advisory councils of their college. The Chancellor noted that this was discussed with all of the presidents and they agreed with the merits of the proposed changes. After discussion, the Committee recommendation was revised to include a reference to local college board members serving as of March 2007 were permitted to complete their term and be eligible for reappointment for one additional consecutive term. The Committee recommended approval as revised. (See Appendix XVI.)

A motion was made by Mr. Marshall and seconded by Mr. Porter that:

“THE STATE BOARD FOR COMMUNITY COLLEGES EXCLUDES FORMER FULL-TIME EMPLOYEES OF A COLLEGE FROM BECOMING A MEMBER OF THEIR COLLEGE’S LOCAL BOARD. LOCAL COLLEGE BOARD MEMBERS SERVING AS OF MARCH 2007 WOULD BE ELIGIBLE TO SERVE OUT THE REMAINDER OF THEIR CURRENT TERM AND BE ELIGIBLE FOR ONE ADDITIONAL CONSECUTIVE TERM.”

The motion carried.

- b. Delegated Authority to Chancellor for 12-month Faculty Members and 9-month Administrative Faculty Positions

Mr. Marshall reported that the Chancellor currently had delegated authority to approve 12-month administrative positions and nine-month teaching positions. Requests for alternative contract periods for teaching and administrative faculty occur throughout the calendar year. Granting the Chancellor authority to act upon these requests would improve operational efficiencies. The Committee recommended approval. (See Appendix XVII.)

A motion was made by Mr. Marshall and seconded by Ms. Ahmed that:

“THE STATE BOARD FOR COMMUNITY COLLEGES DELEGATE TO THE CHANCELLOR THE AUTHORITY TO APPROVE NINE-MONTH ADMINISTRATIVE POSITIONS AND THE TWELVE-MONTH TEACHING POSITIONS BY AMENDING VCCS POLICY SECTION 3.4 AS PROPOSED.

The motion carried.

3. Information Item

a. Summary of Human Resource Actions during the 2007 Legislative Session

Mr. Marshall asked Dr. Lee to provide the summary. Dr. Lee reported that merit-based salary increases were authorized for state employees as well as all teaching and administrative faculty. As noted earlier, additional funding was appropriated to increase average nursing faculty salaries. He stated that it was unclear what operational effect would result from a requirement to achieve a classified staff turnover rate that will be established by the institution. Other actions of the session would grant preference to veterans in the hiring process, an "opt-out" plan for deferred compensation rather than the current "opt-in" plan, provide employment leave for crime victims to attend criminal proceedings, and authorize agencies to allow eligible employees to use their own telecommuting equipment if appropriate.

IV. EXECUTIVE COMMITTEE/CHAIR'S REPORT

A. Minutes – November 15, 2007 Executive Committee Meeting

The Committee approved the minutes of the January 2007 meeting.

B. Action Items

1. Resolution of Appreciation to Lord Fairfax Community College for Hosting State Board Meeting

Mr. Toxopeus thanked the president and staff of Lord Fairfax Community College for their gracious hospitality. He proposed a resolution of appreciation for approval by the State Board.

A motion was made by Mr. Toxopeus and seconded by Mr. Marshall that:

"THE STATE BOARD FOR COMMUNITY COLLEGS APPROVES THE RESOLUTION OF APPRECIATION TO LORD FAIRFAX COMMUNITY COLLEGE FOR HOSTING THE MARCH MEETING OF THE STATE BOARD."

The motion carried.

2. Chancellor's Contract, Evaluation and Compensation

Mr. Toxopeus reported that the Executive Committee is in the process of reviewing the Chancellor's contract and would bring it to the State Board at its May meeting.

3. State Board Self-Evaluation

Mr. Toxopeus stated that the Board Self-Evaluation would be posted online along with instructions. If any member did not wish to do the evaluation online, please let the Chancellor's office know and other arrangements would be made.

C. Information Item

1. Declaration of Intent to Seek Election as an Officer of the State Board

The Chair stated that Mr. Mark Graham had declared his intention to serve as chair of the State Board. Also, Mr. Rob Shinn had declared his intention to serve as the vice chair. Elections would be held at the May meeting.

V. OTHER BUSINESS

Mr. Lumsden reported that the Virginia Foundation for Community College Education (VFCCE) was revitalized two years ago. Currently there are 17 board members with the intent to increase the membership to 23. Dr. Jennifer Sager serves as the Executive Director. Last year a goal to raise \$1 million was set and achieved. The members of the State Board met their goal of raising \$100,000. Now the next goal is to raise another \$1 million. Mrs. Beyer will be hosting an event with former Governor Mark Warner for the VFCCE. Next week there will be luncheon event with Governor Mark Kaine at the Executive Mansion.

Mr. Lumsden announced that Mr. Toxopeus had given a \$75,000 scholarship endowment for a graduate of John Handley High School in Winchester to attend Lord Fairfax Community College.

VI. ADJOURNMENT

Their being no further business to come before the Board, the meeting was adjourned at 12:17 p.m.

Alan G. Toxopeus, Chair

Glenn DuBois, Secretary

APPENDIX I

TITLE: PROGRAM APPROVAL – ASSOCIATE OF APPLIED SCIENCE DEGREE IN EARLY CHILDHOOD DEVELOPMENT (Academic, Student Affairs, and Workforce Development Committee, Item III.A.2.a.(1))

BACKGROUND:

Wytheville Community College (WCC) proposes the establishment of an Associate of Applied Science degree in Early Childhood Development. This is a four-semester, 67-credit curriculum. Graduates of this program will be prepared to work in a variety of child care settings such as day care centers, family home centers, or as teacher assistants in public schools.

ACTION RECOMMENDED:

It is recommended that the State Board for Community Colleges approve that Wytheville Community College be allowed to offer the Associate of Applied Science degree in Early Childhood Education.

PREVIOUSLY REVIEWED BY:

- ✓ WCC Curriculum Committee and College Board
- ✓ VCCS Academic Services and Research staff

RATIONALE:

The Early Childhood Development program is already offered at WCC in the form of a Technical Studies Plan of Study. As a result of the Technical Studies conversion process, WCC has elected to apply for AAS degree status for the Early Childhood Development program. WCC currently operates a Child Development Center in cooperation with the Town of Wytheville, the Virginia Department of Housing and Community Development, the Wythe County Social Services and the Wythe County Community Hospital. There are no plans to request additional state funds in order to initiate or operate this program.

RESOURCE PERSONS:

- Dr. Monty Sullivan, Vice Chancellor, Academic Services and Research, msullivan@vccs.edu, 804.819.4970
- Dr. Susan S. Wood, Assistant Vice Chancellor for Educational Programs and Instructional Technology, swood@vccs.edu, 804.819.4936
- Mr. William Hightower, Director of Educational Programs, bhightower@vccs.edu, 804.819.4696

APPENDIX II

TITLE: PROGRAM APPROVAL - CERTIFICATE IN HOMELAND SECURITY
(Academic, Student Affairs, and Workforce Development Committee, Item
III.A.2.a.(2))

BACKGROUND:

John Tyler Community College (JTCC) will establish a Certificate in Homeland Security. The program is designed to provide students with the knowledge and skills needed to conduct a homeland security evaluation and to assess, investigate and respond to terrorism incidents. It provides emergency management practitioners with an opportunity for academic growth and the development of specialized skills in homeland security.

ACTION RECOMMENDED:

As this will be the first Certificate in Homeland Security in the VCCS, this program proposal is presented to the State Board for approval. Staff reviewed the proposal and recommended that Chancellor DuBois approve the request of John Tyler Community College for the establishment of a Certificate in Homeland Security. The Chancellor accepted that recommendation and has approved the certificate program.

PREVIOUSLY REVIEWED BY:

- ✓ JTCC Curriculum Committee and College Board
- ✓ VCCS Academic Services and Research staff
- ✓ Chancellor DuBois

RATIONALE:

The tragic events of September 11 shifted forever our sense of national security and triggered our awareness of the need for greater education, training, and preparation to prevent and prepare for national and local security threats and disasters. As a result, in 2001, the U.S. Department of Homeland Security was created to promote homeland security and to coordinate homeland security efforts among government agencies and private industry. Homeland security is now one of the newest, in demand, fields. Professionals in homeland security work in many different areas. The nation's community colleges are asked to implement Homeland Security programs because they have long been the training providers for first responders, high-visibility workers and employees in high customer services venues. John Tyler Community College's Police Science Advisory Council members and students in the program have indicated the need and their support for this program.

The program is specifically intended for those individuals employed as, or desiring employment as, the following:

- State and Federal Homeland Security Agents
- Customs Investigators, Import Specialist, and Border Patrol Agents
- First Responders who are employed in Police, Fire, Emergency Medical Services or Disaster Planning personnel
- Environmental Science and Protection Technicians
- Occupational Health and Safety Specialists and Technicians
- Hazardous Materials Removal Workers
- City Mayors and County Administrators

APPENDIX II Continued

There are no plans to request additional state funds in order to initiate or operate this program. All program expenses will be funded by the college's general funds and tuition income.

RESOURCE PERSONS:

Dr. Monty Sullivan, Vice Chancellor, Academic Services and Research,
msullivan@vccs.edu, 804.819.4970

Dr. Susan S. Wood, Assistant Vice Chancellor for Educational Programs and Instructional
Technology, swood@vccs.edu, 804.819.4936

Mr. William Hightower, Director of Educational Programs, bhightower@vccs.edu,
804.819.4696

APPENDIX III

TITLE: PROGRAM APPROVAL - CERTIFICATE IN HEALTH INFORMATION CODING SPECIALIST
(Academic, Student Affairs, and Workforce Development Committee, Item III.A.2.a.(3))

BACKGROUND:

Piedmont Virginia Community College (PVCC) will establish a Certificate in Health Information Coding Specialist. This curriculum plan is designed to train workers who review and analyze health records to identify relevant diagnoses and procedures for distinct patient encounters. The medical coding specialist is responsible for translating diagnostic and procedural phrases utilized by healthcare providers into coded form. The translation process requires interaction with the healthcare provider to ensure that the terms have been translated correctly. The coded information that is a product of the coding process is then utilized for reimbursement purposes, in the assessment of clinical care, to support medical research activity and to support the identification of healthcare concerns critical to the public at large.

ACTION RECOMMENDED:

As this will be the first Certificate in Health Information Coding Specialist in the VCCS, this program proposal is presented to the State Board for approval. Staff reviewed the proposal and recommended that Chancellor DuBois approve the request of Piedmont Virginia Community College for the establishment of a Certificate in Health Information Coding Specialist. The Chancellor accepted that recommendation and has approved the certificate program.

PREVIOUSLY REVIEWED BY:

- ✓ PVCC Curriculum Committee and College Board
- ✓ VCCS Academic Services and Research staff
- ✓ Chancellor DuBois

RATIONALE:

During the past year representatives for Martha Jefferson Hospital have approached PVCC and requested that a program in health records coding be developed. Representatives from the University of Virginia Medical Center have concurred. Both institutions report the desperate need for inpatient coding specialists in their institutions. VCCS colleges currently offer AAS degrees in Health Information Technology and Career Studies Certificates in coding. Discussions with the coding specialists at both Martha Jefferson and UVA revealed that none of these programs provide the type and extent of training they require for employment. Current employment needs are being met by hiring temporary employees known as "travelers" at extremely high cost.

APPENDIX III Continued

Survey data posted on the American Health Information Management Associate (AHIMA) website suggest there is a nationwide shortage of certified medical coders in hospitals, physician practices, and other healthcare facilities. According to the United States Bureau of Labor, employment of medical record and health information technicians is expected to grow much faster than the average field.

Martha Jefferson Hospital has provided a \$150,000.00 grant to fund the first two years of the program. The college will cover the difference between program costs and program revenue (grants plus tuition & fees) through the normal college budget and there will be no request for additional state funds to support the program.

RESOURCE PERSONS:

Dr. Monty Sullivan, Vice Chancellor, Academic Services and Research,
msullivan@vccs.edu, 804.819.4970

Dr. Susan S. Wood, Assistant Vice Chancellor for Educational Programs and
Instructional Technology, swood@vccs.edu, 804.819.4936

Mr. William Hightower, Director of Educational Programs, bhightower@vccs.edu,
804.819.4696

APPENDIX IV

TITLE: Revision to the VCCS Policy Manual Section 5.6.0—Grading System for Credit Classes (Academic, Student Affairs, and Workforce Development Committee, Item III.A.2.b)

BACKGROUND:

VCCS staff discovered an area in policy in which there was very little guidance, leading to inconsistencies in the way colleges address enrollments of non-attending students. Policy 5.6.0, which outlines the Grading System for Credit classes, is silent as to how colleges should address non-attending students. It had become apparent in discussions about fostering student success that policy direction was needed as to how the colleges handle the assignment of grades for non-attending students. The Chancellor asked the Academic and Student Affairs Council (ASAC) to review the current Policy 5.6.0 and insert language to provide consistency across the system in dealing with these students. At its December 2006 meeting, ASAC approved a revision to the policy language. The revision was reviewed and approved, with a slight modification, by the Advisory Council of Presidents (ACOP) at its February 2007 meeting. Proposed policy language is presented to the State Board for Community Colleges for consideration.

Current Policy Language

5.6.0 Grading System for Credit Classes (SB)

The grades of A, B, C, D, P, and S are passing grades. Grades of F and U are failing grades. R and I are interim grades. Grades of W and X are final grades carrying no credit.

The quality of performance in any academic course is reported by a letter grade, the assignment of which is the responsibility of the instructor. These grades denote the character of study and are assigned quality points as follows:

(The remainder of policy language for this section remains unchanged.)

Proposed Policy Language

5.6.0 Grading System for Credit Classes (SB)

In order to receive any letter grade, a student must have attended a minimum of one class meeting or the equivalent in the case of a distance learning course. In a distance learning course, initial student attendance is determined by course participation as measured by accessing and using course materials, completion of a class assignment, participation in a course discussion, or other evidence of

APPENDIX IV Continued

participation. Students who enroll in a course but do not attend a minimum of one class meeting or the distance learning equivalent by the census date or earlier date as defined and published by the institution must be administratively deleted from the course by the college. Existing college policies regarding tuition refund shall remain in effect.

The grades of A, B, C, D, P, and S are passing grades. Grades of F and U are failing grades. R and I are interim grades. Grades of W and X are final grades carrying no credit.

The quality of performance in any academic course is reported by a letter grade, the assignment of which is the responsibility of the instructor. These grades denote the character of study and are assigned quality points as follows:

(The remainder of policy language for this section remains unchanged.)

ACTION RECOMMENDED:

That the State Board for Community Colleges approve the proposed revision to Section 5.6.0 (Grading System for Credit Classes) of the VCCS Policy Manual.

PREVIOUSLY REVIEWED BY:

- ✓ VCCS Academic Services and Research staff
- ✓ VCCS Academic and Student Affairs Council (approved December 2006)
- ✓ VCCS Advisory Council of Presidents (approved February 2007)

RESOURCE PERSONS:

Dr. Monty Sullivan, Vice Chancellor, Academic Services and Research,
msullivan@vccs.edu, 804.819.4970

Dr. Susan S. Wood, Assistant Vice Chancellor for Educational Programs and
Instructional Technology, swood@vccs.edu, 804.819.4936

Mr. William Hightower, Director of Educational Programs, bhightower@vccs.edu,
804.819.4696

APPENDIX V

TITLE: Proposed Addition to VCCS Policy Manual Section 5.1.6—Posthumous Degrees (SB) (Academic, Student Affairs, and Workforce Development Committee, Item III.A.2.d.)

BACKGROUND: Upon a request from one of the colleges, it was determined that the VCCS did not have an official policy regarding the awarding of posthumous degrees for students. Since a number of the colleges already have a policy for this procedure, the following policy was proposed by ASAC at its December, 2006, meeting to give colleges authority to develop a policy for awarding posthumous degrees to students. This proposed policy addition was approved by the Advisory Council of Presidents at its February 2007 meeting.

ACTION RECOMMENDED: The following addition is recommended for approval by the State Board for Community Colleges.

5.1.6. Posthumous Degrees (SB)

The State Board authorizes individual colleges to award posthumous degrees for students. Criteria for these degrees shall be determined by individual institutions.

PREVIOUSLY REVIEWED BY:

- Advisory Council of Presidents, February, 2007
- Academic and Student Affairs Council, December, 2006
- Dr. Monty Sullivan, Vice Chancellor, Academic Services and Research, VCCS, 804-819-4972, msullivan@vccs.edu
- Ms. Jennifer Allman, Director of Student Support Services, VCCS, 804-819-4971, jallman@vccs.edu

RATIONALE:

Through this policy addition, the State Board for Community Colleges grants individual colleges the authority to award posthumous degrees for students and to determine their own criteria for awarding degrees.

RESOURCE PERSONS:

Dr. Monty Sullivan, Vice Chancellor, Academic Services and Research, VCCS, msullivan@vccs.edu, 804-819-4972

Ms. Jennifer Allman, Director of Student Support Services, VCCS, jallman@vccs.edu, 804-819-4971

APPENDIX VI

TITLE: Requests to Award Honorary Degrees from Danville, Lord Fairfax, Southside Virginia, Tidewater, and Wytheville Community Colleges (Academic, Student Affairs, and Workforce Development Committee, Item III.A.2.c)

BACKGROUND:

Requests have been received from Danville, Lord Fairfax, Southside, Tidewater and Wytheville Community Colleges for approval to award honorary degrees. In accordance with VCCS Policy Manual (5.1.5 *Honorary Degrees*), the State Board for Community Colleges can authorize Virginia's Community Colleges to award honorary associate degrees in humane letters to the individuals who have contributed significantly to the individual colleges or to the VCCS.

ACTION RECOMMENDED:

That the State Board for Community Colleges approve the requests from Danville, Lord Fairfax, Southside, Tidewater and Wytheville Community Colleges to award honorary degrees.

RATIONALE:

The recommendation to confer the aforementioned honorary degrees was unanimously endorsed by the Board of the respective colleges and the Chancellor.

RESOURCE PERSONS:

Dr. B. Carlyle Ramsey, President
Danville Community College
(434) 797-2222

Dr. John J. Sygielski, President
Lord Fairfax Community College
(540) 868-7101

Dr. John Cavan, President
Southside Virginia Community College
(434) 949-1000

Dr. Deborah DiCroce, President
Tidewater Community College
(757) 822-1122

Dr. Charlie White, President
Wytheville Community College
(276) 223-4700

Dr. Monty Sullivan
Vice Chancellor for
Academic Services & Research
(804) 819-4970

APPENDIX VII

TITLE: TIDEWATER COMMUNITY COLLEGE
TEMPORARY MODULAR BUILDINGS
CHESAPEAKE CAMPUS (III.C.2.a.)

BACKGROUND:

The Chesapeake Campus is Tidewater Community College's fastest growing campus. In 2005-06, the campus served 9,534 students whose enrollments generated 2,650 full-time equivalent students (FTES), a 52% increase since 2000-01, an annual growth rate of 10.5%. No new space has been added to the campus since 1995 although its enrollment has increased by 87% since 1995-96. The campus's space inventory is severely stressed in accommodating the enrollment growth. Funding for a new 60,000 square-foot academic building has been requested in the current General Assembly session—if funding is appropriated in the 2007 session, the new building will not be available until the 2010-11 academic year, when the campus's enrollment demand is expected to have increased by 48% over 2005-06.

The college has investigated the availability of rental space in the vicinity of the Chesapeake Campus without identifying suitable space. In addition, the use of modular buildings, located on the campus, will allow the students and faculty whose classes meet in the temporary facilities to be supported by the campus's infrastructure. Keeping the students and faculty on campus will facilitate easy movement by foot to and from other campus locations rather than traveling by automobile on the increasingly congested city roads around the campus.

The specific provider and modular buildings will be identified through the state's procurement process. However, the college intends to seek bids on two temporary buildings that will provide a total of ten classrooms. Based on preliminary investigation, such modular buildings would be approximately 60'x108' and will be located in an open area on the east side of the campus, where two other temporary facilities are currently in place. It is anticipated that the units will be leased for a period of at least three years, with options to extend on an annual basis, for approximately \$7,000 per month. Funding for this rental is available in the college's operating budget.

The attached site plan depicts the preferred location for two 60'x108' temporary modular buildings. Actual location(s) will not be determined until the characteristics of the specific structure(s) are identified through the state's procurement process.

APPENDIX VII Continued

RECOMMENDATION:

It is recommended that the State Board for Community Colleges approve the placement of temporary modular buildings on the Tidewater Community College Chesapeake Campus.

LOCAL BOARD APPROVAL:

The Tidewater Community College Local Advisory Board has reviewed and endorsed the recommended action.

RESOURCE PERSONS:

Dr. Deborah M. DiCroce, President
Tidewater Community College
(757) 822-1050
ddicroce@tcc.edu

Mr. Edward O. Watson,
Associate Vice Chancellor for
Facilities Management Services
Virginia Community College System
(804) 819-4920
ewatson@vccs.edu

APPENDIX VIII

TITLE: BLUE RIDGE COMMUNITY COLLEGE
CAMPUS COMMONS DESIGN (III.C.2.b.)

BACKGROUND:

As Blue Ridge Community College continues to grow and develop the western side of the campus, there is increasing need for more pedestrian connections between the western and eastern sides. The proposed project includes a design for the campus commons area and a bridge over an existing swale to connect the central campus to the east to the new Humanities Building and new Technology Buildings to the west. The bridge will feature a lower seating area and a water feature to provide a place to relax and gather. The work will include grading for the new landform/drainage swale, a walkway running east-west across the new lawn area from Armstrong toward the building site for the new Technology Building, the continuation of this walkway to the future technology building including the "bridge element", primary North-South walkway from the parking lot over to the Hough Student Center, a drop off and visitor parking area, and conduit and infrastructure for power to install light fixtures. This project is funded entirely by local funds.

RECOMMENDATION:

It is recommended that the State Board for Community Colleges approve the schematic design of the Campus Commons project at Blue Ridge Community College as submitted.

LOCAL BOARD APPROVAL:

Blue Ridge Community College's Local Board approved the design of the Campus Commons project at its January 10, 2007 meeting.

RESOURCE PERSONS:

Ms. Cheryl Miller
Acting Vice President
Blue Ridge Community College
(540) 453-2285
millerc@brcc.edu

Mr. Edward O. Watson, PE
Associate Vice Chancellor
Facilities Management Services
Virginia Community College System
(804) 819-4917
ewatson@vccs.edu

APPENDIX IX

TITLE: VIRGINIA WESTERN COMMUNITY COLLEGE
COMPREHENSIVE CAMPUS MASTER PLAN (III.C.2.c.)

BACKGROUND:

The original master plan for Virginia Western Community College (VWCC) dates to July 1994 with minor revisions in 1996 and 2003. The original master plan was based on campus expansion and outdated concepts incompatible with responsible environmental stewardship.

Virginia Western Community College (VWCC) has completed a new campus master plan with assistance of consultant SFCS, Roanoke, Virginia. The new master plan incorporates planning for future facilities and improvements using Leadership in Energy and Environmental Design (LEED) principles and sustainable design concepts.

VWCC is an urban campus within Roanoke City divided into north and south sectors by a major vehicle thoroughfare. Existing buildings are on multiple levels due to topography. Planning includes unifying these diverse components and creating densities of academic services along the established pedestrian pathways. The new master plan promotes development of synergism within buildings, between buildings, site features and the surrounding community by design. Considerations include: growth by infill, view shed protection and green space preservation.

The VWCC Comprehensive Campus Master Plan is committed to provide leadership in good stewardship of man made and natural resources. The master plan will guide future renovations and development in a direction capable of demonstrating designed solutions to environmental concerns. This commitment will promote the sense of campus and community enhancing the educational experience.

RECOMMENDATION: It is recommended that the State Board for Community Colleges approve the new VWCC Comprehensive Campus Master Plan as submitted.

LOCAL BOARD APPROVAL: The Local College Board unanimously approved the VWCC Comprehensive Campus Master Plan at their September 21, 2006 meeting and recommended the plan to the State Board for approval.

RESOURCE PERSONS:

Dr. Robert Sandel, President
Virginia Western Community College
(540) 857-7311
rsandel@vw.vccs.edu

Kevin Witter – Architect
Director of Facilities Planning & Development
Virginia Western Community College
(540) 857-6481
kwitter@vw.vccs.edu

Mr. Edward O. Watson, PE
Associate Vice Chancellor
Facilities Management Services
Virginia Community College System
(804) 819-4917
ewatson@vccs.edu

APPENDIX X

TITLE: DANVILLE COMMUNITY COLLEGE
HEALTH SCIENCES BUILDING AND
TENNIS COURT RELOCATION
SCHEMATIC DRAWING REVIEW (III.C.2.e.)

BACKGROUND:

During the 2006 Session of the General Assembly, \$12,000,000 was appropriated for the design and construction of a Health Sciences Building at Danville Community College. This appropriation is made up entirely of Higher Education Operating Funds (HEO/0300). These funds are available through a gift from the Danville Regional Foundation.

Dewberry, an A&E firm in Danville, Virginia, was selected to provide the design and construction administration services for this project. The project, as currently designed, provides for the construction of a two story, 26,980 gross square foot, Health Sciences Building. This building will be located at the intersection of South Main Street and Kemper Road. The building design will be contemporary to reflect the high tech nature of the programs which it will house; yet dignified as befits its location on the most prominent site on campus. Exterior materials such as red brick, cast stone, and aluminum windows will be used to relate the new facility to existing campus buildings while prominent architectural features will be reminiscent of the "The Castle" a Romanesque Revival structure which formerly occupied the site. The new facility will be the signature building on campus and will enable the college to bring together classroom and lab space for all health science programs in one state-of-the-art facility. Existing programs which will be housed in the new building include Practical Nursing, Medical Lab Technology, Medical Terminology/Coding, Pharmacy Technician, and Dental Hygiene. The new Health Sciences Building will allow the college to expand these existing programs as well as add new programs such as RN, Phlebotomy, and Radiology. Major programmed spaces include a Community Dental Clinic, Dental Materials Lab, Clinical Skills Lab, Phlebotomy/Med Lab Tech Clinical Lab, Operating Room, Tiered Lecture Room, Distance Learning Classrooms, Computer Lab, Learning Resource Center, Student Lounge, and Faculty Offices.

The total construction cost for this Health Sciences Building is currently estimated at \$7,373,100. The total cost of this facility, including A&E fees, moveable furnishings and equipment, and miscellaneous related costs, is currently estimated at \$9,700,000, and includes \$225,000 for the relocation of the existing Tennis Courts, which currently occupy the proposed project site. The schematic design documents for this project were reviewed and approved by the Art and Architectural Review Board on January 5, 2007.

RECOMMENDATION:

It is recommended that the State Board approve the Schematic Drawings, as submitted.

APPENDIX X Continued

LOCAL BOARD APPROVAL:

The Local College Board will review the schematic design at their March 19, 2007 meeting. The State Board will be apprised of any concerns noted by the Local Board.

RESOURCE PERSONS:

Dr. B. Carlyle Ramsey, President
Danville Community College
(434) 797-8400
bramsey@dcc.vccs.edu

Mr. Edward O. Watson
Assistant Vice Chancellor for
Facilities Management Services
(804) 819-4920
ewatson@vccs.edu

APPENDIX XI

TITLE: VIRGINIA COMMUNITY COLLEGE SYSTEM
LEVEL ONE DELEGATED AUTHORITY FOR EASEMENTS
(III.C.2.f.)

BACKGROUND:

Chapter 945 of the 2005 Session of the General Assembly provided for a significant restructuring of operational authority for Virginia's institutions of higher education. Specifically, §2.2-1150 allows institutions of higher education to convey and acquire easements pertaining to any property such institution owns or controls provided that the institution meets the conditions prescribed in subsection B of §23-38.88 and §23-38.112 (regardless of whether or not the institution has been granted any authority under Subchapter 3 (§23-38.91 et seq.) of Chapter 4.10 of Title 23.

In order to qualify for these authorities, the State Board is required to adopt written policies and procedures that incorporate:

- Designation by the State Board of the official responsible [Responsible Official] for approving any such easement.
- Use of Standard Easement Form previously "approved as to form" by the Attorney General's Office. Office of the Attorney General approval is required for material deviation from the Standard Form.
- For conveyance: Notice that easements will only be granted by quitclaim or special warranty.
- For acquisition: A requirement for one or more Uniform Standards of Professional Appraisal Practice (USPAP)-compliant appraisals to determine fair market value of the easement for all transactions when the total cost exceeds \$10,000, which shall have been completed by an appraiser licensed by the Commonwealth of Virginia as a Certified General Appraiser.
- For acquisition: Requirement for appropriate other due diligence (i.e. title, survey, etc.) as applicable prior to closing.
- For acquisition: Environmental Impact Reports to the extent required by Department of Environmental Quality.

The delegated authority allows the Board to approve these easements rather than requiring them to be approved by the Department of General Services, Division of Real Estate Services (DRES). Currently the State Board approves easements prior to having them go over to DRES. This policy proposes that the State Board would be the final approving authority.

RECOMMENDATION:

It is recommended that the State Board adopt the attached policy as presented.

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APPENDIX XII

TITLE: VIRGINIA HIGHLANDS COMMUNITY COLLEGE
ARTISAN CENTER CONCEPT APPROVAL
(III.C.2.g.)

BACKGROUND:

Early in 2005, Virginia Highlands Community College joined with the Town of Abingdon, the William King Regional Arts Center, the Southwest Virginia Higher Education Center, the Washington County Chamber of Commerce, and the Abingdon Convention and Visitors Bureau in submitting a grant proposal to then Governor Warner for an artisan-related economic development project for southwest Virginia. In that proposal, the College indicated it would donate, at no cost, 8 acres of College property as the site for the project. The preliminary design of the project envisioned in the proposal was a 40,000 square foot facility to be built on the crest of the hill sloping south toward Interstate 81. The two-story structure would include the Visitor Center, food service areas, retail space, and artisan studios. It was also anticipated that the Artisan Center would incorporate plant conservatory features that would combine Appalachian crafts with Appalachian flora, since the proposed site of the Artisan Center would occupy space identified on the VHCC Master Plan for future instructional purposes that would include a conservatory. The project would be a signature building in southwest Virginia, a destination in itself and also the gateway to cultural tourism in the region.

On July 14, 2005 the VHCC College Board was informed that funds had been approved by the Governor to establish a crafts center in Southwest Virginia and that the VHCC campus was identified as one of two potential sites for consideration. At the subsequent September 8, 2005 meeting of the College Board, the Board took action to support the location of the Artisan Center on the Campus and cited the Board's preference for one of the two locations presented to the Board. The College Board preferred location is the site of the current intramural football field and the future location of a conservatory to support the College's horticulture program as identified on the College Master Plan. The secondary location, on the fringe of the Campus had been previously discussed with the State Board at its March 23, 2000 meeting as a site for the Virginia Highlands Small Business Incubator. The Incubator was subsequently located on off-campus land.

On October 27, 2005 Governor Warner announced the Center would be funded with \$3.1 million in Virginia Works funding from the Virginia Department of Housing and Community Development. In order to incorporate the conservatory and other elements into the Artisan Center, it is estimated that a total of \$6.1 million is needed. Additional support from the Town of Abingdon, Washington County, the Tobacco Indemnification and Community Revitalization Commission and others, will be sought to raise the necessary additional funds.

Virginia's Department of Housing and Community Development is orchestrating the project and President Wilkin serves on the "oversight committee," but the legal entity for ownership and governance of the project has yet to be determined. The committee has conducted information-seeking meetings, partnered with an appropriate artisan organization, prepared a mission statement (attached), and secured the services of a Project Manager and Project Architect.

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VHCC is a strong advocate of regional economic development, however the primary enthusiasm of the College for the Artisan Center relates to the many educational opportunities that will be provided as a result of the Center's location on the Campus. Through the College's Co-op, Internship, and Service Learning programs, certificate and degree students will gain practical experience: business, accounting and marketing students in the retail operation; hospitality students in the restaurant and tourism operation; horticulture students with the plant conservatory features; and information technology students with the state-of-the-art technology. The College will also augment the artisan workforce by providing new programs and courses in various crafts. Finally, the College will provide instruction to support avocational interests. The College anticipates accomplishing these last two objectives by expanding an existing arts partnership with the William King Regional Arts Center.

ANALYSIS:

This project has not been reviewed or approved by the State Board previously and is not currently located on the College Master Plan. In addition to options for locations of the project, there are options related to ownership of the facility and the associated land (approximately eight acres). Approval of the State Board and the Governor is required prior to proceeding with any of the options outlined below. In some instances, approval of the General Assembly may be required as well.

There are three primary options on how to proceed. The first approach would be for the Artisan Center to be constructed as a facility owned by the State Board for Community Colleges and leased on a long-term basis to the Town of Abingdon (or another entity) for the purpose of operating the Artisan Center.

Alternatively, the State Board for Community Colleges could deed ownership of 8 acres of the campus to an entity that will be responsible for the construction, ownership, operation and maintenance of the Artisan Center.

A third, blended option would be for the State Board to lease the land on a long-term basis (30-40 years) to the entity subsequently responsible for the construction, operation and maintenance of the Artisan Center. In that option, the building itself would be owned by the responsible entity, with building ownership likely to revert to the State Board at the end of the lease term.

In all three options, as the 8 acres would remain surrounded by College property, there would be significant details to resolve. The first option of constructing the Artisan Center as a facility owned by the State Board and then leasing the facility to the Town of Abingdon would be the least complicated with fewer legal issues to resolve.

Further, in all three instances, the following would need to occur, but perhaps in different ways:

- In order to initiate negotiations for this project, the entity proposed to be the lessor or owner of the land and the building must be named and must exist as an entity with the legal ability to enter into the proposed negotiations and transactions.
- The design and specifications of the structure would need to be approved by the State Board, and in some circumstances, the state's Art and Architectural Review Board.
- Evidence of the full amount of the \$6.1 million needed for construction would need to be committed and/or in-hand prior to initiation of construction.

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- Because it is likely that the Center will be constructed in a highly visible location on the Campus, it is critical that evidence of long-term financial viability of the proposed entity related to ownership and operation of the facility should be demonstrated with an appropriate business plan and financial statements to provide assurances that the Center will be a successful operation over time. If not owned by the State Board, fiscal stability and the ability to maintain the property will be critical issues, more so than if the property is owned by the State Board.
- The terms of a lease or property transfer agreement will need to be presented to the State Board, including identification of who will be responsible for operating and maintaining the facility and the grounds in a manner satisfactory to the College. Responsibility for long-term repair and renovation of the facility will need to be addressed. Road and parking lot use and maintenance, as well as access rights, utility costs, and temporary and permanent easements will need to be determined. Signage as well as the design of the building will require State Board and AARB approval. Security, liability, and other insurance related issues should be examined. Responsibilities for these issues and their related costs will need to be negotiated. Other issues may be identified by the Office of the Attorney General, state agencies or VCCS staff.

In the first approach in which the State Board is to retain ownership of the facility, once all funds have been raised to support the construction contract, authorization would be sought from the Governor (and General Assembly if necessary) to construct the building on College property and all construction funds would be transferred to the State Board for Community Colleges. The building would be constructed as a state project, and would be owned by the State Board for Community Colleges. Once completed, the building would be leased to the appropriate entity responsible for oversight and operation of the Artisan Center.

In this scenario, no land transfer issues are involved, few if any rights of way and easements are required, and no complicated deeds with reverters or other restrictions are required in terms of long term ownership of the underlying land. The lease would outline terms and costs of physical plant maintenance, grounds maintenance, lighting, security, signage, liability and insurance, usage by students, the college and the public, as well as other operating terms and conditions. Additionally, it is possible that since the building is constructed with state funds and will have an instructional component that it might be eligible for state funding for Maintenance Reserve funds and renovation funding as needed in the future. Should it be determined at some point that use of the facility as the Regional Artisan Center was no longer needed or desired by the region, having the building revert to the College for instructional purposes would be relatively simple. As an aside, this option certainly has fewer legal costs and can be accomplished in a more timely fashion without the land transfer or land lease options.

Should the College and other members of the Partnership determine that it is preferred that ownership of the property be transferred to the Town of Abingdon or some other legal entity, the following issues need consideration prior to approval of such transfer by the State Board:

- In addition to the State Board, the Governor must approve the property transfer and the issue of transferring ownership of the property at no cost versus selling the property at full market value will need to be addressed.

APPENDIX XII Continued

- As in other agreements in which State Board property has transferred, it will be necessary to include in the deed that ownership will revert to the State Board should the facility ever stop functioning as originally intended. In no case would ownership of the property be transferred to a subsequent entity other than the State Board, without State Board approval.
- A revised Master Plan for the college should be submitted with evidence of sufficient space for parking, for relocation of the intramural football field, and location of additional future facilities on the Master Plan.

Not addressed in the items above are issues of property taxes that may or may not be due from the entity if ownership of the property is transferred to a non-governmental or non-public entity.

Also not addressed is an option to construct the facility under the Public-Private Education Facilities Infrastructure Act of 2002 that would require a short-term land lease to a private developer, construction of the facility by a private contractor, with a subsequent transfer of ownership of the land and facility back to the State Board upon completion of the project. Use of the facility would then be made available to the Partnership through the lease option described above. While more complicated, this option does have the potential combined benefits of state ownership along with the efficiency of privately managed construction.

LOCAL COLLEGE BOARD:

The Local College Board has included the Artisan Center on the agenda for four (4) meetings (July, September and November, 2005 and November, 2006), most recently to approve “the intent” to provide land for the project. The Local College Board—indeed the entire College and local community—is excited to be a part of this far ranging project. However, Dr. Wilkin has made it clear at College Board and oversight committee meetings that the project needs to go through all the normal approval steps: College Board, State Board for Community Colleges, AARB, as well as VCCS legal counsel.

RECOMMENDATION:

It is recommended that the State Board approve the Artisan Center in concept, subject to the College returning to the State Board with a more detailed request and justification that addresses the questions and concerns outlined above.

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APPENDIX XIII

TITLE: TUITION AND FEE RATES FOR 2007-08 (Item III.D.2.a)

ISSUE

Authority is given to the State Board for Community Colleges, along with all other higher education governing boards, to establish tuition and fee rates. Traditionally, the State Board takes action on tuition rates for the upcoming academic year at its March meeting, to be effective with the upcoming summer session.

BACKGROUND

The budget for the 2006-08 biennium was established during the 2006 Special Session. Significant increases were provided to the VCCS for 2006-07 to fund the state's Base Budget Adequacy guidelines and to fund faculty and staff salaries, however those funds were carried forward with no further increases provided in the VCCS budget for 2007-08 other than for new physical plant costs, and the state share of annualized faculty and staff salaries.

The adopted budget includes \$2,074,062 in additional general funds for the VCCS for base budget adequacy. In addition, the VCCS is eligible for \$1,003,804 which has been placed in a "Tuition Incentive Fund", to be distributed contingent on maintaining tuition and mandatory E & G fee increases at 6 percent or less for the 2007-08 academic year. The State Council of Higher Education is directed to certify each institution's increases and eligibility for the Incentive payment by August 15, 2007. This results in a total of \$3,077,866 in additional funding for the VCCS. That compares to the \$4.5 million proposed in the Governor's introduced budget and provides less than a half percent increase in total spending capacity beyond salary increases.

In addition to taking the actions of the General Assembly into consideration, tuition increases should be considered in light of the VCCS Dateline 2009 strategic plan.

Enrollment growth and Base Budget Adequacy: Dateline 2009 includes a goal of serving 16,000 more in-state students by 2009-10. VCCS enrollment increased by 5,670 headcount students across the state in fall 2006, an increase of 3.7 percent over fall 2005. The new total of 159,202 students includes 9,110 new in-state students since the inception of Dateline 2009.

The Board has endorsed a goal of supporting enrollment growth by attaining 100% of the state's base budget adequacy formula by 2009-10. Base budget adequacy guidelines are intended to project the costs for new faculty to serve enrollment growth, staff to provide student and other support services, and support for other operating costs such as supplies, materials, library books, technology, fuel and utilities. Using estimated 2006-07 enrollments (actual fall and early estimates of spring) the VCCS is at approximately 95% of base budget adequacy guidelines in 2006-07.

Student Success and Workforce Development: In order to attract and retain the best faculty to help students achieve their goals and to meet the needs of business and industry by providing the most up-to-date curriculum, over the past three years the State Board has endorsed significant faculty salary increases in support of moving faculty salaries toward the 60th percentile of the VCCS faculty salary benchmark group. As enrollments grow and increasing numbers of faculty retire, it will be increasingly important for the VCCS to offer a competitive compensation package to attract and retain the best faculty.

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Tuition: While striving to provide the required one-third student share of costs associated with base budget adequacy guidelines as well as salaries for faculty and staff, the State Board has adopted a concept of maintaining as much stability and predictability in tuition as possible, implementing manageable increases in both good times and bad in order to avoid the spikes in tuition that were implemented in the past. (See attached chart on Tuition and Fee History reflecting increases in mandatory E&G tuition and fees of between 6.32% and 6.53% over the past 3 years.) Further, as part of Dateline 2009, the Board intends to keep VCCS tuition and mandatory fees at less than half the rates of public four-year institutions in Virginia.

ANALYSIS

The adopted budget includes approximately \$3.1 million in additional unrestricted General Funds for 2007-08 for the operating budget (base budget adequacy). The General Fund share of a 4% faculty and staff salary increase is also included. One third of the costs must be covered with tuition and fees.

The State Board has endorsed a goal of achieving the 60th percentile for faculty salaries by 2009-10. For 2007-08, SCHEV indicates that VCCS salaries fall 10.1% short of that goal. Assuming a 3% increase in salaries nationally each year, through 2009-10 a total increase of approximately 16.8% is needed over the next three years, or slightly more than 5% per year. With re-benchmarking of the 60th percentile by SCHEV this spring, it is anticipated that the gap will widen further.

Providing the annualized cost of salary increases for all faculty and staff in 2006-07, a 5.0% increase for all full-time and adjunct teaching faculty, and a 4% increase for classified staff and administrators, requires a total of \$16.88 million from all fund sources. State funding will cover 67% of the 4% appropriated increases for both faculty and staff. Tuition and fees will need to cover one-third of the cost of the 4% increases, as well as the full cost of any increases approved by the State Board above those amounts.

In addition to statewide faculty increases, a specific initiative of the Governor and General Assembly provided additional general funds to help attract and retain nurses by increasing nursing faculty salaries for all institutions. Language directs the institutions with nursing faculty to increase the average nursing salary by 10 percent for FY 2008. General Funds of \$784,984 are included in the VCCS budget; the tuition match would be \$392,492.

Due in part to the tuition constraint included in the adopted budget and the fact that 100 percent of any increase above 4% will be paid completely by tuition revenues, the Advisory Council of Presidents recommended that the State Board consider authorizing a 5.0% faculty salary increase for FY 2007-08 rather than the more aggressive increases of 6.19% provided in previous years.

Enrollment growth requires new faculty. With \$36 million in new state funds provided in 2006-07 for "base budget adequacy", colleges have been able to hire new faculty and staff to serve the additional 5,670 students that showed up this fall, and were able to make progress toward "catching up" in so many areas that have remained unfunded in recent years.

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With limited increases in state funds of just \$3.1 million for 2007-08, however, enrollment growth will have to be served primarily with tuition generated from the new students. With current tuition rates, a new student generates \$2,175 in tuition based on 30 credit hours for a full year of classes. With an average class size of 17.5 FTE, an "annual classroom" of students generates \$38,062 in revenues for the college. The average annual cost of a full-time faculty member to serve those students is \$73,682 (\$55,310 plus fringe benefits); the average cost of an adjunct faculty member is \$27,552 (\$25,594 plus fringe benefits). Without new state funding, the ability to add new full-time faculty is severely constrained. Adding faculty in high cost disciplines such as nursing costs significantly more.

An enrollment growth of 3% requires 166 new faculty at a cost of \$8.76 million to maintain the current mix of full-time faculty or up to \$12.8 million to add only new full-time faculty. Declining proportions of full-time faculty do not provide the level of support needed to ensure student success and to keep the VCCS curriculum current with business, industry and global standards. The current ratio of full-time faculty is 45.97%. To improve that percentage just one point to 46.97% requires an additional \$1.98 million. To move to 50%, the VCCS would have to raise an additional \$7.95 million. Improving the mix of full-time to part-time faculty has been a high priority of the State Board in the past, but will be difficult to achieve in 2007-08, especially with any significant enrollment growth.

The non-general fund appropriation for the VCCS increases by \$22.7 million from FY 2007 to FY 2008. This provides authority for additional tuition revenues which may be collected from both new students as well as from tuition increases to all students. Adding the estimated uncollected tuition revenue of approximately \$8 million appropriated for 2006-07 to the \$22.7 million increase results in a total increase of \$30.7 million in increased tuition that would need to be collected in order to be operating under the amounts authorized by the General Assembly. *If enrollment did not increase, tuition would need to increase by approximately 14.5% to collect this additional revenue. If enrollment increases by 3%, a tuition increase of approximately 11% would be needed.*

With current funding levels and an enrollment growth of 3%, it is estimated that it would require at least \$70 million in additional revenues over the current appropriation to achieve 100% of the guidelines in 2007-08. One-third of that cost should come from tuition and fees as well, or approximately the amount authorized in the 2007-08 budget.

Financial aid: The adopted budget also provides an additional \$3,490,688 in financial aid to the VCCS, bringing state aid up to a total of \$21,838,024. This is a much needed and welcome increase of 19% over 2006-07 funds. As it becomes more difficult for students to qualify for federal Pell grants, state financial aid becomes a more important component of student financial assistance.

Those funds can be used for students taking 6 or more credit hours. For students taking 6 or fewer credit hours, the VCCS Part-time Tuition Assistance Program (PTAP) is a primary source of financial aid. Over the past three years, the allocation for PTAP has increased from \$500,000 in 2002-03 to \$1.8 million in 2006-07. PTAP is a self-funded program with funds taken out the General Funds allocated to the VCCS. For 2006-07, due to the significant increase in General Funds provided to the VCCS, an increase of 20% was provided for PTAP. This covered both the

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increase in tuition and fees of 6.32% as well as the enrollment growth of 3.8% in FTES, and allowed coverage to expand to more students. With a change in guidelines for the use of PTAP funds in 2004-05 to allow distribution of the funds to students taking 1-6 credit hours, the PTAP funds are fully utilized each year and financial aid administrators indicate a significant need for additional support of the program. *The Advisory Council of Presidents has recommended that PTAP be increased for 2007-08 in an amount to cover at least the increase in tuition and fees and an estimated increase in enrollment of 3%. Increasing the amount of PTAP by \$200,000 to a total of \$2 million would provide an 11.1% increase in the program, slightly more than the tuition and enrollment increases would require.*

Tuition Rates: Since the inception of Dateline 2009, the State Board has approved tuition estimates within a range of 6.3 – 6.9%. Including the Technology Fee, total costs have increased in each of the three years between 6.32 – 6.53%. These increases have helped to make faculty salaries more competitive, have added new faculty and staff to serve new enrollments, have provided operating funds to support and sustain improvements to facilities and technology infrastructure, and have generally provided relief to budgets strained by enrollment growth during times of general fund reductions in the last decade, allowing colleges to improve budgets for library resources, laboratory and classroom supplies and technology, curriculum renewal, and faculty development necessary to keep up with the rapidly changing needs of business and industry for a competent workforce.

The attached chart is provided to assist the State Board in making a recommendation regarding a tuition increase for 2007-08. It summarizes the information provided above for scenarios with and without enrollment growth. It attempts to highlight possible resource needs and expenditures, compared to different sources of revenues that might become available. Other options are available and can be calculated on a pro-rata basis. An increase of 1% in tuition and fees for current enrollment provides an additional \$2.1 million. A 1% increase with a 3 percent growth in enrollment for 2007-08 provides approximately \$8.5 million in additional revenue, with \$6.4 million of that increase generated from the new students.

In addition to making recommendations for increases in in-state tuition, the State Board will need to authorize a variety of other rates as well.

Out-of-state tuition must cover at least 100% of total student costs; currently that rate covers approximately 110% of costs. *With increases in state funding, tuition for out-of-state students should go up by a percentage similar to that for in-state student tuition.*

In addition, the adopted budget includes an amendment which requires a higher transfer from institutions of higher education to the State Treasurer for the capital fee collected from out-of-state students. The capital fee is collected by the state to assist in paying for the cost of capital outlay projects. As a result, the VCCS required transfer will increase from \$258,960 to \$415,738. The current \$2.20 capital fee is insufficient to generate that amount. *Based on current projected out-of-state enrollments for FY 2008, the fee would need to be increased to \$3.00 per credit hour in order to not have a negative impact on the VCCS budget.*

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Contract Rates: In 2006-07, at the recommendation of the ACOP, the State Board adopted separate contract rates for the military and for other businesses. At that time, the ACOP endorsed and the Board adopted a concept that the military contract rate would continue to reflect the in-state rate, but that the business contract rate would increase by an additional \$10 each year, for a cumulative increase of \$60 over six years.

Legislation adopted this session requires that colleges provide active duty members of the military, activated guard or reservist members with the higher of the institution's in-state rate or their military service Tuition Assistance program. The state will continue to consider these individuals as out-of-state for funding purposes however.

Military dependents, as first legislated in 2006, will continue to be considered as having an in-state domicile and will pay in-state tuition.

Separate legislation was adopted in 2007 providing that out-of-state students that reside within a 30 mile radius of one of our colleges in a state with a tuition reciprocity agreement with Virginia will pay in-state tuition rates. Those students will, however, be counted as in-state students for funding purposes.

Based on these changes, the Advisory Council of Presidents recommended that military contract rates be identical to in-state tuition rates, that the business contract rate be \$20 higher than the in-state rate (it is \$10 higher for 2006-07), and that the policy manual be updated to reflect the changes for tuition reciprocity students.

E-rate: This rate is required to be calculated as 100% of estimated instructional costs (excluding physical plant).

Technology Fee: In 2003, the Technology Fee was raised from \$3.00 to \$3.15 but has not changed since that time (see attached Tuition and Fee History chart). However, since 2003, technology use by VCCS students has grown exponentially with self-registration and payment available through the student information system, with the implementation of a reliable, feature-rich student email system, and with the widespread adoption of Blackboard, that allows faculty to post on-line the syllabus, handouts, and student grades for all courses. To recognize this increased use by students, the Chancellor's Expectations for Technology for the 2006-2008 biennium include increased numbers of student computers and expanded technology support that colleges are to provide for students.

At the January 2007 meeting of the Technology Council, the Council adopted a wholesale revision to the Technology Funding Model to better recognize the technology services and costs that colleges need to have available on their campuses to serve students and faculty. Those recommendations were endorsed by the Advisory Council of Presidents in February 2007. *The ACOP also recommended that the Technology Fee be increased from \$3.15 to \$3.50 in order to help defray some of the increased cost of technology services now recognized in the model.* Further, the Council recommended that the Technology Fee should keep pace with future technology increases based on data compiled annually by Educause, with an expectation that the

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VCCS Technology Fee would not exceed the average per credit hour technology fee charged by community colleges as reported by Educause. According to their Core Data Survey (a national survey of higher education institutions about technology spending and services), 67% of community colleges charge a flat fee per credit hour, as the VCCS does. The national average technology fee per credit hour is \$6 for the community college sector.

If the VCCS raises its technology fee to \$3.50 as proposed, the technology fee will generate an additional \$1,015,466 across the colleges for technology funding. For a full-time student (15 credit hours per semester), an increase of the technology fee by \$.35 will increase costs to students by \$5.25 per semester. The entire \$.35 would be retained at the college collecting the fee.

If this \$.35 increase was added to a 5.72% increase in tuition (\$4.15 per credit hour), the total tuition and fee increase for the VCCS in 2008 would be \$4.50 per credit hour or a 5.95% increase, remaining within the 6% "incentive" cap proposed by the General Assembly in order to qualify for the additional \$1 million in the "Tuition Incentive Fund". Total in-state tuition and fees for FY 2008 would be \$80.15 per credit hour, or \$2,404.50 annually.

RECOMMENDATIONS:

- That the State Board authorize an average salary increase for both full-time and adjunct teaching faculty of 5% to be funded out of available GF and tuition resources in 2007-08. It is anticipated that administrative faculty salary increases would be allowed up to 5.0% as well, as long as a 135% ratio to full-time faculty was not exceeded.
- That the State Board authorize an in-state tuition rate of \$76.65 per credit hour (including the indirect cost fee), an increase of \$4.15 per credit hour over the current rate of \$72.50 per credit hour, or a 5.72% increase for 2007-08. For a full-time student taking 30 credit hours the annual cost of tuition will be \$2,285.40, an annual increase of \$124.50. An increase of 5.72% covers costs of annualizing 2006-07 salary increases, additional salary increases for 2007-08 (including teaching faculty at 5.0%), plus approximately \$4.9 million for additional operating costs assuming no enrollment growth. With 3% enrollment growth, after the costs of hiring new faculty, approximately \$2.9 million would remain for increased operating costs. This increase would be implemented effective summer 2007. For comparison purposes, an increase of 11-14% would be required to fully collect appropriated tuition revenues.
- That active duty members of the military, activated guard or reservist members that are not students under a contract between the college and the military unit, will be charged the higher of the institution's in-state rate or their military service Tuition Assistance program in accordance with state law.
- That the Technology Fee be increased by \$0.35 per credit hour – moving that fee from \$3.15 to \$3.50 per credit hour for all students. For a full-time student, this would be an annual increase of \$10.50. Combining the increase in tuition above with the technology fee increase, mandatory tuition and fees would be \$80.15 per credit hour, or \$2404.50 for a full-time student. This would be an annual increase of \$135 for a full-time student.

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- That the distance learning e-rate be set at a rate equal to 100% of the total estimated costs of instruction (excluding physical plant).
- That the State Board approve an out-of-state tuition rate of \$248.80 per credit hour, also an increase of 5.72%, or an additional \$13.45 per credit hour over the current rate of \$235.35. This would be an annual increase in costs of \$403.50 for a full-time student.
- That the military contract rate be set at the in-state tuition rate of \$76.65 per credit hour, that the business contract rate be set \$20 higher than the in-state rate (it is \$10 higher for 2006-07) or \$96.65 per credit hour, and that the policy manual be updated to reflect the changes for tuition reciprocity students to provide in-state rates for those students as well.
- That the out-of-state capital fee increase from \$2.20 to \$3.00 per credit hour.
- That the Part-time Tuition Assistance Program (PTAP) be increased by \$200,000, bringing it to a total of \$2 million, an 11.1% increase.

Other options can be easily calculated on any of these rates if desired.

These recommendations are made with a commitment from the Advisory Council of Presidents to making continued significant progress on each of the *Dateline 2009* goals, particularly with regard to retention and enrollment goals, and for those colleges with fewer than 50% full-time faculty that a commitment is made to increase full-time faculty.

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APPENDIX XIV

TITLE: PROPOSAL FOR AN INCREASE IN DIFFERENTIAL TUITION
NORTHERN VIRGINIA COMMUNITY COLLEGE (III.D.2.b.)

BACKGROUND:

In May 2005, the State Board for Community Colleges approved a Differential Tuition Policy, described at Section 4.3.0(b) of the VCCS Policy Manual. In response, Northern Virginia Community College proposed a strategy of increasing tuition for its students by \$3.00 per credit hour each year through fiscal year 2009. Accordingly, with the State Board's approval, tuition was increased effective Spring Semester 2006 by \$3.00 and by a further \$2.50 per credit hour effective Summer Session 2006.

RATIONALE:

Northern Virginia Community College is located in one of the nation's most expensive metropolitan areas. Consequently, increasing the college's capacity to serve more students while managing the costs of its operations and the cost of offering competitive faculty salaries present significant challenges. Salaries lag significantly behind other community colleges in the Washington region and even behind some public school divisions in Northern Virginia. At last comparison (2006), NOVA faculty salaries were an average of \$11,559 below that of its peer institutions.

Even with the tuition differential increases, NOVA's tuition rates remain the lowest among all community colleges in the Washington metropolitan area. Currently, NOVA tuition is an average of \$40 per credit hour less expensive than other community colleges located in the Washington metro region (Montgomery College & Prince George's Community College). In addition, the region is more affluent than many other areas of Virginia; most students and their families have a greater capacity to pay a higher tuition rate.

It is proposed that an additional differential increase of \$.35 per credit hour be implemented for in-state students and a \$3.00 per credit hour increase for out-of-state students. The increase for in-state students is constrained due to the limitations posed by the General Assembly in order for the VCCS to remain eligible for funding for the "Tuition Incentive Payment". This would increase the total NVCC differential for in-state students to \$5.85 and for out-of-state students to \$8.50, estimated to generate a total of \$4.7 million in additional funding for the College in 2007-08.

Under this plan it is estimated that with a three percent enrollment increase in 2007-08, NOVA will collect an additional \$594,000 from the increase in the tuition differential. As in previous years, NOVA proposes to dedicate 17 percent of the tuition differential revenues to increasing financial assistance for students who demonstrate financial need and who may be less able to afford tuition increases. Next year the increased amount of financial aid awarded from the new differential tuition is projected to be an additional \$101,000, yielding over \$800,000 to the total differential financial aid pool for 2007-08. The remaining amounts will be used to add three full-time teaching faculty (\$222,000) and to increase faculty salaries (\$271,000) to a more competitive position.

APPENDIX XIV Continued

Evidence suggests that increasing the differential tuition again will not impose a significant barrier to college access. In 2006-07, the college is projecting a 5.1% (1,254 FTE) increase in enrollment for the year, demonstrating that the tuition differential is not having a negative impact on student enrollment. The proposed additional differential tuition will not change NOVA's position as the least expensive higher education alternative in the region.

The College's "2006-07 Tuition Differential Annual Report" is attached, highlighting the use of funds collected from the differential this year.

LOCAL BOARD APPROVAL:

The Northern Virginia Community College Board reviewed and approved an increase differential at the college of up to \$3.00 per credit hour at its January 29, 2007 meeting.

RECOMMENDATION:

That the State Board for Community Colleges approve the request from Northern Virginia Community College to increase its tuition differential for in-state students by \$.35 per credit hour and by \$3.00 per credit hour for out-of-state students effective Summer Session 2007; and, additionally, that the State Board for Community Colleges approve an average 7% faculty salary increase funded with the differential in order to provide an additional 2% average increase for Northern Virginia Community College faculty in 2007-08.

RESOURCE PERSONS:

Dr. Robert G. Templin, Jr.
President
Northern Virginia Community College
703 323-3101

Ms. Pamela Currey
Associate Vice Chancellor, Budget & Planning
804-819-4695

APPENDIX XV

TITLE: APPROVAL OF LOCAL FUND TRANSFER TO FOUNDATION – VIRGINIA WESTERN COMMUNITY COLLEGE (Item III.D.2.c.)

BACKGROUND:

Virginia Western Community College has requested authority to transfer \$5,000 from College funds to the Virginia Western Community College Educational Foundation.

RATIONALE:

In December, 2006, Bernard and Susan Odasz made a charitable gift to VWCC in the amount of \$5,000. The donor intended these funds go to support Foundation scholarships, but made the donation to the College. At its January 2007 meeting, the VWCC Local Board approved the requested transfer of funds and asked the State Board to make the final approval to allow the College to transfer the funds to the VWCC Foundation. Current VCCS policy requires State Board approval to transfer \$500 or more from a college's operating budget to college foundation.

RECOMMENDATION:

The State Board for Community Colleges approve the request to transfer \$5,000 from Virginia Western Community College to Virginia Western Community College Educational Foundation, in keeping with the wishes of the donor and the request of the local board.

RESOURCE PERSONS:

Dr. Robert Sandel
President
Virginia Western Community College
540-857-7311

Ms. Pamela Currey
Associate Vice Chancellor, Budget & Planning
804-819-4695

APPENDIX XVI

TITLE: FORMER EMPLOYEES AS LOCAL COMMUNITY COLLEGE BOARD MEMBERS (III.E.2.a)

BACKGROUND:

Section 2 of the VCCS Policy Manual defines the Appointment of Local College Boards as the following:

The members of the college board shall be residents of the region to be served by the community college and shall include persons from various businesses, industries, and professions in the region being served by the community college. No elected members of either the General Assembly or of a local governing body shall be eligible to serve on the college board; however, elected town officials shall not be prohibited from serving on a college board so long as such town is not a participating political subdivision sponsoring the college. All members of the college board shall be deemed members at large charged with the responsibility of serving the best interests of the whole region being served by the community college.

There is no restriction on board membership by previous affiliation with a Community College. However, there have been a number of occasions when former employees have been selected to serve as members on local boards. Such occurrences have had a mixed record of success.

RECOMMENDATION:

It is recommended that the State Board exclude former full-time employees of a college from becoming a member of their College's Local Board. Current board members would be eligible to serve out the remainder of their current term but would be ineligible for reappointment.

RATIONALE:

A State Board system-wide restriction would eliminate the potential of former full-time employees serving on a Local Board in circumstances where their participation is not in the best interest of the College.

RESOURCE:

Dr. Christopher D. Lee
Associate Vice Chancellor
Human Resource Services
System Office
804-819-4685

APPENDIX XVII

TITLE: DELEGATED AUTHORITY FOR CHANCELLOR TO APPROVE TWELVE-MONTH TEACHING FACULTY APPOINTMENTS AND NINE-MONTH ADMINISTRATIVE AND PROFESSIONAL FACULTY (III.E.2.b)

BACKGROUND:

Regular full-time teaching faculty normally hold nine-month appointments for the academic year beginning August 16th and ending May 15th. Administrative and professional faculty are employed on a twelve-month basis beginning July 1st and ending June 30th. Certain colleges have requirements for nine-month teachers to participate in year-round programs, administrative duties or sponsored programs over a twelve-month period. Also from time-to-time some colleges have justification for employing twelve-month administrators and professionals for nine months.

During each May Board meeting, the State Board reviews and approves such non-routine appointments in the form of recommendations from the Chancellor based upon the requests from each college. In order to receive the Chancellor's endorsement, each college is required to comply with VCCS policy #3.4.

RECOMMENDATION:

It is recommended that the State Board delegate to the Chancellor the authority to approve nine-month administrative positions and the twelve-month teaching positions as the Chancellor currently has the delegate authority to approve 12-month administrative positions and nine-month teaching positions.

RATIONALE:

While these contract terms are exceptions to policy, each college has to justify their requests for exceptions and each case receives appropriate scrutiny and is reviewed in accordance with VCCS policy #3.4.

RESOURCE PERSON:

Dr. Christopher D. Lee
Associate Vice Chancellor
Human Resource Services
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