

MINUTES

HIGHER EDUCATION POLICY COMMISSION

April 29, 2011

1. Call to Order

Chairman David Hendrickson convened a meeting of the Higher Education Policy Commission at 10:00 AM in Room 1220 of Building 2000 at the West Virginia Regional Technology Park in South Charleston, West Virginia. The following Commission members were present: Jenny Allen, Bruce Berry, Kathy Eddy, John Estep, Kay Goodwin, David Hendrickson, John Leon, Jorea Marple, and David Tyson. Absent: Bob Brown. Also in attendance were institutional presidents, higher education staff, and others.

2. Oath of Office

Chairman Hendrickson administered the oath of office to Jorea Marple, the State Superintendent of Schools and newest member of the Commission.

3. Chairman's Report

Chairman Hendrickson announced the formation of the Nominating Committee consisting of Commissioners Estep and Leon, with Secretary Goodwin as Chair. Chairman Hendrickson indicated that the Nominating Committee will meet prior to July 1, 2011 and recommend a slate of officers to be considered by the full Commission. Chairman Hendrickson also announced that a meeting schedule has been set for 2012 and will be distributed in the coming weeks to members of the Commission, institutional representatives, and the general public.

In closing, Chairman Hendrickson provided an update on the statewide adult learner marketing campaign, RBA Today, and the West Virginia Regional Technology Park (WVRTP).

4. Chancellor's Report

Chancellor Brian Noland thanked members of the Commission, particularly Commissioner Allen, and the institutional presidents with their assistance in securing additional funding for the West Virginia Higher Education Grant Program during the 2011 regular legislative session. Chancellor Noland also provided an update on the work of the Efficiencies Task Force, which is staffed by Dr. Kevin Walthers and led by Dr. Stephen Kopp.

Dr. Noland introduced Josh Lawson, Chair of the Advisory Council of Students, who provided a presentation regarding the creation of a Student Mentoring Program. Mr. Lawson presented the Empowerment = mentoring/coaching (E=MC) Report, which aims to increase retention for first time students at both two- and four-year institutions. The program advocates for an introduction to college courses that allows each institution to customize their course, but with a common design of student mentors/coach incorporated in the class. Mr. Lawson recommended that all first time college students participate in the course.

Chairman Hendrickson thanked Mr. Lawson and the Advisory Council of Students for making the presentation at the Commission's request. Commissioner Eddy commended the students for the thoroughness of their presentation.

5. Approval of Minutes

Mr. Tyson moved approval of the minutes of the meetings held on January 13, 2011, January 21, 2011, February 11, 2011, and April 15, 2011, as provided in the agenda materials. Dr. Berry seconded the motion. Motion passed.

6. Consent Agenda

Dr. Berry moved the adoption of the consent agenda including the following items:

A. Approval of Institutional Compact Update for West Virginia State University

Resolved, That the West Virginia Higher Education Policy Commission approves the institutional compact for West Virginia State University.

B. Approval of Bachelor of Science in Business Information Systems at Bluefield State College

Resolved, That the West Virginia Higher Education Policy Commission approves the Bachelor of Science in Business Information Systems at Bluefield State College, effective August 2011.

C Approval of Tuition Reciprocity Agreement Between Ohio and West Virginia

Resolved, That the West Virginia Higher Education Policy Commission approves the tuition reciprocity agreement between West Virginia and Ohio involving West Virginia University, West Virginia University at Parkersburg, West Virginia Northern Community College, Belmont Technical College, Eastern Gateway Community College, Ohio University Eastern, and Washington State Community College until June 30, 2013.

D. Approval of Snyder Hall Renovations at Shepherd University

Resolved, That the West Virginia Higher Education Policy Commission approves Shepherd University's renovations projects for Snyder Hall for a total estimated cost of \$1,885,000.

Mr. Estep seconded the motion. Motion passed.

7. Learning and Accountability

A. Update on West Virginia Regional Technology Park

Dr. Paul Hill, Vice Chancellor for Science and Research, provided information on Senate Bill (SB) 484, which provides for a new corporation to be established for operation and development of the West Virginia Regional Technology Park (WVRTP); authorizes the appointment of a Board of Directors; and the hiring of an Executive Director. Dr. Hill noted that, in order to complete the incorporation process, the Board membership and initial by-laws must be established. Dr. Hill recommended a slate of potential members for the Commission's consideration. Dr. Hill also presented a working timeline for WVRTP activities, highlighted progress to-date, and provided a status report on the creation of the corporation.

Mr. Tyson moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the appointment of West Virginia Regional Technology Park Board of Directors as presented.

Ms. Eddy seconded the motion. Motion passed.

B. Approval of Rural Health Education Partnership Program Administrative Restructure and Budget Allocation

Three representatives of the state's medical education community, David Bowyer, Bob Foster, and Tom Hefner, requested the opportunity to address the Commission regarding changes to the Rural Health Education Partnership (RHEP) Program. Chairman Hendrickson granted their request on behalf of the Commission. During their public comments, these individuals discussed the negative aspects of the RHEP Program restructure citing concerns for the on-going placement of medical students and graduates in rural areas.

After the public comments, Dr. Bob Walker, Vice Chancellor for Health Sciences, provided an in-depth overview and history of the RHEP Program, which was implemented to address the need for more equitable distribution of health professionals in West Virginia to respond to the changing student

demographics and educational needs of the state's health professions programs.

Dr. Walker stated that, since 2008, several Commission studies and a legislative audit evaluating the program have noted confused lines of authority, responsibility, and accountability. Due to the audits, the Division of Health Sciences proposed changes to the structure of the RHEP Program. Dr. Walker emphasized that the restructure will not eliminate the program, nor will it incur new state funding.

Commissioner Tyson requested that the item be tabled and that the detailed plans from the state's three medical schools be provided to the Commission. Dr. Walker indicated each school has developed a tentative plan, but detailed plans are not currently available.

Commissioner Eddy requested that Dr. Walker provide the findings in the audit report to the Commission. Dr. Walker responded that staff will provide the requested information in the coming days.

Dr. Leon moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the administrative restructure and the distribution of a portion of the RHI Program and Site Support - District Consortia state budget line item directly to the state's three academic health science centers.

Secretary Goodwin seconded the motion. Motion passed with Dr. Marple and Mr. Tyson voting no.

C. Overview of Degree Now

Dr. Jacob Gross, Policy and Planning Research Analyst, and Dr. Sarah Beasley, Post Doctoral Assistant/Research and Planning Analyst, provided an overview and presentation of DegreeNow, which supports efforts aimed at attracting and educating more adult learners. Drs. Gross and Beasley discussed the adult learner statewide presentations as well as the Advisory Board, which is comprised of local and national education experts and experts from key constituency groups, curriculum development, and evaluation efforts of the program. Dr. Beasley discussed plans for a Train-the-Trainer workshop, which will focus on the needs of adult students across the state.

D. Approval of Program Productivity Review

Dr. Mark Stotler, Assistant Director of Academic Affairs, presented information on the Commission's Series 10, Policy Regarding Program

Review, which provides for a biennial productivity review of academic degree programs. Dr. Stotler discussed the productivity standards and indicated thirty academic degree programs are currently on probation, with fifteen of those programs on probation as a result of a productivity review conducted in 2009. Of the remaining fifteen programs, the Certificate in Criminal Justice from Potomac State College of West Virginia University was discontinued and eight programs were provided an extension for further review. Dr. Stotler recommended probationary status for the remaining six programs.

Dr. Berry moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission recommends to the respective institutional governing boards that the designated low-productivity programs be placed on probationary status in accordance with Series 10, Policy Regarding Program Review.

Ms. Eddy seconded the motion. Motion passed.

E. Approval of Revision to Series 11, Submission of Proposals for Academic Programs and the Monitoring and Discontinuance of Existing Programs

Dr. Kathy Butler, Senior Director of Academic Affairs, provided an overview of proposed revisions to Series 11 to clarify the procedures in the approval process and the role of the Commission and the West Virginia Council for Community and Technical College Education in the on-going monitoring and approval of programs. Dr. Butler noted that, with the Commission's approval, the rule will be filed with the Secretary of State for the thirty-day public comment period.

Ms. Eddy moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves revisions to Series 11, Submission of Proposals for Academic Programs and the Monitoring and Discontinuance of Existing Programs, as revised, for submission to the Secretary of State's office for the thirty-day public comment period and that if no substantive comments are received that the Commission extends its final approval.

Dr. Berry seconded the motion. Motion passed.

8. Cost and Affordability

A. Approval of Refunding of the Gilmer County Commission Commercial Development Revenue Bonds, Series 2001, for Pioneer Village at Glenville State College

Mr. Richard Donovan, Chief Financial Officer, presented a Contract of Lease/Purchase between the Glenville State College Housing Corporation and the Glenville State College Board of Governors. Mr. Donovan stated that the proceeds from the 2011 Bonds will be used to refund the Gilmer County Commission's Commercial Development Revenue Bonds and pay the costs of issuance of the 2011 Bonds.

Vice Chairman Berry inquired if funding for this project includes maintenance and deferred maintenance. Mr. Donovan responded that the costs for the on-going operation of the facility will be paid by student-generated revenue from rent.

Dr. Berry moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the resolution drafted by bond counsel authorizing the refunding of the Gilmer County Commission Commercial Development Revenue Bonds, Series 2001.

Further Resolved, That the West Virginia Higher Education Policy Commission approves the Contract of Lease/Purchase between the Glenville State College Housing Corporation and Glenville State College.

Ms. Eddy seconded the motion. Motion passed.

B. Approval of Purchase and Financing of The Augusta on the Square at West Virginia University

Mr. Donovan provided information regarding the purchase of The Augusta on The Square by West Virginia University. Mr. Donovan noted that the purchase, including issuance costs, will be financed by a supplemental indenture to the University's 2004 Bond Trust Indenture.

Dr. Berry inquired if this request includes initial renovation and on-going operation of the facility. Mr. Donovan responded that the institution has adequate funds to cover those expenses.

Dr. Berry moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the Resolution prepared by bond counsel approving and authorizing the issuance of revenue bonds by the West Virginia University Board of Governors in an aggregate principal amount not to exceed \$12 million to finance the acquisition of real and personal property commonly referred to as The Augusta on the Square.

Further Resolved, That the West Virginia Higher Education Policy Commission approves an amendment to West Virginia University's Campus Development Plan to include acquisition of The Augusta on the Square.

Mr. Tyson seconded the motion. Motion passed.

C. Approval of Allocations of Fiscal Year 2012 State Appropriations to Institutions and Other Entities

Dr. Ed Magee, Senior Director of Finance, provided an overview of the allocations of the Fiscal Year (FY) 2012 state appropriations, which include funding to institutions, financial aid, capital improvements, and health outreach programs. Dr. Magee indicated that West Virginia was one of eight states that avoided making cuts in higher education during FY 2011 and incurred significant funding for higher education in the form of \$27.6 million in general revenue that had been funded with one-time American Recovery and Reinvestment Act of 2009 (ARRA) funds.

Secretary Goodwin requested clarification regarding the effect of the ARRA funds. Dr. Magee responded that, once the funds expire, additional state funding will need to be provided or cuts may be necessary to higher education.

Ms. Eddy moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission accepts the Fiscal Year 2012 state appropriation report and approves allocations as shown in Table 2 and Table 3.

Dr. Leon seconded the motion. Motion passed.

D. Approval of Fiscal Year 2012 Institutional Capital Assessments

Dr. Magee presented the proposed institutional assessments for debt services and facilities planning administration payments. Dr. Magee stated that Commission staff will transfer funds from institutional accounts on September 1 and March 1 to make the debt service payments.

Ms. Eddy moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the institutional capital assessments for Fiscal Year 2012 as shown in Table 2.

Dr. Berry seconded the motion. Motion passed.

E. Approval of Fiscal Year 2012 Higher Education Resource Assessment

Dr. Magee presented the proposed Higher Education Resource Assessment (HERA) for FY 2012. Dr. Magee stated that HERA funds are utilized by the Commission to support statewide initiatives and projects as well as the West Virginia Higher Education Grant Program. Dr. Magee further stated that the actual projects and requested award amounts will be presented to the Commission for review and approval at the next regular meeting.

Dr. Berry moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the Fiscal Year 2012 Higher Education Resource Assessment.

Dr. Leon seconded the motion. Motion passed.

F. Approval of Tuition and Fees for 2011-12 Academic Year

Dr. Magee provided an overview of tuition and fees from a state, regional, and national level. Dr. Magee provided examples of financial challenges in American higher education as a result of current economic downturn. He indicated that the institutions were asked to align prices with internal strategic and state goals regarding affordability, quality of instruction, retention, and financial strength.

Dr. Marple noted that information for West Virginia University was not included with the agenda materials. Dr. Magee stated that information will be presented to the West Virginia University Board of Governors for their review and approval at a later date. Dr. Magee further stated that tuition and fee increases for Marshall University and West Virginia University do not require approval by the Commission.

Secretary Goodwin asked if the increased tuition and fees will result in higher graduation rates, lower student loan debt, or lower the 50 percent adjunct ratio.

Mr. Tyson moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves staff recommendations for tuition and fees increases for the 2011-12 academic year.

Dr. Leon seconded the motion. Motion passed with Secretary Goodwin and Dr. Marple voting no.

G. Approval of Fiscal Year 2012 Distribution Plan for the West Virginia Higher Education Grant Program

Dr. Angie Bell, Interim Director of Financial Aid, stated that modifications to Series 42, the rule that regulates the West Virginia Higher Education Grant Program, has allowed staff to make program adjustments. As a result, Dr. Bell indicated the Higher Education Student Financial Aid Advisory Board initially recommended a maximum award level of \$2,200 and serving students up to an expected family contribution (EFC) of \$6,000 for the 2011-12 academic year. However, utilizing the revised budget, staff recommends a maximum award level of \$2,400 for students with an EFC up to \$5,273 and up to an award of \$2,000 for students with an EFC up to \$8,000 for the upcoming academic year.

Chancellor Noland thanked Dr. Bell for her presentation and the advocacy of the state's higher education community, led by Commissioner Allen, and the increased funding provided by the West Virginia Legislature. Chancellor Noland stated that the additional funding has increased affordability for the state's neediest students.

Ms. Allen moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the proposed Fiscal Year 2012 Distribution Plan for the West Virginia Higher Education Grant Program.

Dr. Berry seconded the motion. Motion passed.

H. Approval of Eligibility Requirements, Annual Award Amount, and Summer Awards for the PROMISE Scholarship Program

Dr. Bell provided a detailed overview of summer awards, eligibility requirements, and annual award amount for the PROMISE Scholarship Program. Dr. Bell noted that \$400,000 has been allocated for summer awards. Dr. Bell noted that eligibility criteria have not changed.

Chairman Hendrickson asked if the summer awards count towards a student's maximum eight semesters of eligibility. Dr. Bell indicated that summer awards do count toward a student's eligible semesters.

In closing, Dr. Bell stated that award letters were mailed to graduating high school students who will receive a PROMISE Scholarship beginning with the Fall 2011 semester.

Ms. Eddy moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves proposed eligibility requirements, annual award amount, and summer awards for the PROMISE Scholarship Program.

Dr. Berry seconded the motion. Motion passed.

9. Possible Executive Session under the Authority of West Virginia Code §6-9A-4 to Discuss Personnel Issues

Dr. Berry moved to go into Executive Session under the authority of West Virginia Code §6-9A-4 to discuss personnel issues. The motion was seconded by Dr. Leon. Motion passed.

Mr. Tyson moved to rise from Executive Session. Ms. Eddy seconded the motion. Motion passed.

A. Approval of Presidential Contract and Compensation at West Virginia University

Chairman Hendrickson reported that the Commission discussed the presidential contract and compensation at West Virginia University during Executive Session, but no action was taken.

Dr. Berry moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the presidential contract and compensation by the West Virginia University Board of Governors for Dr. James Clements, under the terms and conditions established by the Board, and delegates to the Chancellor authority to approve, as to form, the contract between Dr. Clements and the West Virginia University Board of Governors.

Secretary Goodwin seconded the motion. Motion passed with Dr. Marple voting no.

State Superintendent Marple indicated that her vote was in support of educators from the state's secondary school system, who are paid below regional and national averages.

Chancellor Noland thanked President Clements and Ms. Carolyn Long, Chair of the West Virginia University Board of Governors, for their leadership and steadfast commitment to the institution. Chair Long thanked the Chancellor and the Commission on behalf of the campus community.

10. Additional Board Action and Comment

There was no additional board action or comment.

11. Adjournment

There being no further business, the meeting was adjourned.

David K. Hendrickson

Chairman

Kathy Eddy

Secretary