

MINUTES

HIGHER EDUCATION POLICY COMMISSION

February 1, 2013

1. Call to Order

Chairman David Hendrickson convened a meeting of the Higher Education Policy Commission at 10:00 AM in the Building 740 Auditorium at the West Virginia Regional Technology Park in South Charleston, West Virginia. The following Commission members were present: Jenny Allen, Bruce Berry, Bob Brown, John Estep, Kay Goodwin, David Hendrickson, John Leon, James Phares, and David Tyson. Absent: Kathy Eddy. Also in attendance were institutional presidents, higher education staff, and others.

2. Oath of Office

Chairman Hendrickson administered the oath of office to the Commission's newest member, Dr. James B. Phares, State Superintendent of Schools.

3. Approval of Minutes

Dr. Berry moved approval of the minutes of the meetings held on November 29, 2012 and December 7, 2012 as provided in the agenda materials. Ms. Allen seconded the motion. Motion passed.

4. Consent Agenda

Dr. Berry moved approval of the following resolutions:

A. Approval of Revision to Series 4, Rules and Administrative Procedures

Resolved, That the West Virginia Higher Education Policy Commission approves the revisions to Series 4, Rules and Administrative Procedures, as a procedural rule to be filed with the Secretary of State for a thirty-day public comment period.

Further Resolved, That the rule is approved for final filing at the conclusion of the comment period if no substantive comments are received.

B. Final Approval of Revised Series 23, Standards and Procedures for Undergraduate Admission at Four-Year Colleges and Universities

Resolved, That the West Virginia Higher Education Policy Commission approves Series 23, Standards and Procedures for Undergraduate

Admission at Four-Year Colleges and Universities, as revised, for final filing with the Secretary of State.

Ms. Allen seconded the motion. Motion passed.

5. Chairman's Report

Chairman Hendrickson welcomed Superintendent Phares and expressed appreciation to members of the Commission, institutional presidents, and higher education staff for their collective efforts to ensure a brighter future for West Virginia's current and future students. Chairman Hendrickson discussed the upcoming legislative session and noted the proposed budget reduction. Secretary Goodwin requested that the presidents and institutional staff inform the Chancellor when individual institutions are lobbying at the Legislature.

6. Chancellor's Report

Dr. Paul Hill, Chancellor, highlighted several emerging issues across the state's higher education system. Chancellor Hill discussed international education; Massive Open Online Courses (MOOCs); distance education; developmental education; the launch and implementation of the 2013-18 Master Plan, *Leading the Way: Access. Success. Impact.*; and on-going legislative work concerning performance-based funding, including the creation of a subcommittee to review the issue. Chancellor Hill noted that campus safety is a priority for the state's higher education system and announced plans for a statewide discussion regarding campus planning and response in the near future.

In closing, Chancellor Hill announced that West Virginia is one of a select group of states chosen to participate in a "College and Career Readiness Partnership," sponsored by the American Association of State Colleges and Universities (AASCU), the Council of Chief State School Officers (CCSSO), and the State Higher Education Executive Officers (SHEEO).

7. Council of Presidents' Report

Mr. Robin Capehart, Chair of the Council of Presidents, provided an update regarding several key issues affecting the state's higher education system, including Senate Bill 330, the outcomes-based funding proposal, general financing of higher education, and assessment and evaluation. President Capehart discussed the establishment of a Higher Education Roundtable, comprised of the Council of Presidents, Commissioners, the Chancellor, legislators, and the Governor. The purpose of the proposed Roundtable is to facilitate discussion and establish an understanding regarding the major issues affecting the state's higher education system.

8. Interim Reports from Constituent Groups

A. Advisory Council of Students

Mr. Adam Fridley, Chair of the Advisory Council of Students (ACS), discussed the launch of a statewide petition to encourage student involvement with state leaders and discourage any proposed budget reductions for higher education. Mr. Fridley also discussed the impact of the potential budget reductions on institutions and, specifically, students. Chairman Hendrickson commended the ACS for their efforts.

B. Advisory Council of Faculty

Dr. Sylvia Shurbutt, Chair of the Advisory Council of Faculty (ACF), reviewed faculty salaries and discussed concerns regarding the outcomes-based funding model. Dr. Shurbutt requested that faculty representatives be included as part of the Select Committee on Outcomes-Based Funding Models in Higher Education. Chairman Hendrickson noted that he would provide a recommendation to the Legislature regarding faculty representation. Dr. Shurbutt also discussed concerns regarding grade inflation as a result of the outcomes-based funding model.

Secretary Goodwin noted that adjunct faculty appear to comprise more than half of the total faculty. Dr. Shurbutt indicated that these instructors may not have the same commitment as full-time faculty.

C. Advisory Council of Classified Employees

Ms. Amy Pitzer, Chair of the Advisory Council of Classified Employees (ACCE), discussed progress toward Senate Bill 330 implementation and commended Mr. Mark Toor, Vice Chancellor for Human Resources, for his progress to date. Ms. Pitzer noted members of ACCE will meet with Fox Lawson and ModernThink regarding their on-going work. Ms. Pitzer discussed training opportunities for Chief Human Resource Officers (CHROs) and members of ACCE regarding job classification.

9. Senate Bill 330 Implementation

A. Update on Senate Bill 330 Progress

Mr. Toor provided an update regarding the progress toward implementing the requirements of Senate Bill 330, the comprehensive human resources legislation passed during the 2011 legislative session. Mr. Toor thanked Ms. Pitzer, members of ACCE, Chancellor Hill, and Mr. Rob Anderson, the Commission's Executive Vice Chancellor for Administration, for their

assistance and support. Mr. Toor reviewed the ModernThink report and the Market Survey Study compiled by Fox Lawson.

B. Final Approval of Revised Series 53, Human Resources Administration

Mr. Toor discussed the development of the Emergency Rule Writing Committee, which was formed to create a proposed emergency rule and corresponding legislative rule to promulgate the requirements of Senate Bill 330. He noted that Series 53 establishes an employee classification and compensation system. Mr. Toor indicated that the Legislative Oversight Commission on Education Accountability (LOCEA) did not approve the emergency rule, resulting in changes to further clarify the rules.

Ms. Allen moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves Series 53, Human Resources Administration, as an emergency rule for submission to the Legislative Oversight Commission on Education Accountability for approval and subsequent filing with the Secretary of State.

Further Resolved, That the West Virginia Higher Education Policy Commission approves Series 53, Human Resources Administration, as a legislative rule for final filing with the Secretary of State and further legislative action contingent upon the Legislative Oversight Commission on Education Accountability approval of the emergency rule.

Dr. Berry seconded the motion. Motion passed.

10. Cost and Affordability

A. Approval of Fiscal Year 2012 Consolidated Audit

Dr. Ed Magee, Vice Chancellor for Finance, reviewed the creation of the Audit/Finance Committee which assists the Commission in fulfilling its oversight responsibilities for the financial reporting processes by monitoring compliance with laws and regulations. Dr. Magee indicated that the Committee will meet quarterly and has the authority to conduct or authorize investigations into any matters within its scope of responsibility.

Dr. Magee provided an overview of the Higher Education Fund, which was provided to the Audit Committee and is comprised of all activity related to operations of Commission and Council member institutions, which are independently audited by Deloitte & Touche, LLP. Dr. Magee noted that the overall status of the Fund is sound, although he advised that the financial ratios for Concord University and Glenville State College should be monitored by the Commission.

Dr. Magee discussed the Other Post Employment Benefits (OPEB) liability and noted the Fiscal Year 2013 increase will be significantly reduced as a result of plan benefit and actuarial changes.

Mr. Tyson moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission accepts the audited financial report for the Higher Education Fund for the Fiscal Year ending June 30, 2012.

Further Resolved, That the West Virginia Higher Education Policy Commission approves the Audit/Finance Committee Charter as presented and delegates to Commissioner Eddy the authority to approve any changes based on institutional feedback.

Dr. Berry seconded the motion. Motion passed.

B. Approval of Ten-Year Facilities Master Plan for West Virginia University

Mr. Richard Donovan, Senior Director of Facilities, reviewed West Virginia University's Ten-Year Facilities Master Plan, which details physical improvements to land, identification of potential building sites, current land and facilities assessments, and the construction of new facilities. Mr. Donovan noted that the updated Ten-Year Facilities Master Plan incorporates projects from a variety of locations and campuses.

Dr. Berry moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves West Virginia University's Ten-Year Facilities Master Plan – 2012.

Ms. Allen seconded the motion. Motion passed.

C. Approval of Twin Towers Residence Hall Renovation at Concord University

This item was removed from the agenda at the institution's request.

D. Presentation of 2012 Financial Aid Comprehensive Report

Dr. Angela Bell, Vice Chancellor for Policy and Planning, presented highlights from the 2012 Financial Aid Comprehensive Report. Dr. Bell provided an overview of changes to state-level programs and award strategies, including the PROMISE Scholarship Program, the Higher Education Grant Program, and the Higher Education Adult Part-Time Student (HEAPS) Grant Program.

Dr. Leon requested the attrition data for the PROMISE Scholarship. Secretary Goodwin inquired if high school and institutional counselors explain the impact of student loans. Dr. Adam Green, Senior Director of Student Success and P-20 Initiatives, noted that school counselors discuss financial literacy with graduating students and mentioned that the College Foundation of West Virginia website also provides loan information.

E. Overview of College Goal Sunday

Dr. Green provided an update regarding the state's fourth annual College Goal Sunday event, which is scheduled for February 10, 2013 at 23 locations across West Virginia. The event provides an opportunity for students and their families to receive free, one-on-one expert assistance in completing the Free Application for Federal Student Aid (FAFSA) from the state's financial aid, college access, and student support professionals. Dr. Green noted that the program was created by the Indiana State Financial Aid Association with funding from Lily Endowment, Inc. and supplemental support from the Lumina Foundation for Education.

Chairman Hendrickson commended Dr. Green for these efforts and inquired if all of the four-year public colleges and universities could participate in subsequent years. Dr. Green indicated that staff is working to set up a College Goal Sunday location at each campus for future years and thanked the participating presidents for marketing this year's event.

11. Learning and Accountability

A. Developmental Education Presentation and Discussion

Dr. Sarah Tucker, Director of Planning and Research, outlined a series of strategies for improving the college completion rates of West Virginians, as highlighted in *Educating West Virginia is Everyone's Business*, a May 2012 report published by the West Virginia College Completion Task Force. Dr. Tucker noted that, in October 2012, Chancellor Hill convened a meeting of public higher education officials to focus on developmental education and charged the four-year institutions with establishing campus plans for redesigning developmental education. Dr. Tucker summarized the developmental education student achievement within the state's four-year public institutions as well as the campus plans.

Secretary Goodwin inquired as to the criteria utilized to determine if a student will require remedial coursework. Dr. Tucker indicated that the need for remedial education is determined by ACT scores, ACCUPLACER, and COMPASS. Commissioner Brown noted that the remediation rates at the community college level seem much higher and questioned if these numbers include students pursuing a certificate. Dr. Tucker confirmed that those

statistics are included.

B. International Education Presentation and Discussion

Dr. Kathy Butler, Vice Chancellor for Academic Affairs, provided an overview of the statewide efforts to facilitate partnerships between educational institutions in West Virginia and other countries. Dr. Butler noted that the Commission established a Consortium for Internationalizing Higher Education (CIHE) in 2006 in order to enhance international education opportunities across the state.

Dr. Butler introduced Dr. Clark Egnor, Executive Director of the Center for International Programs at Marshall University. Dr. Egnor stated that West Virginia is one of the fastest growing export states in the nation and urged a renewed focus on the area of international education.

Mr. Tyson requested information regarding the contract Marshall University entered into with a private company to emphasize international student recruitment. Dr. Stephen Kopp, President of Marshall University, explained that Marshall University had formed a Memorandum of Understanding (MOU) with a network of recruiters worldwide, which will begin expanding international recruiting in Fall 2013. President Kopp noted that an initial 200 international students were expected on campus at the onset of the program with an estimated goal of 1,500 international students.

C. Presentation of 2012 Higher Education Report Card

Dr. Bell presented highlights from the *2012 West Virginia Higher Education Report Card*. Dr. Bell indicated that the report contains information regarding statewide, regional, and national data and implications. Detailed information and analysis regarding the state's public four-year colleges and universities under the jurisdiction of the Commission and the state's public two-year colleges under the jurisdiction of the Council for Community and Technical College Education is also included in the report.

Among the many highlights of the report, Dr. Bell noted that the total number of degrees and credentials awarded at any West Virginia public institution during the 2011-12 academic year was 5 percent higher than the previous academic year. Secretary Goodwin noted that institutions are graduating fewer students, but charging more in tuition and fees.

D. Presentation of 2012 Health Sciences and Rural Health Report Card

Dr. Robert Walker, Vice Chancellor for Health Sciences, presented highlights from the *2012 Health Sciences and Rural Health Report Card*. Dr. Walker indicated that the report contains various sections including enrollment,

retention, graduation, loan indebtedness, and job placement. Dr. Walker noted that staff holds monthly meetings with representatives from the three academic health centers to discuss health education issues.

Secretary Goodwin inquired if medical student loan debt is related to high tuition levels. Dr. Walker responded that it is a contributing factor.

E. Final Approval of 2013-18 Master Plan, Leading the Way: Access. Success. Impact.

Chancellor Hill and Dr. Bell reviewed the 2013-18 Master Plan, *Leading the Way: Access. Success. Impact.* Dr. Bell reviewed the Master Plan and explained its framework and development. Dr. Bell noted that, consistent with the Commission's Series 48, Accountability System, Section 4.1.4, the proposed master plan was subject to a thirty-day public comment period, which concluded on January 14, 2013. Dr. Bell indicated that no substantive edits were made as a result of the comments; however, the comments will be utilized in the development of the compact reporting process that will be utilized throughout the master planning cycle.

Chancellor Hill stated that full adoption of the Master Plan is pending review and action of the Legislative Oversight Commission on Education Accountability.

Dr. Berry moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the 2013-18 Master Plan, Leading the Way: Access. Success. Impact. for full adoption and implementation pending approval by the Legislative Oversight Commission on Education Accountability.

Dr. Leon seconded the motion. Motion passed.

F. Approval of Institutional Compact Updates

Dr. Butler provided information regarding institutional involvement in the implementation of the Commission's current Master Plan, *Charting the Future (2007-2012)*. Dr. Butler stated that the original institutional compacts were approved by the Commission in January 2009 and the 2012 updates were the fourth in a series of required yearly updates regarding progress in meeting the goals and strategies outlined in the compacts. Dr. Butler provided an overview of the process utilized to evaluate the compact updates, which included a team review with Commission staff and external consultants. Dr. Butler noted that the 2013 annual compact update will be the final update for the *Charting the Future (2007-2012)* compact cycle, and the review team recommends that the 2013 update format be comprised only of two major

components. Dr. Butler discussed the highlights and accomplishments of the institutions and commended the institutions for various achievements over the course of the past year.

Dr. Leon moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the institutional compacts for Bluefield State College, Concord University, Fairmont State University, Glenville State College, Marshall University, Shepherd University, West Liberty University, West Virginia State University, and West Virginia University that have been developed in conjunction with *Charting the Future, 2007-2012*.

Dr. Berry seconded the motion. Motion passed.

G. Report on New Program Post-Audits

Dr. Mark Stotler, Director of Academic Programming, reviewed Series 11, Submission of Proposals for Academic Programs and the Monitoring and Discontinuance of Existing Programs, which provides that all proposals approved by the Commission must be reviewed via a post-approval audit three years after the initial approval. Dr. Stotler discussed the post-audit summaries for the programs of Computer Engineering at Shepherd University, Education at West Liberty University, and the Multi-Disciplinary Studies at West Virginia University at Parkersburg.

H. Follow-Up Reports on Program Review

Dr. Stotler stated that, during the December 9, 2011 meeting, the Commission received a report on program review and, as part of the goal to reduce program graduation hours, requested follow-up reports on program review for baccalaureate programs that exceed 120 hours. Dr. Stotler noted that, based on the information submitted by the institutions and included in the agenda materials, several programs have recently complied with the 120 hour goal.

12. Innovation and Economic Growth

A. Update on WVNET Operations and Services

Mr. Dan O'Hanlon, Vice Chancellor for Technology and Director of WVNET, provided an update regarding the on-going operations and expanded services at WVNET. Mr. O'Hanlon noted a focus on distance education and discussed the West Virginia Remote Online Campus Knowledge System (WVROCKS), the BANNER System, as well as the development of an online learning system for the Regents Bachelor of Arts (RBA) degree. Mr. O'Hanlon also

discussed disaster recovery efforts.

B. Update on P-20 Longitudinal Data System

Dr. Bell provided an update regarding the implementation of the P-20 longitudinal data system and discussed collaboration with the West Virginia Department of Education. Dr. Bell stated that WVNET staff are working on the system and have completed a second round of training. Superintendent Phares noted that, as part of the system, information can be collected from kindergarten through college, providing a more complete look at student data.

C. Approval of Research Challenge Fund Five-Year Outcomes Report

Dr. Jan Taylor, Director of Research Programs, discussed the Research Challenge Fund, which receives a small portion of video lottery proceeds from the state's racetracks and reviewed the objectives for the Fund. Dr. Taylor reviewed highlights of the full report, including \$43.4 million for research funded by external parties; the creation of 193 research-related employment positions; and the development of seven patents and six intellectual property licenses.

Dr. Berry moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the report on the five-year outcomes of the 2007-2012 Research Challenge Fund for submission to the Legislative Oversight Commission on Education Accountability.

Mr. Tyson seconded the motion. Motion passed.

D. Update on West Virginia Regional Technology Park

Chancellor Hill provided an update regarding a recent meeting of the West Virginia Regional Technology Park Corporation Board of Directors including the approval of additional work for a Master Plan. Chancellor Hill indicated that the Tech Park received a clean audit and reported on building progress including the Advanced Technology Center and a new conference room for Building 2000.

Secretary Goodwin inquired if funding for the Advanced Technology Center has been secured. Chancellor Hill noted that state funding was allotted and operating funds have been requested.

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

Mr. Tyson 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. Berry. Motion passed.

Dr. Berry moved to rise from Executive Session. Mr. Tyson seconded the motion. Motion passed.

Chairman Hendrickson reported that the Commission discussed the items noted on the agenda during Executive Session, but no action was taken.

A. Approval of Presidential Compensation at Glenville State College

This item was tabled and will be presented at a future meeting.

B. Approval of Presidential Contract and Compensation at West Virginia School of Osteopathic Medicine (Pages 514-538)

Mr. Tyson moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the presidential contract and compensation for Dr. Michael Adelman as requested by the West Virginia School of Osteopathic Medicine and delegates to the Chancellor the authority to approve the final contract as to form.

Dr. Berry seconded the motion. Motion passed.

14. Additional Board Action and Comment

There was no additional board action or comment.

15. Adjournment

The meeting was adjourned.

David K. Hendrickson

Chairman

Kathy Eddy

Secretary