

# LEGISLATIVE OVERSIGHT COMMISSION ON EDUCATION ACCOUNTABILITY

Senate Finance Committee Room  
September 13, 2011

## **Policy Recommendations Regarding Postsecondary Student Transfer in West Virginia** Dr. Angela Bell, Interim Director of State Financial Aid Programs

### **Chancellor Noland's Report**

- **Update on West Virginia University Institute of Technology Revitalization Project (verbal report)**
- **West Virginia Regional Technology Park Memorandum of Agreement** 1
- **Overview of Higher Education Policy Commission Funding Formula** 31
- **Report on For-Profit Institutions** 57
- **Report on Strategic State Plan for Science and Technology Research** 63
- **Veteran Student Services** 67

### **Chancellor Skidmore's Report**

- **Community and Technical College Initiatives and Compact Strategies 2011-2012** 71
- **Middle Skills Jobs Report** 85



West Virginia  
Higher Education  
Policy Commission





# West Virginia Higher Education Policy Commission

---

**Report to the Legislative Oversight Commission  
on Education Accountability**

**September 13, 2011**

**West Virginia Regional Technology Park Memorandum of Agreement**



WEST VIRGINIA REGIONAL TECHNOLOGY PARK CORPORATION  
Report to  
Joint Committee on Government and Finance,  
Legislative Oversight Commission on Education Accountability  
Per Senate Bill No. 484, Passed March 12, 2011

July 15, 2011

Paul L. Hill, Ph.D.  
Vice Chancellor for Science and Research  
West Virginia Higher Education Policy Commission  
1018 Kanawha Boulevard  
Charleston, W.Va. 25301

## Report – Status and Milestones

In compliance with WV Code 18B-1E-9 (b)(2), the Higher Education Policy Commission is providing a report of actions taken to implement Senate Bill No. 484 Article 1E, “Management Agreements for the Higher Education Policy Commission.” Both Commission members and staff have worked diligently to implement this legislation since its passage on March 12, 2011 and subsequent signing by the Governor on April 1, 2011.

This report provides information regarding the Articles of Incorporation, by-laws, an agenda for the first meeting and resolutions. A signed agreement between the new WV Regional Technology Park Corporation and the Commission as required by the code citation above, is attached.

On two occasions, April 29 and June 22, 2011, the Policy Commission took initial action to appoint board members to the WVRTP Corporation as it was being formed. A total of nine members, four (4) representing the commission and five (5) representing private businesses were appointed as of the June 22<sup>nd</sup> date. On July 6, 2011 the board membership met for the first time. A quorum was present, officers were elected and minutes were taken during the meeting held on the RTP campus in South Charleston.

Prior to this event, Articles of Incorporation were filed with the Office of the Secretary of State on April 13, 2011 by independent counsel. Said articles were accepted by the board and a copy of the Articles of Incorporation was filed by the secretary in the minute book of the Corporation.

Other resolutions adopted by the board at its initial meeting include a conflicts of interest policy; authorization for banking; performance of activities to implement the articles; ratification of prior action on behalf of the corporation; and authorization to pay organizational expenses. All resolutions were passed unanimously by the board.

The affiliation agreement between the Policy Commission and the corporation was also authorized and signed by both a Corporation and Commission representative. This agreement provides for WVRTP to assume responsibility for serving as the fiscal agent on behalf of the Commission for the operations of the park and for managing the day to day functions. Further WVRTP is authorized to provide services including property management, human resources management, and purchasing; to receive, purchase, hold, lease, use, sell and dispose of real and personal property necessary for the operation of the park; to accept and expend any gift, grant, contribution, bequest, endowment or other money for the operations of the park; to employ staff and an Executive Director selected by the Commission and to pay certain costs incurred by the Commission. The complete signed agreement is attached.

## Legislative Findings and Purpose - As established by Senate Bill No. 484

The Legislature finds that economic development in West Virginia depends in part on collaborations developed between higher education and business and industry, particularly in the advancement of new and emerging technologies. It is in the best interests of the citizens of the state to implement programs which promote this research and contribute to the general economic welfare.

The Legislature further finds that the transfer of property to the Commission to establish the West Virginia Regional Technology Park created a new and unprecedented opportunity to promote research and development in the state. An efficiently managed Technology Park will encourage private sector participation in and support for research and economic development and will facilitate collaboration among the commission, the doctoral institutions and their research corporations.

It is the responsibility of the commission to ensure that the day to day operations of the Technology Park are carried out effectively and efficiently in order to provide the greatest investment return to the people of West Virginia. To this end the Legislature finds that a mechanism is needed to simplify and expedite property management and purchasing of equipment, material and personal services.

Therefore, the purpose of this article is to provide the commission with the authority necessary to carry out its responsibilities related to the operation of the Technology Park. The commission is authorized to enter into agreements and other contractual relationships with an affiliated corporation in order to achieve maximum efficiency in managing the Technology Park.

### **Regional Technology Park – Background**

On December 15, 2010 the state of West Virginia assumed ownership of 258 acres of the Dow Technology Park in South Charleston. The campus provides more than 800,000 square feet of laboratory and office space that will be utilized for research and development by universities and private companies as well as a commercialization center for new innovations by businesses and entrepreneurs. More than 500 jobs were preserved by state ownership and tenant hiring is increasing.

Through a combination of federal, state and private investments, a revitalized WV Regional Technology Park (WVRTP), under the oversight of the Higher Education Policy Commission (HEPC) and the West Virginia Regional Technology Park Corporation, will serve not only as a research park, but also as a business incubator. This presents an opportunity for the commercialization of research and ideas across the system of higher education that result of initiatives such as the “Bucks for Brains” program and federal agency discovery grants.

The state’s strategic plan for economy transformation is based upon technology and innovation, and the park presents an integral place to grow these ideas and turn them into jobs and economic opportunity. The focus of the park will be on energy technologies, including clean, efficient, renewable energy, and the potential for coal, carbon technologies and biomass/renewable fuels.



## Certificate

*I, Natalie E. Tennant, Secretary of State of the  
State of West Virginia, hereby certify that*

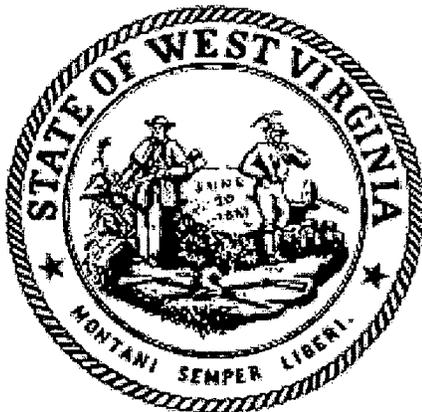
**WV REGIONAL TECHNOLOGY PARK CORP.**

**Control Number: 99OPH**

has filed its application for "Certificate of Incorporation" in my office according to the provisions of the West Virginia Code. I hereby declare the organization to be registered as a corporation from its effective date of April 13, 2011, until a certificate of dissolution has been filed with Secretary of State.

Therefore, I hereby issue this

## CERTIFICATE OF INCORPORATION



*Given under my hand and the  
Great Seal of the State of  
West Virginia on this day of  
April 13, 2011*

*Natalie E. Tennant*

*Secretary of State*

Natalie E. Tennant  
Secretary of State  
1900 Kanawha Blvd E.  
Bldg 1, Suite 157-K  
Charleston, WV 25305



Penney Barker, Manager  
Corporations Division  
Tel: (304)558-8000  
Fax: (304)558-8381  
[www.wvsos.com](http://www.wvsos.com)

**FILE ONE ORIGINAL**  
(Two if you want a filed  
stamped copy returned to you)  
**FEE:** See chart on page 4  
for applicable fees

Hrs: 8:30 a.m. – 5:00 p.m. ET

## WEST VIRGINIA ARTICLES OF INCORPORATION

Control # 9910PH

The undersigned, acting as incorporator(s) according to the West Virginia Code, adopt the following Articles of Incorporation for a West Virginia Domestic Corporation, which shall be perpetual:

1. The **name of the West Virginia corporation** shall be: WV Regional Technology Park Corp.  
[This name is your official name and must be used in its entirety  
when in use unless a trade name is registered with the Office of the  
Secretary of State, according to Chapter 47-8 of the West Virginia Code.]

2. The **address of the principal office** of the corporation will be: \_\_\_\_\_  
located in the county of: \_\_\_\_\_  
The mailing address of the above location, if different, will be \_\_\_\_\_  
Street: 1740 Union Carbide Drive  
City/State/Zip: South Charleston, WV 25303  
County: Kanawha  
Street/Box: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_

3. The **physical address (not a PO Box)** of the **principal place** of business in West Virginia, if any: \_\_\_\_\_  
The mailing address of the above location, if different, will be \_\_\_\_\_  
Street: 1740 Union Carbide Drive  
City/State/Zip: South Charleston, WV 25303  
County: Kanawha  
Street/Box: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_

4. The **name and address of the person to whom notice of process** may be sent, if any, will be: \_\_\_\_\_  
Name: \_\_\_\_\_  
Street: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_

**FILED**

APR 13 2011

IN THE OFFICE OF  
SECRETARY OF STATE

5. E-mail address where business correspondence may be received: \_\_\_\_\_

6. The corporation is organized as: (check one below)



**NON-PROFIT, NON-STOCK**, (if you plan on applying for 501(c)(3) status with the IRS you may want to include certain language that is required by IRS to be included in your articles of incorporation.



**FOR PROFIT**

7. FOR PROFIT ONLY:

The total value of all authorized capital stock of the corporation will be \$ \_\_\_\_\_.

The capital stock will be divided into \_\_\_\_\_ shares at the par value of \$ \_\_\_\_\_ per share.

8. The purpose for which this corporation is formed is as follows:

(Describe the type(s) of business activity which will be conducted, for example, "agricultural production of grain and poultry", "construction of residential and commercial buildings", "manufacturing of food products", "commercial painting", "retail grocery and sale of beer and wine". Purpose may conclude with words "...including the transaction of any or all lawful business for which corporations may be incorporated in West Virginia.")

See Attachment

9. FOR NON PROFITS ONLY: (Check the statement that applies to your entity)

- Corporation will have no members
- Corporation will have members

(NOTE) If the corporation has one or more classes of members, the designation of a class or classes is to be set forth in the articles of incorporation and the manner of election or appointment and the qualifications and rights of the members of each class is to be set forth in the articles of incorporation or bylaws. If this applies to your entity then you will have to attach a separate sheet listing the above required information, unless it will fit in the space below.

West Virginia Higher Education Policy Commission is the sole member of the corporation. The rights of the member shall be set forth in the Bylaws.

10. The name and address of the incorporator(s) is:

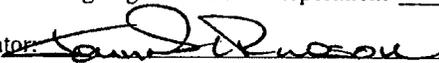
<u>Name</u>	<u>Address</u>	<u>City/State/Zip</u>
Jennifer L. Rawson	600 Grant St., 44th Fl	Pittsburgh, Pa 15219

11. The number of acres of land it holds or expects to hold in West Virginia is: 0

12. Contact and Signature Information:

a. Contact person to reach in case there is a problem with filing: Jennifer L. Rawson Phone # 412-566-6784

b. Print name of person who is signing articles of incorporation: Jennifer L. Rawson

c. Signature of Incorporator:  Date: 4/12/2011

WEST VIRGINIA ARTICLES OF INCORPORATION

ATTACHMENT

**WV Regional Technology Park Corp.**

Line 8: The purpose for which the corporation is formed is as follows:

- The Corporation shall be organized and operated exclusively for charitable, scientific, and educational purposes permitted within the scope of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.
- The Corporation does not contemplate pecuniary gain or profit, incidental or otherwise. No part of the net earnings of the Corporation shall inure to the benefit of any director or officer of the Corporation or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation effecting one or more of its purposes), and no director or officer of the Corporation, or any private individual, shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation.
- No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office.
- Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

**WV REGIONAL TECHNOLOGY PARK CORPORATION**

Actions by the Board

of Directors at the Organizational Meeting

**July 6, 2011**

---

Members of the Board of Directors of the above named corporation (the "Corporation"), do hereby vote in the affirmative the adoption of the resolutions and the corporate actions hereinafter set forth and direct that they shall, in all respects, be deemed as valid corporate actions duly approved and authorized at a formal organizational meeting of said Directors of the Corporation held on this date and witnessed by signatures which appear on this document.

1. Election of Officers<sup>1</sup>

RESOLVED, that the following persons hereby are elected as the Officers of the Board and shall serve until their successors are elected and have qualified pursuant to the Bylaws of the Corporation:

<b>Chairman</b>	Brian Noland
<b>Vice Chair:</b>	Paul L. Hill
<b>Secretary:</b>	Ellen Cappellanti
<b>Treasurer:</b>	Matthew Ballard

2. Acceptance of Articles of Incorporation

RESOLVED, that the Articles of Incorporation of the Corporation, as filed with the Secretary of the State of West Virginia on April 13, 2011, hereby are accepted; and the Secretary hereby is directed to cause a copy of the Articles of Incorporation to be filed in the minute book of the Corporation.

3. Adoption of By-laws

---

<sup>1</sup> The Executive Director shall be appointed by the West Virginia Higher Education Policy Commission

RESOLVED, that the Bylaws of the Corporation, which were presented to and considered by each Director as amended by voice vote, are adopted as the Bylaws of the Corporation; and the Secretary is hereby authorized to cause a copy of the Bylaws to be filed in the minute book of the Corporation.

4. Adoption of Conflicts of Interest Policy

RESOLVED, that the Conflicts of Interest Policy, which was presented to and considered by each Director, is hereby adopted; and the Secretary is hereby authorized to cause a copy of the Conflicts of Interest Policy to be filed in the minute book of the Corporation.

5. Authority to Open Bank Accounts

RESOLVED, that the Directors and Officers of the Corporation hereby are authorized and directed, in the name and on behalf of the Corporation, to take any and all action that they may deem necessary or advisable in order to establish bank accounts from time to time for the efficient conduct of the Corporation's activities; and this Board of Directors hereby adopts the form of any and all resolutions required by any such banks to be adopted in connection with the opening of any such accounts if (i) in the opinion of the Executive Director of the Corporation, the adoption of such resolution or resolutions is necessary or advisable and (ii) the Secretary of the Board evidences adoption by filing with this consent copies of such resolutions which shall thereupon be deemed to be adopted by this Board of Directors and incorporated as a part of this resolution; and

RESOLVED further, that in connection with the adoption of any of the foregoing resolutions, the Executive Director of the Corporation hereby is authorized to designate those officers or agents of the Corporation who may be authorized from time to time to sign checks on any of such bank accounts.

6. Performance of Activities

RESOLVED, that the Corporation may perform such activities as are consistent with its Articles of Incorporation, within and without the State of West Virginia.

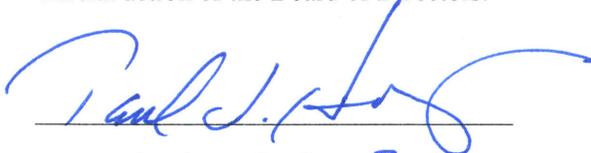
7. Ratification of Prior Action

RESOLVED, that all of the actions of the sole incorporator and promoters of the Corporation taken to effect the organization of the Corporation and the commencement of its activities be, and hereby are, ratified and approved as valid corporate action.

8. Authority to Pay Organizational Expenses

RESOLVED, that the Executive Director and/or Chief Operating Officer are hereby authorized and directed, for and on behalf of the Corporation, to pay all charges and expenses incident to or arising out of the organization of the Corporation and to reimburse the persons who have made any disbursements therefor.

IN WITNESS WHEREOF, the undersigned have duly witnessed this set of resolutions as official action of the Board of Directors.



Date: 07.06.2011



Date: 7/6/11

**BYLAWS**  
**OF**  
**WV REGIONAL TECHNOLOGY PARK CORP.**

Effective July 6, 2011

**INDEX OF THE BYLAWS OF  
WV REGIONAL TECHNOLOGY PARK CORP.**

Page

**Article One  
General**

Section 1.01	Name .....	10
Section 1.02	Principal Office .....	10
Section 1.03	Other Offices .....	10
Section 1.04	Purposes .....	10
Section 1.05	Purposes of Bylaws .....	10

**Article Two  
MEMBER**

Section 2.01	Sole Member .....	10
Section 2.02	Meetings .....	10

**Article Three  
DIRECTORS**

Section 3.01	Exercise of Powers .....	11
Section 3.02	Number and Qualifications .....	11
Section 3.03	Election and Terms .....	11
Section 3.04	Removal of a Director .....	11
Section 3.05	Vacancies .....	11
Section 3.06	Compensation of Directors .....	11
Section 3.07	Annual Meeting .....	12
Section 3.08	Regular Meetings .....	12
Section 3.09	Special Meetings .....	12
Section 3.10	Place of Meeting of Directors .....	12
Section 3.11	Waiver of Notice of Meetings .....	12
Section 3.12	Failure to Object .....	12
Section 3.13	Informal Action by the Directors .....	12
Section 3.14	Telephonic Meetings .....	13
Section 3.15	Quorum .....	13
Section 3.16	Presiding Officer and Order of Business .....	13
Section 3.17	Contracts .....	13
Section 3.18	Limitation of Personal Liability of Directors .....	13

**Article Four  
COMMITTEES**

Section 4.01	Appointment of Committees .....	14
Section 4.02	Quorum .....	15
Section 4.03	Meetings and Notices .....	15
Section 4.04	Reports to the Board of Directors .....	15
Section 4.05	Definitions .....	15

**Article Five  
ANNUAL REPORT**

Section 5.01 Annual Report..... 15

**Article Six  
OFFICERS**

Section 6.01 Number ..... 15  
Section 6.02 Qualifications ..... 15  
Section 6.03 Executive Director ..... 16  
Section 6.04 Removal of Officers..... 16  
Section 6.05 Vacancies ..... 16  
Section 6.06 Executive Director Responsibilities..... 16  
Section 6.07 Chief Operating Officer ..... 16  
Section 6.08 Assistant Officers..... 16

**Article Seven  
INDEMNIFICATION**

Section 7.01 General Right to Indemnification ..... 17  
Section 7.02 Conditions for Indemnification..... 17  
Section 7.03 Advancement of Expenses ..... 17  
Section 7.04 Right To Indemnification Not Exclusive ..... 17

**Article Eight  
CONFLICT OF INTEREST POLICY**

Section 8.01 Adoption and Review of Policy ..... 17

**Article Nine  
TRANSACTION OF BUSINESS**

Section 9.01 Negotiable Instruments ..... 18  
Section 9.02 Other Documents ..... 18  
Section 9.03 Acceptance of Gifts and Contributions..... 18

**ARTICLE TEN  
AMENDMENTS TO BYLAWS**

Section 10.01 Amendments to Bylaws ..... 18

## BYLAWS OF WV REGIONAL TECHNOLOGY PARK CORP.

### ARTICLE ONE

#### General

Section 1.01 Name. The name of the corporation shall be the **WV REGIONAL TECHNOLOGY PARK CORP.** (the “Corporation”).

Section 1.02 Principal Office. The principal office of the Corporation shall be at such place or places as the Board of Directors may determine from time to time. The initial principal office of the Corporation shall be at 1740 Union Carbide Drive, South Charleston, West Virginia 25303.

Section 1.03 Other Offices. The Corporation may have such other offices in such places as the Board of Directors may from time to time designate.

Section 1.04 Purposes. The purpose of the Corporation shall be exclusively for charitable, scientific, literary and educational purposes permitted within the scope of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, primarily including, but not limited to the provision of management services to the West Virginia Higher Education Policy Commission in carrying out the day to day operations and development of the West Virginia Education, Research and Technology Park in accordance with the provisions of the West Virginia Code §§ 18B-1F-1 through 18B-1F-9. In furtherance of these purposes, the Corporation may exercise all rights and powers conferred by the laws of the State of West Virginia upon nonprofit corporations.

Section 1.05 Purposes of Bylaws. These Bylaws serve as the governing document of the Corporation and are intended to supplement, but not replace, applicable federal and state laws, including the West Virginia Nonprofit Corporation Law, as amended (the “ACT”).

### ARTICLE TWO

#### Member

Section 2.01 Sole Member. The West Virginia Higher Education Policy Commission (the “Commission”) shall be the sole member of the Corporation.

Section 2.02 Meetings. Meetings of the Commission for the appointment of members to the Corporation’s Board of Directors or to transact such other business of the Corporation as may be necessary, shall be called and held in accordance with the provisions of Series 47, Commission Organization and Meetings; provided, however, special meetings of the Commission for the transaction of business may be called at any time by the Chairperson of the Board of Directors of the Corporation, the Executive Director, or three (3) Members of the Board

of the Corporation. At any time upon the written request of any person who has called a special meeting in accordance with the foregoing, it shall be the duty of the Secretary of the Corporation to fix the time of the meeting which shall be held not more than sixty (60) days after the receipt of such request and to notify the Secretary of the Commission of the same. It shall be the duty of the Secretary of the Commission to send such Notice of the special meeting in such form or in such manner as may be required by Series 47, Commission Organization and Meetings.

## ARTICLE THREE

### Directors

Section 3.01 Exercise of Powers. All powers vested in the Corporation by the Act shall be exercised by, or under the authority of, and the business and affairs of the Corporation shall be managed by, or under the direction of, a Board of Directors.

Section 3.02 Number and Qualifications. The Board of Directors shall consist of at least three (3) persons but not more than nine persons who shall be natural persons at least twenty-one (21) years of age. At least a majority of the Directors shall be members of the private sector. Any officer or employee of the Commission, who is not the Executive Director of the Corporation, may hold an appointment as a member of the Board of Directors of the Corporation. Directors shall consist of a Chairperson, Vice-Chair, Secretary, Treasurer, and five additional directors.

Section 3.03 Election and Terms. Directors shall be appointed to the Board by a majority vote of the members of the Commission at the Commissions' Annual Meeting. Members of the Commission shall consult with the Chancellor of the Commission with regards to appointments to the Board. Directors shall serve until their successors shall have been duly elected and qualified, or until their earlier death, resignation or removal from office. A director may succeed himself without limitation as to number of terms.

Section 3.04 Removal of a Director. The Commission may vote to remove any Director, at any time, with or without cause, at any meeting of Commission by a majority vote of the members of the Commission present at such meeting.

Section 3.05 Vacancies. Whenever any vacancy occurs during the term of any Director for whatever reason, the Secretary shall forthwith give written notice of such vacancy or vacancies to the Commission in order that such vacancy or vacancies may be filled, provided, however, such vacancy or vacancies are not required to be filled unless failure to do so would result in the total number of Board members falling below the minimum required number.

Section 3.06 Compensation of Directors. Directors shall not receive any stated salary for their services as such; but each Director may be paid a fixed sum, together with reimbursement for expenses incurred, for attendance at each regular or special meeting of the Board of Directors, in such amounts, if any, as may be approved, from time to time, by resolution of the Board of Directors. Nothing herein contained shall be construed to preclude

any Director from serving the Corporation in any other capacity and receiving reasonable compensation thereof.

Section 3.07 Annual Meeting. An annual meeting of the Board of Directors shall be held in each calendar year, at such time and place as the Board of Directors shall determine, for the purpose of the election of a Chairperson of the Board, election of Officers (other than the Executive Director) and for the transaction of such other business as may properly come before the meeting. No notice of the annual meeting need be given.

Section 3.08 Regular Meetings. In addition to the annual meeting, the Board of Directors may hold regularly scheduled meetings to conduct the business of the Corporation.

Section 3.09 Special Meetings. The Board of Directors shall hold such special meetings as shall be called the Executive Director of the Corporation, the Chairperson of the Board, or any other two Directors. Each such meeting shall be held at such time and place as shall be designated in the notice of such meeting. Notice shall be given to all current members of the Board of Directors by either (i) letter mailed or delivered for transmission not later than ten (10) days immediately preceding the day of such meeting or (ii) telephone or email, received not later than three (3) days immediately preceding the day of such meeting. The business to be transacted at or the purpose of any special meeting shall be specified in the notice of the meeting

Section 3.10 Place of Meeting of Directors. Each regular and special meeting of Directors shall be held at such place, within or without the State of West Virginia, as the Board of Directors may from time to time designate or as may be designated in the notice of the meeting.

Section 3.11 Waiver of Notice of Meetings. A waiver of notice, in writing, signed by the person or persons entitled to such notice, whether before or after the date of the meeting stated therein, shall be deemed equivalent to the giving of such notice. Attendance at any meeting of the Board of Directors shall be a waiver of notice thereof unless the Director at the beginning of the meeting or promptly upon his or her arrival objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 3.12 Failure to Object. A Director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless such Director's dissent shall be entered in the minutes of the meeting or unless such Director shall file a written dissent to such action with the person acting as the Secretary of the meeting before the adjournment of the meeting. Such right to dissent shall not apply to a Director who has voted in favor of such action.

Section 3.13 Informal Action by the Directors. Any action which may be taken at a meeting of the Directors may be taken without a meeting, if a consent or consents in writing, setting forth the action so taken, is signed by all of the Directors who would be entitled to vote at a meeting for such purpose and such consent is filed with the Secretary of the Corporation. For

purposes of this Section, such consents may be submitted via email or other electronic means. Action taken under this section is effective when the last Director signs the consent, unless the consent specifies a different effective date. A consent signed under this Section has the effect of a meeting vote and may be described as having the effect of a meeting vote in any document.

Section 3.14 Telephonic Meetings. One or more Directors may participate in a meeting of the Board of Directors by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section shall constitute presence in person at the meeting.

Section 3.15 Quorum. A majority of the whole number of currently serving Directors shall be necessary to constitute a quorum for the transaction of business and the acts of a majority of the Directors present at a meeting at which a quorum is present shall, unless otherwise specifically provided by law or by the Articles of Incorporation, be the acts of the Board of Directors.

Section 3.16 Presiding Officer and Order of Business. All meetings of the Board of Directors shall be called to order and presided over by the Chairperson of the Board, or in the Chair's absence by the Vice-Chair, or in the absence of such Chairman and Vice-Chair, by a chair elected by the Directors.

Section 3.17 Contracts. In the absence of fraud, no contract or other transaction between the Corporation and any other organization shall be affected by the fact a Director of the Corporation is a Director, employee or agent of such other organization, if such contract or transaction shall be approved or ratified by the affirmative vote of a majority of the Directors present at a meeting of the Board of Directors or of the committee of the Corporation having authority in the premises, who are not so interested and if all relevant provisions of the Conflict of Interest Policy of the Corporation have been fully complied with. Any Director individually, or any organization of which any Director is a partner or shareholder, may be a party to or may be interested in any contract or transaction of the Corporation; provided, that such contract or transaction shall be approved or ratified by the affirmative vote of at least a majority of the Directors present at a meeting of the Board of Directors or of the committee of the Corporation having authority in the premises, who are not so interested. No Director shall be liable to account to the Corporation for any profit realized by such Director from or through any such transaction or contract of the Corporation, ratified or approved as aforesaid, by reason of such Director's interest in such transaction or contract. Directors so interested may be counted when present at meetings of the Board of Directors or of such committee for the purpose of determining the existence of the quorum.

Section 3.18 Limitation of Personal Liability of Directors. To the fullest extent that the laws of the State of West Virginia, as in effect on the date of the adoption of this Section or as such laws are thereafter amended, permit elimination or limitation of the liability of Directors, no Director of the Corporation shall be personally liable as such for monetary damages for any action taken, or any failure to take any action, as a Director unless (1) the Director has breached or failed to perform the duties of his office and (2) the breach or failure to

perform constitutes self-dealing, willful misconduct or recklessness. Any amendment or repeal of this Section or adoption of any other provision of these Bylaws or the Corporation's Articles of Incorporation which has the effect of increasing Director liability shall operate prospectively only and shall not have any effect with respect to any action taken, or failure to act, prior to the adoption of such amendment, repeal, or other provision.

In performing his duties, a Director may rely in good faith upon information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by (i) one or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented, or (ii) counsel, public accountants, or other persons as to matters which the Director reasonably believes to be within the professional or expert competence of such person, or (iii) a committee of the Board of Directors upon which the Director does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence. A Director shall not be considered to be acting in good faith, however, if such Director has knowledge concerning a matter, which would cause his reliance on any of the foregoing to be unwarranted.

In discharging the duties of their respective positions, the Board of Directors, committees of the Board of Directors, and individual Directors may, in considering the best interests of the Corporation, consider the effects of any action upon employees, upon suppliers of the Corporation and upon communities in which offices or other establishments of the Corporation are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of such person's fiduciary standard of care. In addition, absent breach of fiduciary duty, lack of good faith, or self-dealing, actions taken by a Director or any failure to take any action shall be presumed to be in the best interests of the Corporation

This Section shall not apply to a director's responsibility or liability under any criminal statute or a Director's liability for payment of taxes under any local, state or federal law.

#### ARTICLE FOUR Committees

Section 4.01 Appointment of Committees. The Board of Directors may appoint one or more committees of Officers, Directors, and/or other persons to act in an advisory capacity to the whole Board. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. The committees shall keep regular minutes of their proceedings and report the same to the Board when required. Any committee shall have and may exercise all of the powers and authority delegated to it by the Board of Directors, except that a committee shall not have any power or authority to fill vacancies in the Board of Directors; to adopt, amend or repeal the Articles of Incorporation or the Bylaws; to amend or repeal any resolution of the Board; or to take action on any matter committed by resolution of the Board to another committee of the Board.

Section 4.02 Quorum. A majority of the individuals appointed to a committee shall constitute a quorum for the transaction of business.

Section 4.03 Meetings and Notices. A committee may, by resolution, fix regular meeting dates of which no notice need be given to the members of the committee. Special meetings of a committee may be held at the call of the chair of the committee upon such notice as is provided in Section 3.09 of these Bylaws for special meetings of the Board of Directors.

Section 4.04 Reports to the Board of Directors. All action taken by a committee shall be reported to the Board of Directors not later than the next succeeding regular meeting of the Board.

Section 4.05 Definitions. Except as otherwise provided herein, the term “Board of Directors” or “Board,” when used in any provision of these Bylaws relating to the organization or procedures of or the manner of taking action by the Board of Directors, shall be construed to include and refer to any committee appointed by the Board of Directors. Any provision of these Bylaws relating or referring to action to be taken by the Board of Directors or the procedure required thereof shall be satisfied by the taking of corresponding action by a committee appointed by the Board of Directors to the extent authority to take the action has been delegated to the committee pursuant to these Bylaws.

## ARTICLE FIVE Annual Report

Section 5.01 Annual Report. The financial statements of the Corporation shall be audited annually by an independent certified public accountant or firm. Within thirty days of completion, the financial audit report shall be presented to the Corporation’s Board of Directors for approval, after which a copy of the financial audit and required statements shall be submitted to the Commission.

## ARTICLE SIX Officers

Section 6.01 Number. The officers of the Corporation shall be an Executive Director, Chief Operating Officer, and such other officers and assistant officers as the Board may deem appropriate.

Section 6.02 Qualifications. The officers and assistant officers may, but need not be Directors of the Corporation. Each officer of the Corporation shall be a natural person twenty-one (21) years of age or older; provided, however, the Treasurer of the Corporation may be a corporation, partnership, Limited Liability Company or other entity. Any officer or employee of the Commission, who is not the Executive Director of the Corporation, may hold an appointment as an officer of the Corporation.

Section 6.03 Executive Director. The Commission shall set the qualifications for the position of Executive Director in accordance with the provisions of Section 18B-1F-5 of the Code of West Virginia, as amended. The Executive Director shall be appointed by the majority vote of the members of the Commission, and shall hold office until his or her successor is appointed or until his or her earlier death, disability, resignation, or removal by the Commission.

Section 6.04 Removal of Officers. The Board of Directors shall have the power to remove an Officer from office, either with or without cause, provided that notice of a special meeting identifying this issue is provided under Section 3.09 hereof. Notwithstanding the foregoing, the Executive Director may only be removed by a majority vote of the members of the Commission.

Section 6.05 Vacancies. A vacancy caused by the death, disability, resignation, or removal of any Officer or assistant Officer, or by the creation of a new office, may be filled by the Board of Directors or the Commission as may be applicable.

Section 6.06 Executive Director Responsibilities. The Executive Director shall be the chief executive officer of the Corporation and shall have general charge of its business and supervision of its affairs. The Executive Director shall keep the Board of Directors fully informed and freely consult with them in regard to the business of the Corporation and make appropriate reports to them. In addition to the powers and duties elsewhere provided in these Bylaws, the Executive Director shall sign, when duly authorized to do so, all contracts, orders, deeds, liens, guarantees, licenses and other instruments of a special nature. Subject to the Board of Directors, the Executive Director shall have such other powers and duties as are incident to said office and not inconsistent with these Bylaws or as may at any time be assigned by the Board of Directors.

Section 6.07 Chief Operating Officer. The Chief Operating Officer shall have such powers and perform such duties as the Executive Director may from time to time delegate to the Chief Operating Officer. At the request of the Executive Director, the Chief Operating Officer may, in the case of the absence or inability to act by the Executive Director, temporarily act in the Executive Director's place. In the case of the death or inability to act of the Executive Director, the Chief Operating Officer shall perform the duties of the Executive Director except as shall be otherwise designated by the Board of Directors.

Section 6.08 Assistant Officers. Any assistant officer authorized by the Board of Directors shall perform such duties as may be delegated to him or her by the officer to whom he or she is an assistant, and in the absence or disability of such officer may perform the duties of his or her office.

## ARTICLE SEVEN

## Indemnification

Section 7.01 General Right to Indemnification. The Corporation shall indemnify and hold harmless each Director and Officer of the Corporation (and his heirs, executors and administrators), now or hereafter serving on the Board or on behalf of the Corporation, against all costs, expense and liabilities reasonably incurred by him or her in connection with or arising out of any claim, action, suit or proceeding in which he or she may be involved by reason of being or having been a Director or Officer of the Corporation (whether or not such person continues to be a Director or officer at the time of incurring such costs, expenses or liabilities). The term "costs, expenses and liabilities" shall include, but shall not be limited to, court costs, counsel fees and the amount of judgments against, or amounts paid in reasonable settlement by, any such Director or officer.

Section 7.02 Conditions for Indemnification. The Corporation shall not indemnify such Director or Officer (1) with respect to matters as to which such Director or Officer shall be finally adjudged in any action, suit or proceeding to have been liable for willful default or negligence, consisting of individual misfeasance, malfeasance or nonfeasance, in the performance of his duties as such Director or Officer; or (2) in the event that a settlement or compromise of any such claim, action, suit or proceeding is effected, unless (a) the Board of Directors shall have been furnished with an opinion of counsel for the Corporation to the effect that such settlement or compromise is in the best interests of the Corporation, and that there is no reasonable ground of liability for willful default or negligence, consisting of individual misfeasance, malfeasance or nonfeasance, in the performance of the duties entrusted to such Director or Officer on the part of such Director or Officer; and (b) the Board of Directors shall have adopted a resolution approving the terms of such settlement or compromises; and (c) such settlement or compromise shall be approved by the court having jurisdiction of such claim, action, suit or proceeding, with knowledge of the indemnification provided for hereby.

Section 7.03 Advancement of Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the Director or Officer to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation pursuant to this Article.

Section 7.04 Right To Indemnification Not Exclusive. The foregoing rights of indemnification shall not be deemed exclusive of any other rights to which any Director or Officer or their heirs, executors and administrators may be entitled as a matter of law.

## ARTICLE EIGHT Conflict of Interest Policy

Section 8.01 Adoption and Review of Policy. The Board of Directors shall adopt a Conflict of Interest Policy which shall be reviewed and signed by all Directors at least annually.

ARTICLE NINE  
Transaction of Business

Section 9.01 Negotiable Instruments. The Board of Directors shall from time to time designate the Officers or agents of the Corporation who shall have power, in its name, to sign and endorse checks and other negotiable instruments and to borrow money for the Corporation, and in its name, to make notes or other evidences of indebtedness.

Section 9.02 Other Documents. Unless otherwise authorized by the Board of Directors, all contracts, leases, deeds, deeds of trust, mortgages, and all other documents requiring the seal of the Corporation shall be executed for and on behalf of the Corporation by the Executive Director, or a Vice President, and shall be attested by the Secretary.

Section 9.03 Acceptance of Gifts and Contributions. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for general purposes or for any special purpose of the Corporation.

ARTICLE TEN  
Amendments to Bylaws

Section 10.01 Amendments to Bylaws. These Bylaws may be altered or amended by a vote of a majority of the Board of Directors at any regular or special meeting duly convened after notice of that purpose, provided that any such Amendment must be first approved by the Board of Directors of the Commission.

## AFFILIATION AGREEMENT

**THIS AGREEMENT** is made this 6<sup>th</sup> day of July, 2011, by and between the **WV REGIONAL TECHNOLOGY PARK CORP.**, a West Virginia not-for-profit corporation (“WVRTP”), and the **WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION**, a state agency existing under the laws of West Virginia (“HEPC”).

### WITNESSETH:

**WHEREAS**, the Legislature has determined that economic development in West Virginia depends in part on collaborations developed between higher education and businesses and industry, particularly in the advancement of new and emerging technologies, and it is in the best interests of the citizens of the state to implement programs which promote this research and contribute to the general economic welfare; and

**WHEREAS**, the Legislature has further determined that the transfer of property to the HEPC to establish the West Virginia Education, Research and Technology Park created a new and unprecedented opportunity to promote research and development in the state and that an efficiently managed Technology Park will encourage private sector participation in and support for research and economic development and will facilitate collaboration among the HEPC, the doctoral institutions and their research corporations; and

**WHEREAS**, It is the responsibility of the HEPC to ensure that the day to day operations of the Technology Park are carried out effectively and efficiently in order to provide the greatest investment return to the people of West Virginia, and to this end the Legislature determined that a mechanism is needed to simplify and expedite property management and purchasing of equipment, material and personal services for the Technology Park; and

**WHEREAS**, the Legislature enacted W. Va. Code § 18B-1E-1 *et seq.* to provide the HEPC with the authority necessary to carry out its responsibilities related to the operation of the Technology Park by authorizing it to enter into agreements and other contractual relationships with an affiliated non-profit, non-stock corporation organized under the general corporation laws of the state exclusively for charitable, educational or scientific purposes within the meaning of section 501(c) of the Internal Revenue Code of 1986, as amended; and

**WHEREAS**, the WVRTP has been incorporated as such a non-profit, non-stock corporation under the general corporation laws of the state; and

**WHEREAS**, the WVRTP and the HEPC desire to describe the features, purposes and mechanisms of the relationship by which the WVRTP and the HEPC will implement an affiliation agreement between the parties in accordance with legislative findings and objectives;

**NOW, THEREFORE**, in consideration of the promises and mutual covenants contained herein, the parties hereto mutually agree and contract as follows:

1. This Affiliation Agreement is effective for the period beginning July 1, 2011, and will be automatically reviewed each fiscal year unless terminated in writing by either party within ninety (90) days of the beginning of a new fiscal year.
2. In the event that the HEPC shall not elect to renew this Agreement, the HEPC shall endeavor to give the WVRTP prompt notice of said election by the HEPC not to renew.
3. On the effective date of this Agreement, the WVRTP shall be charged with the responsibility of serving as fiscal agent on behalf of the HEPC for operations of the Technology Park and has the primary responsibility of managing the day to day operations of the Technology Park.
4. The WVRTP shall provide additional services to the HEPC and Technology Park, including, but not limited to property management, human resources management and purchasing.
5. The WVRTP is authorized to receive, purchase, hold, lease, use, sell and dispose of real and personal property necessary for the operation of the Technology Park.
6. The WVRTP is authorized to accept and expend any gift, grant, contribution, bequest, endowment or other money for the purposes of operation of the Technology Park. The HEPC shall detail in writing the use of, and any restrictions on the use of any assets or funds of the HEPC transferred to the WVRTP.
7. The WVRTP shall employ an Executive Director selected by the HEPC. The Executive Director shall report to the Chair of the WVRTP Board of Directors and confer and consult with the Chancellor of the HEPC regarding operations of the Technology Park.
8. With the agreement of the Chancellor of the HEPC, the WVRTP may use services of both corporation employees and personnel of the HEPC. The WVRTP shall pay the costs incurred by the HEPC, including personnel funded on grants and contracts, fringe benefits of personnel funded on grants and contracts, administrative support costs and other costs which may require reimbursement regarding operation of the Technology Park. The WVRTP shall, at the request of the HEPC, include as costs any applicable overhead and fringe benefit assessments necessary to recover the costs expended by the HEPC, pursuant to the terms of this Agreement, and the HEPC shall be reimbursed for expenses incurred by it pursuant to this Agreement.
9. The financial statements of the WVRPT shall be audited annually by an independent certified public accountant or firm and a copy of the audit report shall be provided to the HEPC within thirty (30) days of the WVRTP Board of Directors approving the audit report.

10. This Agreement may be amended by mutual consent of the parties.
11. If this Agreement is terminated, the funds, contributions, or grants paid or held by the WVRTP and not encumbered or committed prior to termination shall be transferred to the HEPC or other entity designated by the HEPC.
12. This is the entire Agreement between the parties hereto and supersedes all prior negotiations and oral understandings between the parties hereto.
13. This Agreement is executed pursuant to and shall be construed under the laws of the State of West Virginia.

**WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION**

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

**WV REGIONAL TECHNOLOGY PARK CORP.**

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

## MEMORANDUM OF AGREEMENT

THIS MEMORANDUM OF AGREEMENT (“MOA”) is made this 27<sup>th</sup> day of July, 2011, by and between the following parties: the West Virginia Higher Education Policy Commission (“Commission”), the Marshal University Research Corporation (“MURC”), the West Virginia University Research Corporation (“WVURC”) and the WV Regional Technology Park Corp. (“WVRTP”).

**WHEREAS**, the Legislature has determined that the Technology Park of the Commission located in South Charleston, West Virginia, is a diversified, multi-tenant research, development and commercialization park focused on energy, chemicals and other sciences and technologies for the advancement of education and economic development in West Virginia and that it is the intent of the Legislature to provide the Commission with the tools needed to manage the Technology Park and facilitate the translation of state investment dollars in higher education and research into business and economic growth that will provide tangible benefits for the citizens of the state; and

**WHEREAS**, the Legislature with the adoption of “Vision 2020: An Education Blueprint for Two Thousand Twenty” called for the development of “specific research expertise within the two state doctoral degree-granting universities” and improved “communication among the research branches of higher education institutions, including identification of mutually complementary areas of interest to increase funding opportunities and collaboration on intellectual property issues”; and

**WHEREAS**, the Legislature enacted W. Va. Code § 18B-1F-1 et seq. authorizing the Commission to enter into an agreement with a non-profit, non-stock corporation to operate the Technology Park and the WVRTP has been incorporated and authorized under the general incorporation laws of the state and with a duly constituted Board of Directors to undertake that duty; and

**WHEREAS**, Marshall University and West Virginia University have entered into research and development agreements pursuant to W.Va. Code § 18B-12-1 et seq. with the MURC and WVURC, respectively, for those corporations to provide research assistance to their affiliated institution and to facilitate research and development grants and opportunities on behalf of their institution; and

**WHEREAS**, the Legislature has declared that the Commission shall enter into a memorandum of agreement with the MURC and WVURC to delineate the role each party will play in furthering the goals of research and economic development set forth in W. Va. Code § 18B-1F-1 et seq.

**NOW, THEREFORE, IT IS AGREED** as follows:

1. The Vice Chancellor for Science and Research of the Commission shall periodically consult with representatives of the MURC and WVURC to reassess and update the strategic plan of the Science and Research Council to stress and explore a collaborative

process between the parties for science and technology research between the parties and, in particular, use of the Technology Park in that strategic plan.

2. The Vice Chancellor for Science and Research shall facilitate meetings between the Executive Director of the WVRTP, which the Commission has entered into an affiliation agreement with to manage the Technology Park, and the MURC and WVURC regarding access to the Technology Park and its facilities, opportunities for leasing of facilities and the possibility of collaborative projects at the Technology Park.
3. The Commission will afford the MURC and WVURC and their affiliated institutions on a priority basis, as available, with laboratory or meeting space at the Technology Park for meetings, activities, instruction, workshops and/or technology demonstrations.
4. Representatives of the MURC and WVURC will be invited to all meetings of the WVRTP Board of Directors that the Board believes they may be interested in and encouraged to share suggestions, recommendations, and collaborative opportunities with the Board.
5. The MURC, WVURC, and the WVRTP will be offered the opportunity to make a presentation each year at a Commission meeting about the successes, goals, opportunities and recommendations of the MURC and WVURC regarding research and technology facilitated by the MURC and WVURC and their affiliated institutions.
6. Whenever space becomes available at any of the facilities at the Technology Park the Commission will direct that the MURC and WVURC, on behalf of their affiliated institutions, be given first refusal on rental or leasing of such space for purposes consistent with the establishment of the Technology Park, unless the Commission determines an overwhelming need for the space to be utilized otherwise.
7. The Vice Chancellor for Science and Research shall continually monitor and identify potential areas of collaboration or synergy between the MURC and WVURC and their affiliated institutions, particularly at the Technology Park, and shall inform the parties of such opportunities for their consideration.
8. The Vice Chancellor for Science and Research will solicit recommendations each year from the MURC and WVURC on legislative, procedural or programmatic changes that would facilitate the research goals and activities of the MURC and WVURC, their affiliated institutions and the activities of the Technology Park and communicate them to the Chancellor and Commission for possible adoption and coordination of legislative action.
9. This Memorandum of Agreement may be amended by mutual consent of the parties.

**IN WITNESS WHEREOF**, the parties have caused this Memorandum of Agreement to be executed in the year and date indicated, with the effective date being the most recent signature.

Higher Education Policy Commission

By B. Hill  
Its: Chairman

Date: 7-28-11

Marshall University Research Corporation

By J. M. Mader  
Its: EXECUTIVE DIRECTOR

Date: August 4, 2011

West Virginia University Research Corporation

By Curtis Peterson  
Its: VP for Res. Ed; President,  
WVU RC

Date: 08/08/2011

WV Regional Technology Park Corp.

By Thomas V. Riecher  
Its: Chief Operating Officer

Date: July 27, 2011



# West Virginia Higher Education Policy Commission

---

## **Report to the Legislative Oversight Commission on Education Accountability**

**September 13, 2011**

### **Overview of Higher Education Policy Commission Funding Formula**



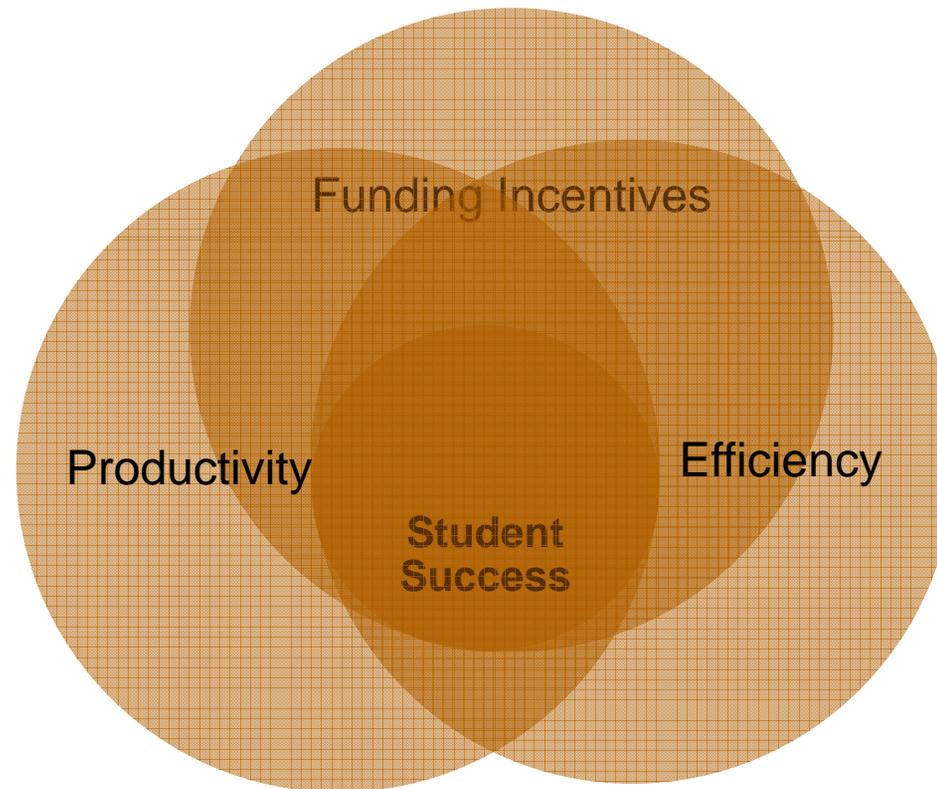
*Performance Funding: Policy  
Opportunities for West Virginia  
Higher Education*



**Presented to the  
Legislative Oversight Commission  
on Education Accountability  
September 15, 2011**



# HEPC Performance Initiatives

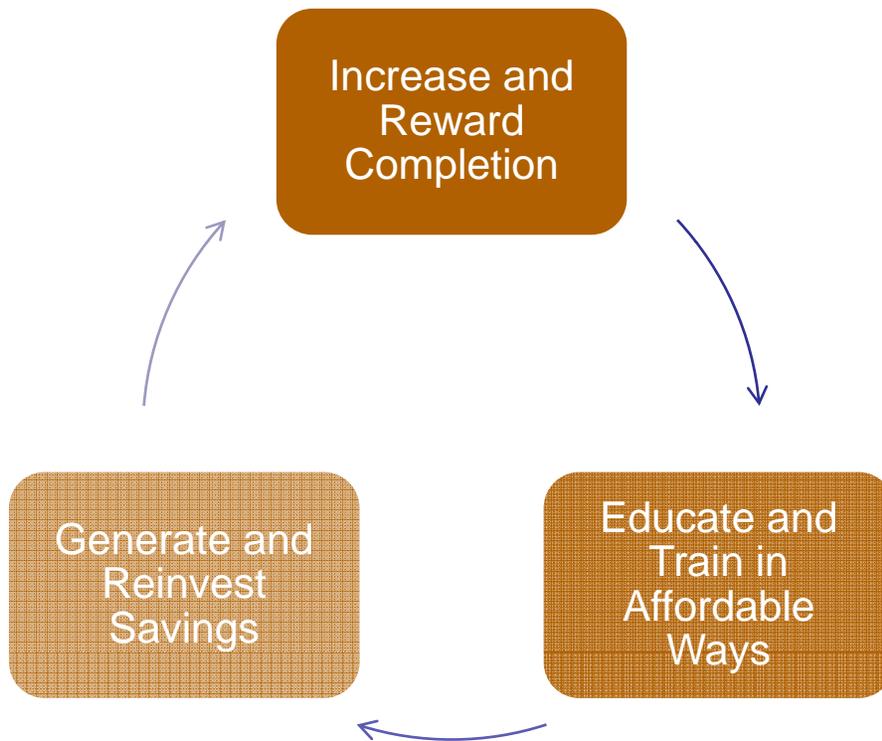


# Challenges of Performance-Based Funding

(The Joyce Foundation)

- Balancing Institutional Performance vs. Institutional Autonomy
  - One size does not fit all
  
- Gaining buy-in from institutional stakeholders
  - Budget constraints mixed with unclear expectations will doom any effort
  - Focus on key **factors that affect results** and establish a clearly stated purpose with simple, measurable benchmarks
  
- Maintaining focus on factors that affect results
  - Data **MUST BE** accurate, equitable, resonant, transparent & timely

# National Context



## Productivity Strategy Labs

- A 17 state effort to focus on rewarding efficiency;
- Focus is on building a network that can develop and improve performance.

Source: Productivity Strategy Labs and HCM Strategists

# National Context

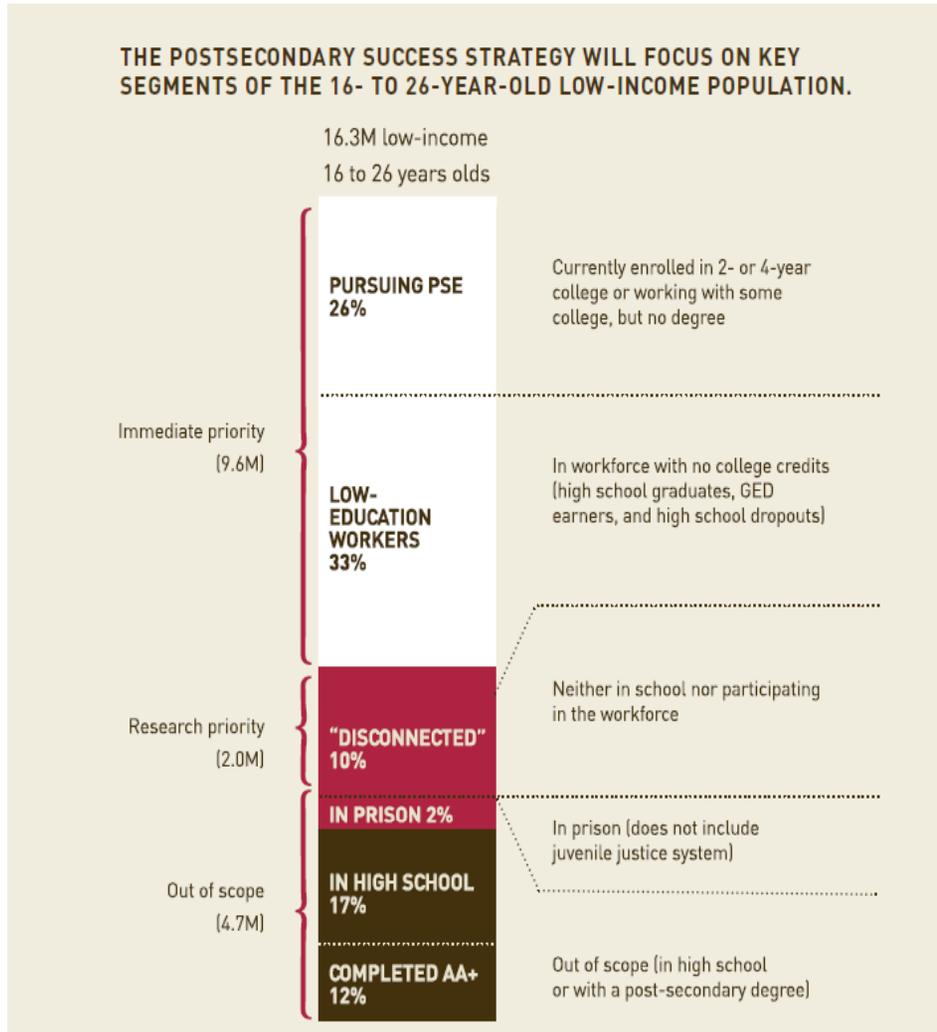
**Lumina Foundation is funding multiple initiatives that seek to:**

- Focus on completion of quality degrees
- Reward students for course and certificate completion;
- Expand lower-cost, nontraditional education;
- Invest in institutions that adopt good business practices;

**Complete College America posits that performance funding can drive:**

- Improvements in completion;
- Reduced time to degree;
- Improved remediation;
- Added value of certificates; and,
- Innovative delivery structures.

# National Context



Source: Bill and Melinda Gates Foundation

## The Bill and Melinda Gates Foundation seeks to incentivize programs that

- Improve attainment in traditionally underserved populations;
- Recognize the cost to the student and the state for those that don't complete their credential;

# The National Governors Association has placed a heavy accent on college completion through their Compete to Complete initiative.

## NGA College Completion Metrics

### Outcome Metrics

Degrees Awarded

Graduation Rates

Transfer Rates

Time and Credits to Degree

### Progress Metrics

Enrollment in Remedial Education

Success in Remedial Education

Success in First Year College Courses

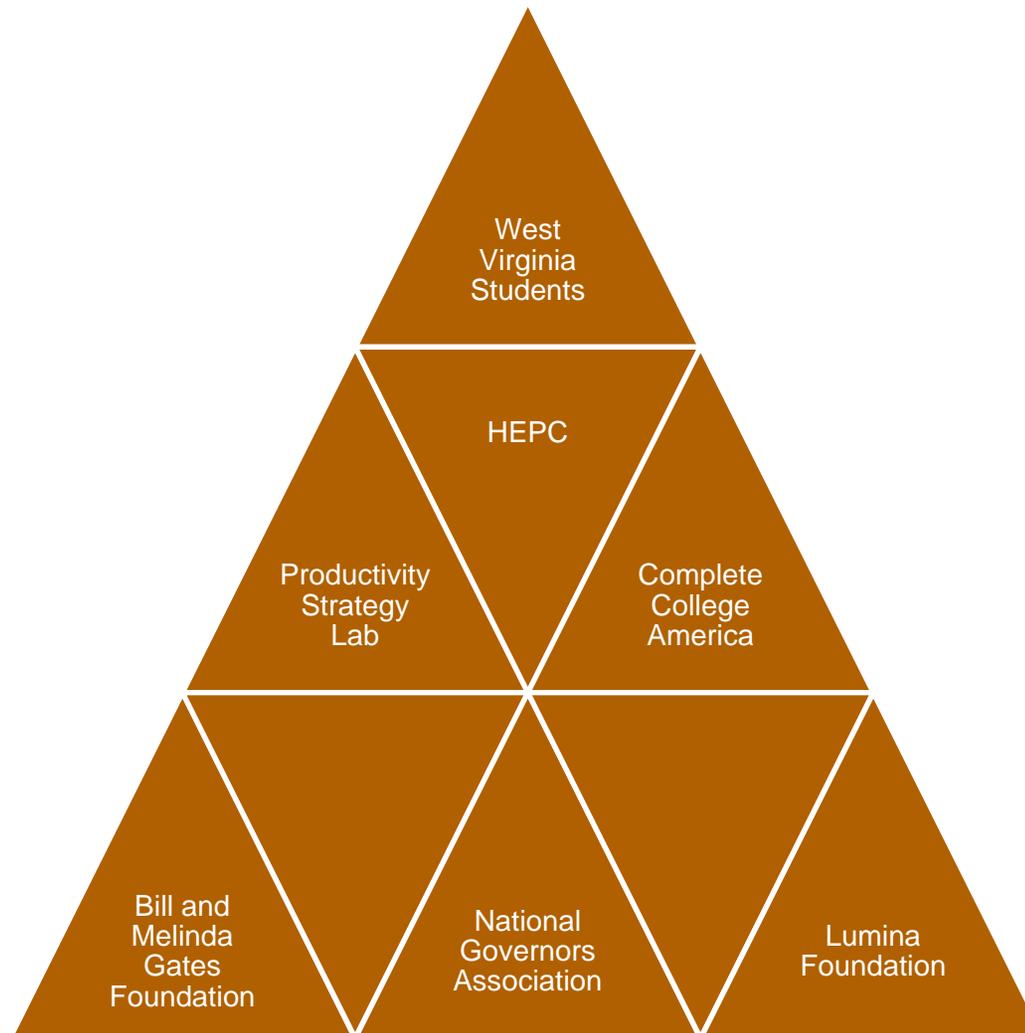
Credit Accumulation

Retention Rates

Course Completion

Source: National Governors Association

# Structural Support for West Virginia



# Performance Funding in West Virginia

## §18B-1B-4(2) Requires the Policy Commission

to “Develop, oversee and advance... a financing policy for higher education in West Virginia.”

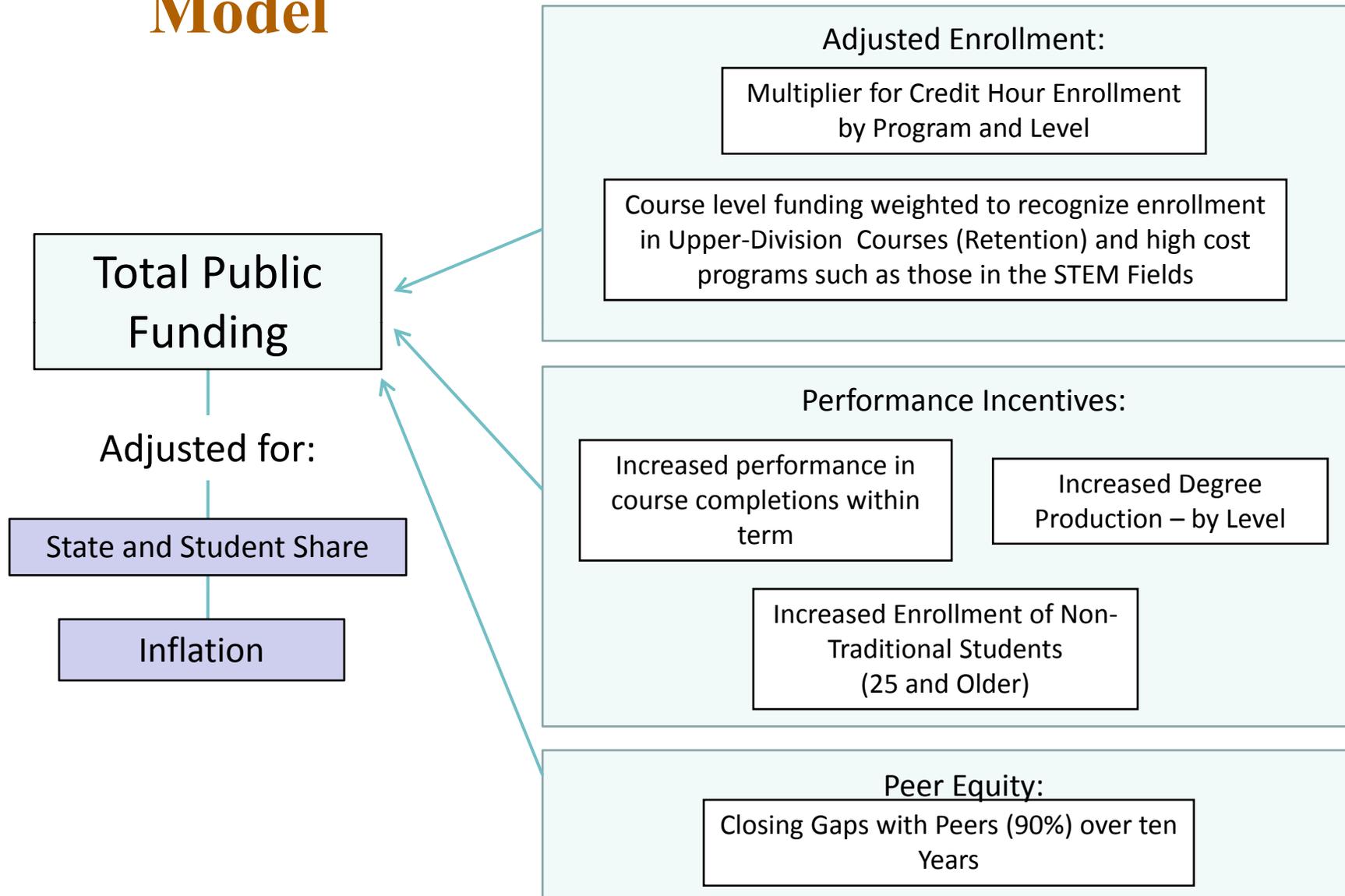
The Policy is to:

- Provide an adequate level of education and general funding for institutions;
- Maintain institutional assets,
- Invest and provide incentives for achieving the priority goals in the public policy agenda
- Incorporate the plan for strategic funding to strengthen capacity for support of community and technical college education;



# Proposed Funding Model

## Drivers of the Model



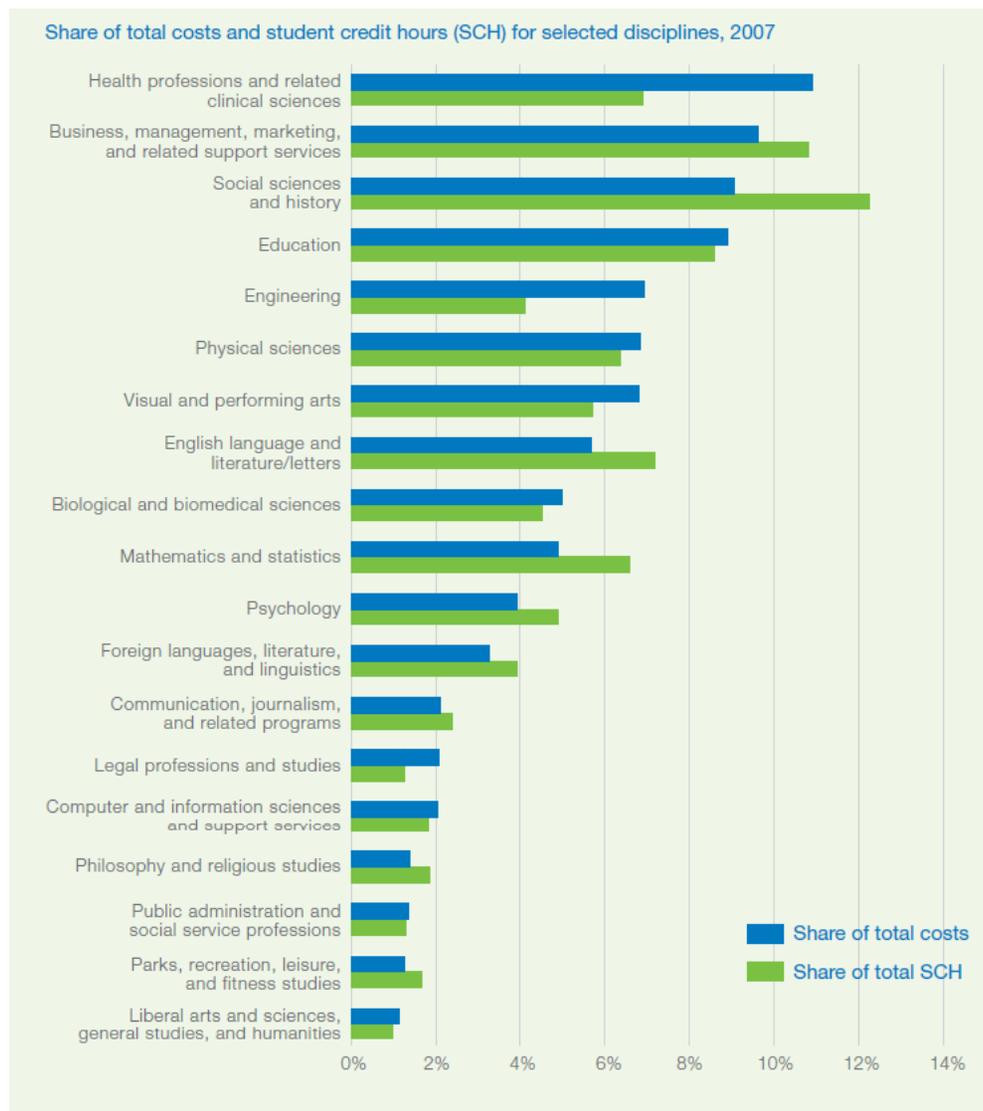
# Elements of the DRAFT Funding Model:

- Access and Retention
- Funding for Mandated Costs
- Funding for Peer Equity
- Incentive Based Funding

Impact of DRAFT Funding Formula			
Institution	State Appropriation (Formula)*	FY 2009 State Funding	Total Revenue Difference
Bluefield State College	\$9,272,386	\$6,442,321	\$2,830,065
Concord University	\$14,946,648	\$9,977,767	\$4,968,881
Fairmont State University	\$22,633,535	\$13,769,754	\$8,863,781
Glenville State College	\$7,037,493	\$6,489,617	\$547,876
Marshall University	\$61,606,291	\$49,306,129	\$12,300,162
Potomac State of WVU	\$6,505,378	\$4,604,493	\$1,900,885
Shepherd University	\$15,984,036	\$11,018,482	\$4,965,554
West Liberty University	\$12,411,316	\$9,125,137	\$3,286,179
West Virginia State University	\$13,159,132	\$12,642,590	\$516,542
West Virginia University	\$156,886,815	\$115,142,018	\$41,744,797
WVU Institute of Technology	\$8,865,001	\$8,547,469	\$317,532
<b>Total</b>	<b>\$329,308,032</b>	<b>\$247,065,777</b>	<b>\$82,242,255</b>



# Performance Funding in West Virginia

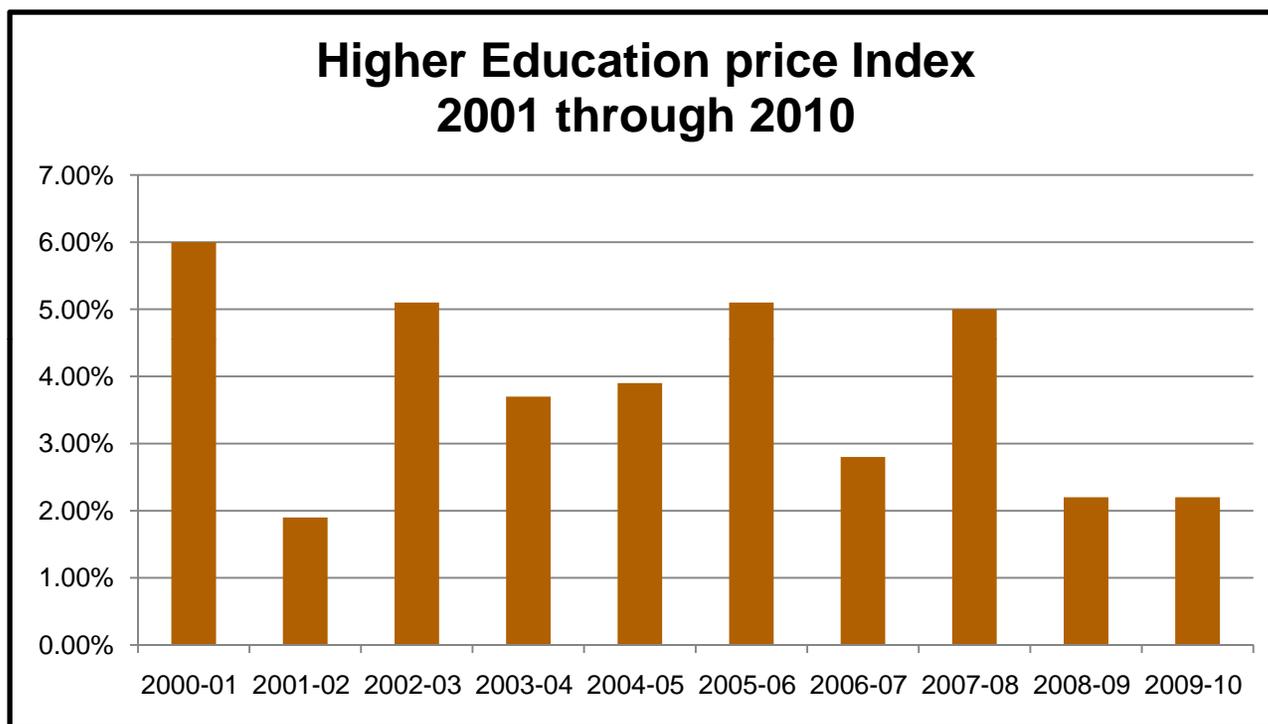


Source: Trends In College Spending. Washington, DC: The Delta Cost Project

**Access and Retention** – funding is provided for enrollment based on weighted student credit hours. Students enrolled in higher cost programs (e.g., STEM courses or nursing) are funded proportionally higher than students in lower cost programs such as English or History. Upper division students are also funded proportionally higher than lower division students.



# Performance Funding in West Virginia



Source: Arizona State University Office of Planning and Budget

**Mandated Costs** – Inflation continues to drive expenditures for items such as fuel and power or health benefits.



# Performance Funding in West Virginia

Incentive-Based Funding reflects the Commission's statutory role to develop a financing plan that meets state policy goals and is consistent with the mandates of SB 595. Policy priorities are as follows:

1. **Graduate production** – Focus on the number of degrees produced rather than a graduation rate eliminates any incentive to make the admissions process more selective.
2. **Access for adults** – This metric should encourage institutions to seek alternative delivery methods and use tools such as RBA today to increase participation.
3. **Completion** - This metric should encourage institutions to implement programs to improve time to degree, advising, mentoring, etc.



# Funding Elements

- Access and Retention
  - Adjusted Student Credit Hours multiplied by HEPC average cost per credit hour. (WVU and Marshall multiplier is based on institutional calculated cost per credit hour).
- Graduate Production
  - Number of graduates in excess of five year average multiplied by 50% of SREB average appropriation per student.
- Access for Adults
  - Number of adults in excess of five year average multiplied by 33% of SREB average appropriation per student.
- Completion
  - Percentage points above 70% course completion multiplied by 100% of SREB average appropriation and tuition per student.



Members

David K. Hendrickson, Chairman

Dr. Bruce Berry, Vice Chairman

Kathy Eddy, Secretary

Jenny Allen

Bob Brown

John Estep

Kay H. Goodwin

Dr. John Leon

Dr. Jorea Marple

David R. Tyson



West Virginia Higher Education Policy Commission

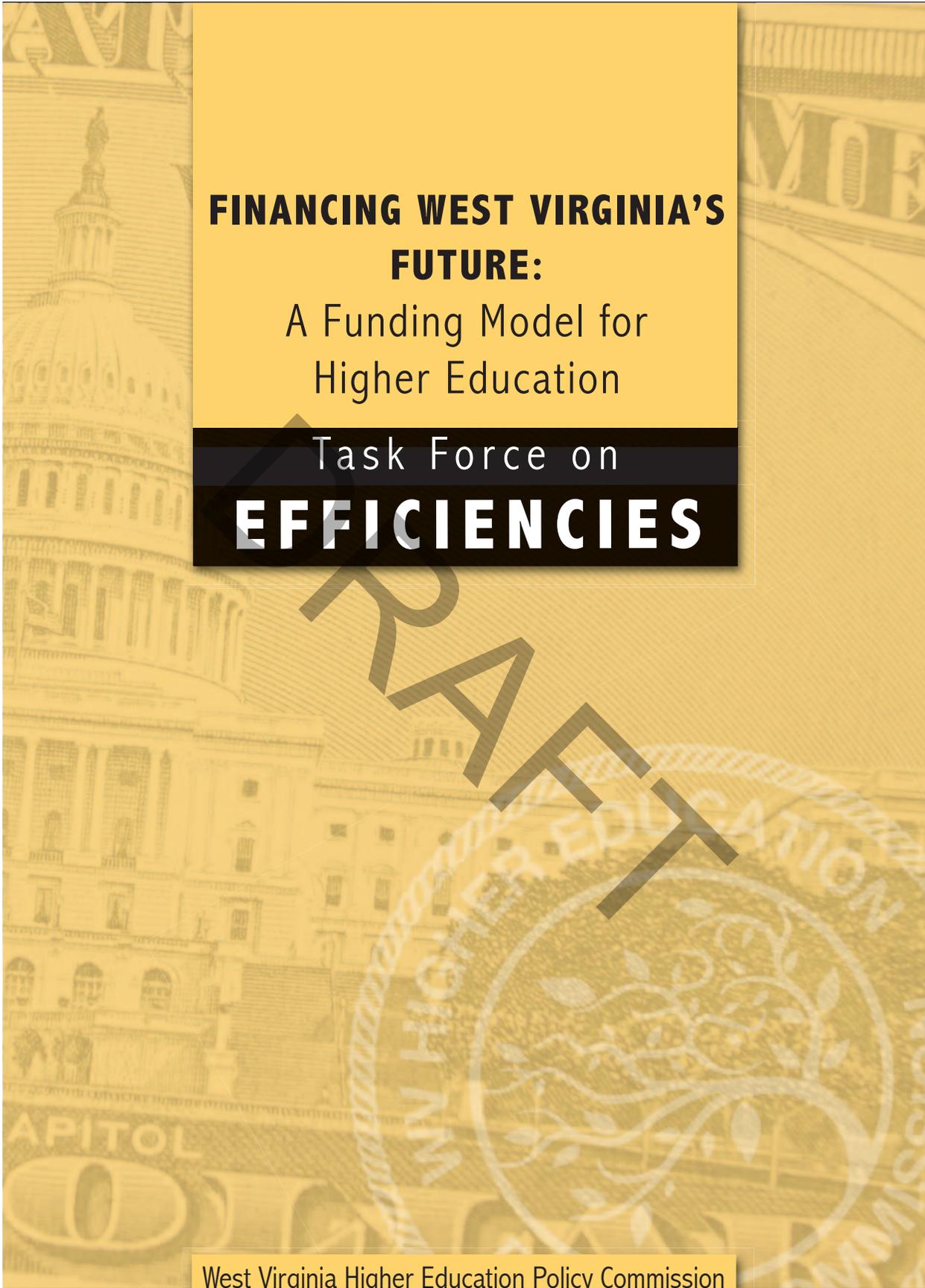
1018 Kanawha Blvd E Ste 700

Charleston WV 25301-2800

voice 304.558.2101

fax 304.558.5719





**FINANCING WEST VIRGINIA'S  
FUTURE:**

A Funding Model for  
Higher Education

Task Force on

**EFFICIENCIES**

West Virginia Higher Education Policy Commission

DRAFT

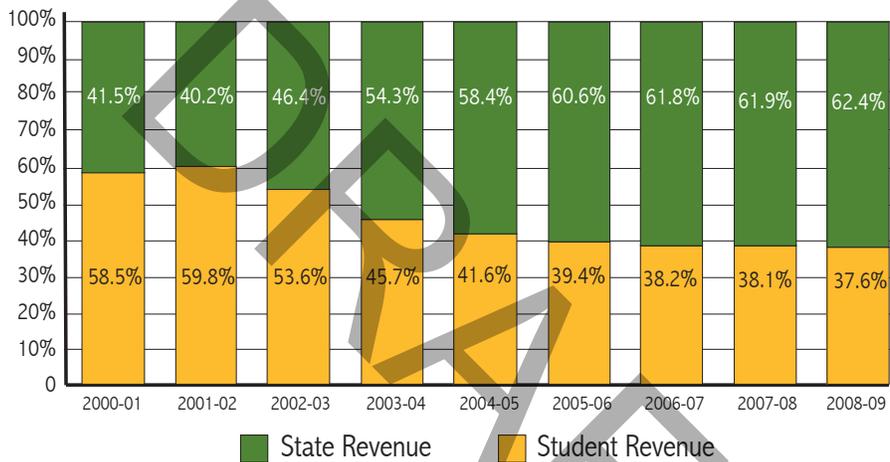


## Financing West Virginia's Future: A Funding Model for Higher Education

### The Funding Imperative in West Virginia

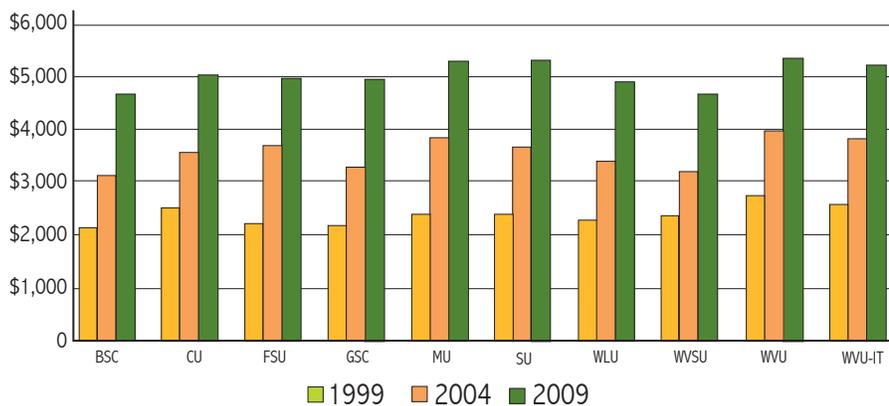
For the better part of this decade higher education finance policy in West Virginia lacked clear philosophical direction. The uncertain nature of state appropriations for the state's colleges and universities shifted the system from a primary reliance on state appropriations to student-generated tuition and fee revenues. In light of the current funding environment, the Chancellor and Commission staff believe it is imperative to develop a policy that restores balance between state funding and student generated revenues.

### Declining Levels of Support in West Virginia



As tuition levels increased, legislative attention to student financial aid sharpened and funding for the West Virginia Higher Education Grant Program rose significantly. Yet, even with a doubling of such funds, West Virginia continues to struggle with issues of affordability as evidenced by a host of regional and national reports. While West Virginia is part of a national trend downward in affordability of its public higher education institutions, it is unique in that it requires institutions to cover the costs of capital construction through revenues generated from student fees, limiting institutional flexibility to react to economic downturns.

### Rising Tuition Rates in West Virginia



### **Policy Opportunities**

As a coordinating board the Commission has authority over state appropriation recommendations across higher education. Over the last few years, as higher education has experienced shifting budget conditions, the state has relied upon a peer-based funding model to drive appropriations to institutions. However, this method was not holistic in that it was not used as a baseline for tuition discussions, and the total funding picture was absent of considerations for increasing costs associated with enrollment growth and inflationary pressures.

One of the opportunities inherent in the development of a Master Plan in Charting the Future (West Virginia Higher Education Policy Commission, 2007) is the chance to coherently integrate an institutional finance policy which supports specific goals and objectives. With these goals in mind, the Commission staff has developed a funding formula that contains funding incentives strategically linked to the goals of Charting the Future. The proposed funding model specifically addresses: economic growth through increased graduate production; access for non-traditional students; and accountability through retention and course completion.

### **Formula Description and Components**

At its core, the proposed funding model entails a set of basic principles that serve to coherently integrate policies regarding institutional and state funding with the overarching goals West Virginia has set for higher education. Each facet of the formula relates to those entailed in Charting the Future. The formula is comprised of three major components, the sum of which equals the total recommended state funding to be received by each institution. These three components are: funding for enrollment and retention, funding for peer equity, and incentive-based funding. The following provides an overview:

**Component 1: Funding for Enrollment and Retention** - This component is constructed to fund institutional enrollment at the course level, beginning by calculating for adjusted student credit hours (ASCH). These calculations are structured to lend relative weight to certain courses based on several factors. For example, certain disciplines, such as STEM courses, are more costly to teach but are vital to our state's economic growth (as outlined in Charting the Future). This differential is accounted for by the addition of a course multiplier to each CIP code, weighted for higher cost programs. Another policy objective for higher education centers on retention. Accordingly, more weight is given to upper division levels than to lower division courses. Finally, total ASCH is calculated for each institution by multiplying actual enrollment course hours for each CIP code and division level by their respective weights (Appendix C).

Next, recommended institutional funding for credit Hours (TFRCH), from both state and students, is determined by multiplying total ASCH by the calculated average revenue per credit hour (CARCH). For regional institutions, CARCH is determined by the average FY 2009 operating revenue (state appropriations plus student tuition and fees) per FTE; for Marshall University and West Virginia University CARCH is actual FY 2009.

In the next portion of the calculations, policy is established with regard to funding by state appropriations versus student tuition revenues. For most institutions the goal is to move this share to 50 percent state funding and 50 percent student funding; however, the formula is also constructed to account for other factors, such as institutional mission or heavy reliance on out-of-state students for enrollment and revenues. The ratio is adjusted according to these factors to give the percentage of funding for this component to be paid through state appropriations. Once this percentage is determined, it is multiplied by the previously determined TFRCH to arrive at the recommended institutional funding from state appropriations for credit hours. This is the recommended state appropriations for credit hours (RSACH), and the first component of the funding formula.

**Component 2: Funding for Peer Equity** – Institution specific peer sets for each school are utilized in this formula by calculating the five-year average (2005-09) total state and student funding per FTE for each institution's respective peers using IPEDS data. These adjusted five-year peer averages are divided by the respective West Virginia institution's current year (2009) total funding per FTE to determine the peer multiplier. This multiplier is then distributed over ten years with the goal that full peer equity, at the 80 percent level, will be achieved in ten years. The resultant peer equity annualized multiplier (PE) is then multiplied by the TRFCH, determined in the first component.

**Component 3: Incentive-Based Funding** – Incentives have been imbedded in the funding formula to encourage institutions to meet educational goals inherent to the master plan. For example, this component creates monetary incentives for institutions to implement policies addressing issues of access for non-traditional student. Also incentivized are aspects of retention through course completion and economic growth through increased graduate production. The sum of the following three sub-components is the third and final major component of the funding formula:

- a) **Graduate Production** - An incentive is included in this formula for increased graduate production. The benchmark for number of bachelor degrees is determined by calculating the latest institution specific, 5-year rolling average, of the total Bachelor degrees awarded. For each additional degree above this 5-year rolling average, an institution receives 100% of the most recent average of all the SREB States' Appropriations per FTE. For FY 2008-09 this amount is \$7,572.
- b) **Access** - Increased access to higher education is encouraged through the formula, particularly for non-traditional students. An incentive is instituted for serving more adult students, age 25 and older. The benchmark used for this component is determined by calculating the latest, institution specific, five-year rolling average of non-traditional students enrolled (using the fall semester). For each additional non-traditional student enrolled in the current year's fall enrollment over the five-year average, the institution receives 100% of the most recent average of all the SREB States' Appropriations per FTE. For FY 2008-09 this amount is \$7,572.
- c) **Completion** - Incentives are created by rewarding institutions that succeed in encouraging high course-completion rates. This benchmark is calculated by dividing the number of student course hours attempted by at an institution by the number of student course hours completed. A benchmark of 70 percent is established for this component. Each percentage above this benchmark earns an institution 100% of the most recent average of all the SREB States Tuition & Fees and State & Local Appropriations per FTE. For FY 2008-09 this amount is \$14,155.

These three major components are added together to calculate the formula-recommended total state appropriations for each HEPC institution (Appendix A). This formula is structured to address the specific needs of each institution: funding requirements based on enrollment and retention is adjusted at the course level, long term goals are established regarding peer equity, and policy is created to incentivize achievement in areas intrinsic to higher education goals in West Virginia.

## TASK FORCE ON EFFICIENCIES

### Conclusion

West Virginia higher education faces enormous policy challenges. As the state's financial commitment to higher education continues to decline, institutional leaders struggle to balance access with completion. Absent renewed state investment in higher education, West Virginia faces the prospect of continued tuition increases to appropriately fund statewide goals that are central to the state's economic future.

Through the creation of a unified finance policy, the Higher Education Policy Commission will be better positioned to serve the needs of the state with more thorough articulation of the financial needs of each institution. The formula provides the state with a series of data-driven benchmarks to assess performance while maintaining focus on the need for sustained investments in base budgets (i.e., faculty/staff salaries, research, and mandated costs related to the competitive health of the system). The creation of a unified finance policy enables the inherent link between state support and student generated revenues and demonstrates that, absent state appropriations, significant tuition and fee increases may be needed to protect the core components of institutional missions. Without such appropriations, annual and sustained investments in both need and merit-based aid will be required to protect and secure educational access.

The formula as presented has been refined to address the reality of funding constraints and demographics. Even with this conservative model, the state's commitment to higher education falls \$93 million short of the target. This would be a daunting figure even in a strong economy – but postponing the investment in higher education multiplies the impact on West Virginia's ability to be competitive in the future economy.

### State Funding Formula Progression

(includes ARRA backfill)

Institution	FY 2009 State Funding	FY 2011 Formula	FY 2011 Actual	Difference	FY 2012 Formula	FY 2012 Base	Difference
Bluefield State College	\$6,442,321	\$8,671,459	\$6,464,366	(\$2,207,093)	\$9,591,799	\$6,465,121	(\$3,126,678)
Concord University	9,977,767	13,983,266	10,008,687	(3,974,579)	14,238,755	10,009,767	(4,228,988)
Fairmont State University	13,769,754	21,069,802	16,312,549	(4,757,253)	21,169,958	16,313,458	(4,856,500)
Glenville State College	5,849,450	6,553,500	6,689,149	135,649	7,140,859	6,689,817	(451,042)
Marshall University	49,306,129	60,749,146	52,066,004	(8,683,142)	67,429,345	52,069,266	(15,360,079)
Potomac State College of WVU	4,604,493	6,257,354	4,603,984	(1,653,370)	7,395,475	4,604,493	(2,790,982)
Shepherd University	11,018,482	16,344,805	11,048,691	(5,296,114)	16,712,397	11,049,853	(5,662,544)
West Liberty University	9,125,137	12,108,786	9,161,509	(2,947,277)	12,644,655	9,162,445	(3,482,210)
West Virginia State University	12,642,590	12,727,522	12,656,970	(70,552)	12,849,217	12,658,302	(190,915)
West Virginia University	115,142,018	154,335,221	114,329,254	(40,005,967)	167,065,630	114,342,018	(52,723,612)
WVU Institute of Technology	8,547,469	8,694,052	8,556,423	(137,629)	8,743,974	8,557,357	(186,617)
<b>TOTAL ALL INSTITUTIONS</b>	<b>\$246,425,610</b>	<b>\$321,494,913</b>	<b>\$251,897,586</b>	<b>(\$69,597,327)</b>	<b>\$344,982,066</b>	<b>\$251,921,897</b>	<b>(\$93,060,169)</b>

DRAFT

DRAFT





# West Virginia Higher Education Policy Commission

---

**Report to the Legislative Oversight Commission  
on Education Accountability**

**September 13, 2011**

**Report on For-Profit Institutions**





STATE OF WEST VIRGINIA  
OFFICE OF THE ATTORNEY GENERAL  
CHARLESTON 25305

DARRELL V. McGRAW, Jr.  
ATTORNEY GENERAL

(304) 558-2102  
(304) 558-4820 (fax)  
E-mail: [houdyschell@hepc.wvnet.edu](mailto:houdyschell@hepc.wvnet.edu)

Please reply to:  
W. Va. Higher Education  
Policy Commission  
Legal Division - 8th Floor  
1018 Kanawha Blvd., E  
Charleston, W. Va. 25301

July 26, 2011

Via Certified Mail Return Receipt Requested

No. 7006 0100 0007 3099 0444

William Pepicello, Ph D  
President  
The University of Phoenix, Inc.  
4025 S. Riverpoint Parkway  
Phoenix, AZ 85040

and

Via Certified Mail Return Receipt Requested

No. 7006 0100 0007 3099 0505

William Pepicello, Ph D  
President  
The University of Phoenix, Inc.  
4615 E. Elwood St.  
Phoenix, AZ 85040

**RE: University of Phoenix  
Cease and Desist Operations**

Dear Dr. Pepicello:

Please be advised that I represent the West Virginia Higher Education Policy Commission. Pursuant to West Virginia Code §18B-1B-4(b)(9) the West Virginia Higher Education Policy Commission has the power and the duty, among other things, to develop, establish, and implement policies for licensing and oversight for both public and private degree-granting institutions that provide post-secondary education courses or programs in the state of West Virginia. Further, pursuant to West Virginia Code § 18B-4-7 the West Virginia Higher Education Policy Commission is charged with making rules for the accreditation of institutions of higher education and authorization to confer degrees.

William Pepicello, Ph D  
July 26, 2011  
Page 2 of 2

Pursuant to this authority, the state regulations are set forth in Title 133, Series 20 of the West Virginia Code of State Rules.

It has come to the attention of the West Virginia Higher Education Policy Commission that you are advertising flexible course options from the "University of Phoenix West Virginia." You further indicate on your website that you have a campus in the State of West Virginia. I have attached copies of the relevant web pages for your reference. Please be advised that you are not authorized to operate an institution of higher education in the State of West Virginia or to confer degrees to West Virginia residents through distance learning.

Therefore, you are hereby advised to **immediately cease and desist** all operations of the University of Phoenix in the State of West Virginia, including but not limited to, any form of distance learning and remove any reference on your website implying you are authorized to enroll West Virginia residents through distance learning or confer degrees upon them. Should you fail to cease and desist by **Wednesday, August 15, 2011**, the West Virginia Higher Education Policy Commission and the West Virginia Attorney General's Office will seek all remedies available at law, including but not limited to, requesting that a Court Order be issued against you for your failure to comply with West Virginia law.

Sincerely,

  
Jendonnae L. Houdyschell  
Senior Assistant Attorney General

cc: William Pepicello, PhD, President, The University of Phoenix, Inc.,  
c/o Corporation Service Company  
**Via Certified Mail Return Receipt Requested No. 7006 0100 0007 3099 0512**

ec: Chancellor Brian Noland,  
West Virginia Higher Education Policy Commission  
Dr. Mark Stotler,  
Director of Academic Affairs,  
West Virginia Higher Education Policy Commission



Start today ▶

Questions? Chat Live. ▶

- ACADEMICS ▼
- HOW IT WORKS ▼
- ABOUT US ▼
- COMMUNITY ▼

west virginia



Home » Campus Locations » West Virginia

## University of Phoenix in West Virginia



When you earn your degree online, you'll get a personalized education designed to challenge and inspire you. **Class sizes** are kept small, our **instructors** work in the fields they teach, and a **team of 3 advisors** is dedicated to your success.

In addition to 56-degree programs, our online platform offers tutoring services, an expansive e-library and other resources designed to give you support from enrollment through graduation.

Our education has made it possible for nearly half a million working professionals to earn their degrees. Take the next step and call or **chat** live with a University advisor right now.

### ACADEMICS

- School of Business
- School of Advanced Studies
- College of Education
- College of Nursing
- College of Criminal Justice and Security
- College of Humanities
- College of Social Sciences
- College of Natural Sciences
- College of Information Systems & Technology
- For Students in High School
- Military
- Workforce Solutions
- Global

### Degree Programs

- Continuing Education
- Individual Courses
- Certificates
- Accreditation and Licensures

### Admission Requirements

- Tuition & Fees
- Financial Options
- Transfer Information
- Prior Learning Assessment

### HOW IT WORKS

- How it Works Overview
- Getting Started
- Online or On-Campus
- Paying for School
- Faculty & Education
- Programs & Courses
- Your Graduation Team
- Military

### COMMUNITY

- Students
- Student Experience
- Student Store
- Disability Services
- Alumni
- Alumni Association
- Online Communities
- Faculty
- Faculty Articles
- Faculty Profiles
- Become a Faculty Member

### ABOUT US

- About University of Phoenix
- Mission and Purpose
- Media Relations
- Press Releases
- Information
- Campus Locations
- UOPX Foundation
- Employment
- Knowledge Network Home
- Publications
- Academic Annual Report
- Contact Information
- Regulatory
- Campus Safety
- Spotlight on Education
- Press Releases
- News

Site Map | Copyright & Legal | Feedback

©2006-2011 University of Phoenix, Inc. All rights reserved.

Users of this site agree to the [Terms & Conditions](#) and [Privacy Policy](#) (updated May 24, 2011).

# Campus Learning - Small Classes

Know everyone in your class well. Including your instructor.

## FLEXIBLE COURSE OPTIONS FROM THE UNIVERSITY OF PHOENIX WEST VIRGINIA

Only about 17 percent of adult West Virginians hold a bachelor's degree or higher, which is the lowest in the nation. While few West Virginians hold a bachelor's degree or higher, the state is experiencing economic prosperity, and those with college degrees are poised to benefit financially. You can set yourself up for future professional growth and prosperity by taking the time now to earn a college degree. The University of Phoenix West Virginia provides you with the incredible opportunity to earn a college degree through online courses.

When you attend online courses from the University of West Virginia, you will have the flexibility to log on and attend your courses at a time that is most convenient for you. For busy working adults, this means that you can continue working at your job and earning your regular paycheck while you attend classes. You can also take your classes around your personal commitments, such as raising your kids and spending time with your spouse. This school offers you the opportunity to earn an associate's, bachelor's or master's degree in a range of programs. Some of the many programs that degrees are offered in include information technology, education, business management, nursing, communications, criminal justice and more.

Many people think they need to put their lives on hold to attend courses and earn their college degree. However, with the flexible course options available from the University of Phoenix West Virginia, you can earn your degree while maintaining your current job and enjoying plenty of time with your family, too. There are so many great opportunities available to West Virginians who hold a college degree, including the ability to vertically advance on the corporate ladder as well as the ability to earn a much higher salary. Spend some time reviewing the course options and flexible schedule options available to you when you attend courses through this school, and then take the first step toward earning your degree by registering for classes today!

## Get More Information

Zip Code

Online or Campus

Education Completed

Program of Interest

First Name

Last Name

Street Address

City

State

Email

Phone

**SUBMIT**

### Graduate Degrees

- Business
- Nursing
- Education
- Psychology
- Technology

### Undergraduate Degrees

- Business
- Nursing
- Criminal Justice
- Psychology
- Technology
- Human Services

### University of Phoenix

- About
- How it Works
- Finance Options
- Online
- Campus
- Programs
- Accreditation
- Privacy Policy
- Site Map



# West Virginia Higher Education Policy Commission

---

**Report to the Legislative Oversight Commission  
on Education Accountability**

**September 13, 2011**

**Report on Strategic State Plan for Science and Technology Research**



# WEST VIRGINIA SCIENCE AND RESEARCH COUNCIL

July 2011

## Annual Report on Strategic Planning to Legislative Oversight Commission on Education Accountability

The West Virginia Science and Research Council met on June 16, 2011 and reviewed preliminary recommendations from staff to consider a review and update of Vision 2015, The West Virginia Science and Technology Strategic Plan. As provided by statute, the Science and Research Council adopted Vision 2015 as the state's science and technology research plan until a new plan is developed and adopted. Although no specific revision dates were prescribed, the statute requires Council approval of any modifications.

The June 16 Council meeting resulted in approval of a series of regional meetings to seek comment on the plan, assess its current level of achievement, and make recommendations for new goals and objectives to be considered by the Council in plan revisions. The first phase consists of staff assessment of outcomes and metrics in achieving the goals prescribed by the original plan. This phase is currently underway and will be completed by mid-August 2011. The second phase will consist of strategic planning meetings on the campuses of Marshall, West Virginia and West Virginia State universities during August and September 2011. These meetings will review metrics and solicit improvements from lead scientists, research administrators and technology businesses in the region with an eye on goals for the next decade. Finally, all recommendations will be presented to the Science and Research Council for consideration in final plan revisions at the October 2011 quarterly meeting. Upon approval, a revised plan will be forwarded to the Legislature.

Significant progress on many areas within the strategic plan has been achieved. Challenges remain and some metrics remain unmet, but the vision of research and innovation being a driver of West Virginia's new, diverse and prosperous economy is finding a level of success.

Progress is best shown in the graph accompanying this memo as it pertains to Goal Number 6: "Double competitive funding from federal agencies every five years."

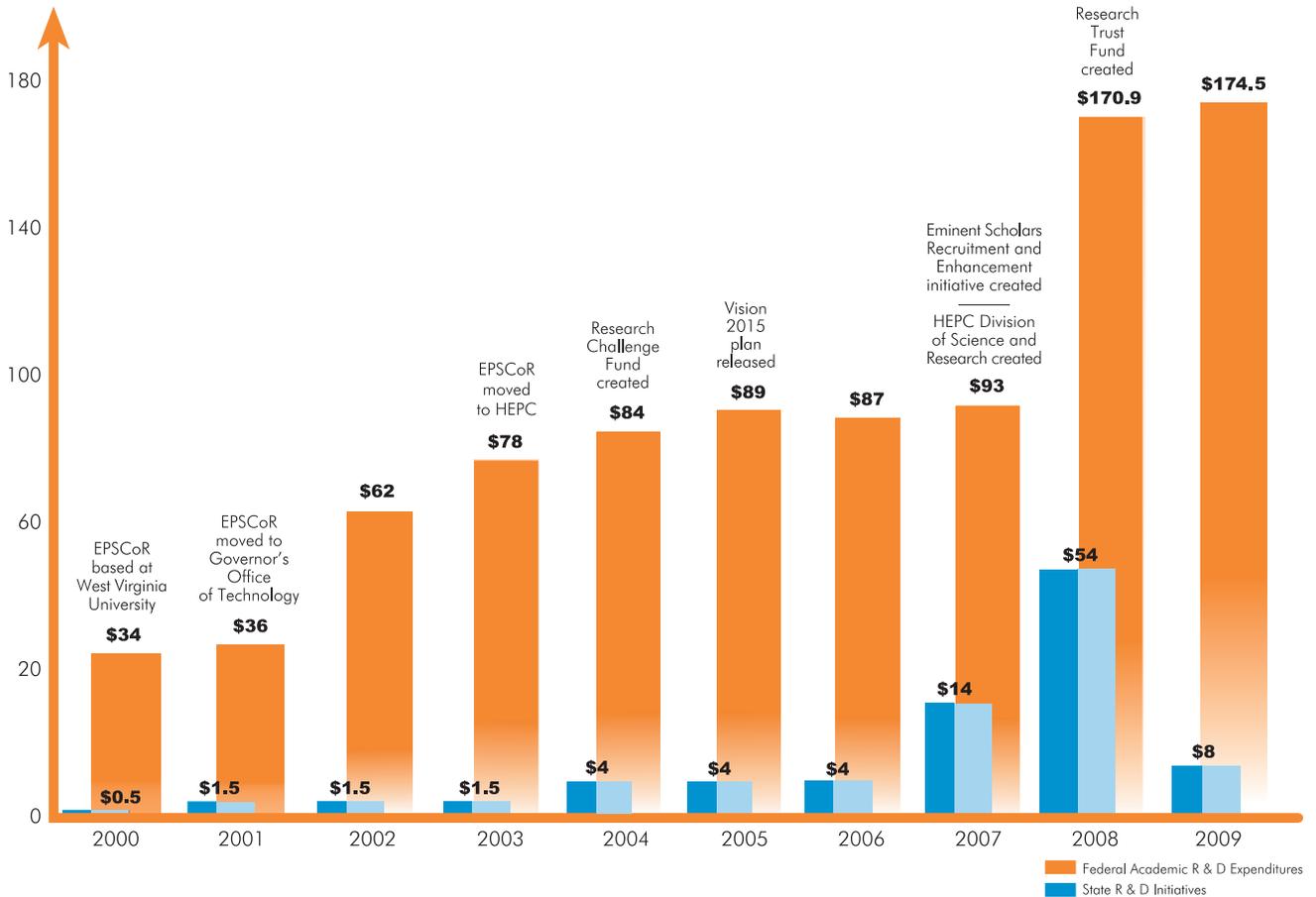
### **Background**

The Science and Research Council was created in 2009, West Virginia Code §18B - 18B-1 to:

- increase the capacity of the state and state institutions of higher education to attract, implement and use cutting edge, competitive research funds and infrastructure;
- provide expertise and policy guidance in science and research to the state;
- encourage research collaboration among public and private institutions of higher education and the private sector;
- promote education at all levels in the fields of science, technology, engineering and mathematics; and
- provide recommendations to the HEPC and state policy makers regarding science and research initiatives, activities and investments.

## VISION 2015, The West Virginia Science and Technology Strategic Plan

Status of Goal No. 6: Double Competitive Funding from federal agencies every five years



Detailed assessments of Vision 2015's fifteen other goals are underway and will be reported later in the year, along with revisions to the Strategic Plan approved by the Science and Research Council.



# West Virginia Higher Education Policy Commission

---

## **Report to the Legislative Oversight Commission on Education Accountability**

**September 13, 2011**

**Veteran Student Services**





David Hendrickson  
Chair

Brian Noland  
Chancellor

**West Virginia Higher Education Policy Commission  
West Virginia Community and Technical College System**

1018 Kanawha Boulevard East, Suite 700  
Charleston, WV 25301  
(304) 558-2101

Robert Brown  
Chair

James Skidmore  
Chancellor

September 1, 2011

The Honorable Jeffrey Kessler  
Acting Senate President  
West Virginia State Senate  
Room 227M, Building 1  
State Capitol Complex  
Charleston, West Virginia 25305

The Honorable Richard Thompson  
Speaker  
West Virginia House of Delegates  
Room 228M, Building 1  
State Capitol Complex  
Charleston, West Virginia 25305

Dear Mr. President and Mr. Speaker:

In accordance with West Virginia Code §18B-4-9, the following report is provided regarding progress toward development of services and facilities for student veterans enrolled in West Virginia public colleges and universities. We appreciate the West Virginia Legislature’s on-going interest in and support of efforts to improve veterans’ access to and success in higher education.

During the past year, staff of the West Virginia Higher Education Policy Commission (Commission) and the West Virginia Council for Community and Technical Education (Council) have actively supported legislative intent to provide “veteran-friendly” services to student veterans throughout the state. Through the efforts of our Office of Veterans Education and Training Programs, staff has conducted their federally-reimbursed program approval and review activities.

The Commission’s Veterans Learner Task Force has continued to support legislative intent and to provide leadership to the campuses to identify needs and concerns of veterans. The Task Force is developing a survey to determine the current state of services to veteran students and results will be compiled later this year. The Task Force also has developed a “mini-grant” program to provide institutions with seed money to begin projects that will enhance services to veterans with awards to be made during the Fall 2011 semester. The Task Force is guided by the provisions of West Virginia Code §18B-4-9.

Examples of initiatives to improve and increase support to student veterans include the following:

- Collection and analysis of data on veterans in college-level programs in West Virginia;
- Continued Commission and Council support of the Veterans Learner Task Force;
- Hosting statewide meetings of school certifying officials and others who work with veterans to bring them up to date on new VA benefits and to improve services;

September 1, 2011

Page 2

- Presenting at state meetings of the Association of Collegiate Registrars and Admissions Officers and the Association of Student Financial Aid Administrators;
- Speaking at institutional programs for new veteran students;
- Visiting every college and university in the state for supervisory reviews and consultation;
- Meeting with Community and Technical College officials to assist with ongoing issues pertaining to veterans following the Community and Technical Colleges separation from their former parent institutions;
- Participating in national and regional meetings about the new GI Bill;
- Attending Congressional hearings on improvements to the new GI Bill;
- Presenting at West Virginia State Senate and House of Delegates hearings on veterans issues.
- Consulting with college and university officials to assist with “veteran-friendly” initiatives on campuses; and
- Exploring development of an Institute for Veterans Education and Training Success to provide professional training and support to campus-based staff working with veteran students.

In addition to his normal duties during the past year, a member of our staff, Mr. Skip Gebhart, Administrator of the Office of Veterans Education and Training, has played a significant national role in working to protect the rights of the states to manage education and training programs for the GI Bill. Federal legislation in 2010 virtually stripped the states of approval authority that they had held for 65 years and may affect the amount of reimbursement the states receive for GI Bill-related work. The Administrator, as Legislative Director for the National Association of State Approving Agencies for Veterans Education and Training, has spent many hours in Washington, D.C. meeting with Members of Congress and staff to educate them about the success of the former approval and review system and to urge that it be restored. The impact of the legislation extends to our institutions and ultimately to the veteran students who attend them, so it is a critical issue.

During the next year, our focus will continue to be on assuring that West Virginia’s is seen as the most “veteran-friendly” higher education system, one in which each veteran student will have the services, support, and education necessary to graduate and succeed. Please feel free to contact Mr. Gebhart at 304-588-0263 or either of us if we can provide additional information regarding these initiatives.

Sincerely,



Brian Noland  
Chancellor



James L. Skidmore  
Chancellor

cc: The Honorable Robert Plymale  
Chair, Senate Education Committee

The Honorable Mary Poling  
Chair, House Education Committee



**Report to the Legislative Oversight Commission  
on Education Accountability**

**September 13, 2011**

**COMMUNITY AND TECHNICAL COLLEGE INITIATIVES  
AND COMPACT STRATEGIES  
2011-2012**





# **Meeting the Challenge: MASTER PLAN**

**for the Community and Technical College System  
of West Virginia**

## ***System Compact***

**Planning Period 2009-10 thru 2014-15**

**West Virginia Council for Community and Technical College Education  
1018 Kanawha Boulevard, East – Suite 700  
Charleston, West Virginia 25301**

# MEETING THE CHALLENGE:

## CONTACT INFORMATION

Name: James L. Skidmore, Chancellor

Address: 1018 Kanawha Boulevard, East – Suite 700

City: Charleston State: WV Zip: 25301

Telephone: 304.558.0265 Fax: 304.558.1646

Email: skidmore@wvctcs.org

## SYSTEM MISSION STATEMENT

The mission of the Community and Technical College System of West Virginia is to promote and provide high-quality, accessible, and responsive education and training opportunities that maximize student learning, improve the standard of living for West Virginians, and contribute to the economic vitality and competitiveness of our state. The CTCS of West Virginia will:

- Be a *comprehensive* community and technical college system that offers developmental education, career and technical education, workforce and continuing education and transfer education.
- Be the economic stimulus for business and industry to remain in or relocate to the state because of the education and training with which it equips its citizens to compete in the global economy.
- Produce a world-class workforce by being the *primary* provider of adult workforce and technical training.
- Strategically partner with economic, workforce and community development, K-12 and the universities to meet the workforce development needs of citizens and businesses.

# MEETING THE CHALLENGE:

## Goals for the Delivery of Community and Technical College Education

1. Produce graduates with the general education and technical skills needed to be successful in the workplace or subsequent education.
2. Provide workforce development programs that meet the demands of West Virginia's employers and enhance West Virginia's economic development efforts.
3. Provide access to affordable, comprehensive community and technical college education in all regions of West Virginia.
4. Provide resources to meet the needs of community and technical college students and employees.

## Strategic Priorities

1. Producing more graduates.
2. Promoting strong employer partnerships.
3. Serving more adults.
4. Building and maintaining facilities.

# MEETING THE CHALLENGE:

## Section A – Strategic Priorities

Please provide strategies for advancing each of the Master Plan’s Strategic Priorities.

### 1. Produce More Graduates.

Strategies	Target Date	Outcome
Implement the principles of Achieving the Dream system-wide	6/12	Provide data for the college completion agenda
Provide professional development opportunities that promote the college completion agenda	6/12	Enhance college completion
Facilitate the development of task forces that target college completion activities <ul style="list-style-type: none"> <li>▪ Developmental Education Task Force</li> <li>▪ Student Financial Aid Task Force</li> </ul>	6/12	Provide recommendations to colleges to increase the number of college graduates

**Narrative:**

The System will facilitate initiatives that assist colleges in improving graduation rates, continue to analyze system data and evaluate efforts to increase the number of graduates.

### 2. Promote Strong Employer Partnerships.

Strategies	Target Date	Outcome
Implement the sector-based approach to workforce development system-wide	6/12	To identify employer workforce needs and target program development funding to high demand occupations
Continue to engage employers in the development of the Advanced Technology Centers	Ongoing	Ensure the centers are employer driven

**Narrative:**

The System will continue to assess state-wide employment demand and target funding to those programs providing the best opportunity for student job placement.

# MEETING THE CHALLENGE:

## 3. Serve More Adults.

Strategies	Target Date	Outcome
Facilitate systemic change in the delivery of programs that impact adult student completion	Ongoing	Increase adult student enrollment and completion
Continue to seek grant opportunities to increase the number of adults that graduate	Ongoing	Promote innovative programming and increase adult student enrollment and completion

**Narrative:**

The System office will facilitate efforts among community and technical colleges to address enrollment and completion of adult students and continue to collect and analyze data regarding adult student completers.

## 4. Build and Maintain Facilities.

Strategies	Target Date	Outcome
Assess the critical facility needs of each college	Ongoing	Identify and prioritize facility needs
Work with the Council, college presidents, Governor's Office and legislative leadership to secure funding for CTC 75-80 million dollar bond projects	3/12	Secure funding to address facility needs

**Narrative:**

Finance and facilities staff will collect information from each community and technical college as to critical facility needs; including both new construction and renovations.

# MEETING THE CHALLENGE:

## Section B – System Goals

Please provide strategies for achieving targets under each general goal.

### Goal 1. Produce graduates with the general education and technical skills needed to be successful in the workplace or subsequent education.

Measures	09-10	10-11	11-12	12-13	13-14	14-15
a. Associate degrees awarded	2,250					12,674
b. Certificate degrees awarded	539					3,362
c. Total degrees awarded	2,789					16,036
d. Student success rate	30%					36%
e. Retention rate	56%					66%
f. Licensure passage rate	88%					90%
g. Placement rate: employment	72%					83%
h. Percentage of students enrolled in developmental mathematics successfully completed the next college-level course within two years of first enrolling in developmental mathematics	18%					28%
i. Percentage of students enrolled in developmental English that successfully complete the next college-level course within two years of first enrolling in developmental English	37%					47%

Strategies	Target Date	Outcome
<p>Continue implementation of Achieving the Dream principles and practices</p> <ul style="list-style-type: none"> <li>Continuation of Developmental Ed Task Force</li> <li>Implement Data Collection Methods (Centralized database)</li> <li>Provide Institutional Data Profiles</li> <li>Conduct Institutional "Data Days"</li> <li>Conduct appropriate professional development activities</li> </ul>	<p>8/12</p> <p>8/12</p> <p>8/11</p> <p>12/11</p> <p>7/12</p>	<ul style="list-style-type: none"> <li>Provide data to institutions for data driven decision in the general area of college completion.</li> <li>Examine and revise the delivery of developmental education</li> </ul>
<p>Presentation of Best Practices regarding student retention and completion</p>	Through 6/12	<ul style="list-style-type: none"> <li>Improve student retention and graduation rates</li> </ul>

# MEETING THE CHALLENGE:

Strategies	Target Date	Outcome
Evaluate through research the effectiveness of student retention and graduation initiatives and provide feedback to individual institutions	Ongoing	<ul style="list-style-type: none"> <li>Share successful approaches among CTCs</li> <li>Increase student retention and graduation rates</li> </ul>
Continuation of FIPSE grant and encourage the expansion of IPASS to other community colleges	Ongoing	Implement innovative approaches to the delivery of Developmental Education
Implement and encourage the development of accelerated courses and programs to decrease time to degree. <ul style="list-style-type: none"> <li>Evaluate the fiscal impact of offering accelerated programs and address policy issues accordingly</li> <li>Assist with the implementation of CTC Department of Labor Grant (C3T- if funded) that addresses acceleration</li> </ul>	6/12	Change the mode of program delivery to decrease the time to earn a degree and increase the number of graduates
Provide professional development on acceleration / modularization of programs	6/12	Provide faculty with the skills to provide innovative program delivery
Collect and analyze data on CTC student transfer success	10/11	Provide feedback to CTCs on student transfer numbers and successes
Explore the possibility of a "Promise" type scholarship / financial aid for CTC students that complete an associate degree to transfer to a baccalaureate institution	3/12	Increase student transfer numbers
Support a statewide online transfer portal (course to course crosswalk)	12/12	To assist students in transferring and program planning
Explore the development of a common course numbering system for CTC general education courses	6/12	To increase the ease of transferring from a CTC to a baccalaureate institution
Work to secure funding to support the Council's finance rule that rewards CTCs for student successes. – March 2012	3/12	Provide CTCs with incentive funding for performance
Explore the possibility of implementing a reverse transfer initiative	6/12	To increase the number of West Virginians with a college credential
Assist with implementing the Degree Now Initiative and target those adults that have completed some college credit courses, but less than 60 credits to complete an associate degree	6/12	Increase the number of college completers

**Narrative:**

All the above initiatives are intended to increase student retention and graduation numbers. New initiatives may be added as opportunities arise.

# MEETING THE CHALLENGE:

**Goal 2. Provide workforce development programs that meet the demands of West Virginia's employers and enhance West Virginia's economic development efforts.**

Measures	09-10	10-11	11-12	12-13	13-14	14-15
a. Training contact hours delivered	821,066					4.3M
b. Number of employers directly provided workforce education or training	3,799					4,179
c. Career-technical associate degrees awarded	9,368					11,121
d. Career-technical certificate degrees awarded	2,209					3,127
e. Career-technical skill set certificates awarded	32,406					37,607
f. Total career-technical degrees awarded	11,577					14,248
g. New technical programs implemented	--					24
h. Regional industry sector partnerships	--					29

Strategies	Target Date	Outcome
Continue the implementation of the sector-based workforce development initiative	Ongoing	To improve the program planning process and target funding to high need employment areas
Implement the inclusion of skill set enrollment and completion into the System's centralized database	6/12	To better track and evaluate non-credit training activities
<p>Continue the development and construction of the two advanced technology centers.</p> <ul style="list-style-type: none"> <li>Coordinate the development of technical and workforce programs to be delivered through the two advanced technology centers</li> <li>Develop a plan for the operational sustainability of the two advanced technology centers</li> <li>Continuation of engagement of employers in the development of the centers</li> </ul>	6/12	<p>To develop a funding plan to operate the facilities</p> <p>Determine additional programs for emerging industries</p>
Continue the collaborative effort with the WV Development Office to enhance economic development efforts.	Ongoing	To address workforce needs to attract and retain employers and enhance economic development efforts
Continue to monitor and apply for workforce related grants through the US Department of Labor and other agencies that request proposals for workforce initiatives.	Ongoing	To increase the amount of grant funding for the System and develop new programs reflecting employment needs

# MEETING THE CHALLENGE:

Strategies	Target Date	Outcome
Continue to work with GOHELP to address the allied health workforce needs of the state.	Ongoing	To implement new allied health programs to meet employment demands
Continue to monitor through employer engagement and needs assessments the occupational demands and skill set requirements of the state's employers.		To determine new program implementation needs and target workforce funding
Strategically target workforce development funding to those programs identified as high-need through the sector-based workforce development process and other occupational employment data.		Make the most efficient use of workforce funding and develop programs that meet employer workforce needs

**Narrative:**

The workforce development initiatives for the next year will focus on improving employer engagement to determine workforce needs and targeting funding to programs and training for high demand occupations.

# MEETING THE CHALLENGE:

**Goal 3. Provide access to affordable, comprehensive community and technical college education in all regions of West Virginia.**

Measures	09-10	10-11	11-12	12-13	13-14	14-15
a. Annual headcount enrollment	36,039					37,041
b. Age 25 and older annual headcount enrollment	17,453					17,938
c. Headcount enrollment in underserved counties	1,537					2,312
d. Average tuition rate	\$2,730					
e. Student financial aid participation rate	44%					54%

Strategies	Target Date	Outcome
<p>Evaluate the current virtual community college initiative and continue to increase the number of online courses and programs through the initiative.</p> <ul style="list-style-type: none"> <li>Evaluate the utilization of existing online capacity per institution</li> <li>Explore the possibility of developing additional on-line and hybrid courses</li> </ul>	6/12	Increase the capacity of the System to deliver on-line and technology driven courses
Facilitate the community college covenant signing with Military Armed Forces to encourage veterans and active military personnel to enroll in community and technical colleges.	6/12	Increase enrollment of veterans
Emphasize the importance of increasing the Higher Education Adult Part-Time Student (HEAPS) grant program funding levels.	3/12	To increase adult student enrollment
Research the successful practices employed by System community and technical colleges that have high adult student enrollments and completion rates; particularly the BOG AAS degree program.	6/12	To increase adult student enrollment at all System CTCs
Develop a tuition and fee policy that does not hinder student access.	11/11	Put in place a tuition policy that provides access to affordable CTC education and also provides adequate funding for the operation of community and technical colleges
Strategically market community and technical college education to high school students, adult students, the Legislature and the general public.	6/12	Increase the awareness of community and technical college education, increase enrollment and funding levels

# MEETING THE CHALLENGE:

Strategies	Target Date	Outcome
Work with the Student Financial Aid Task Force to implement strategies to increase the number of community and technical college students receiving financial aid.	6/12	Increase the number of CTC students receiving student financial aid to increase enrollment and completion
Continue to work with the State Department of Education to promote the matriculation of high school students to community and technical colleges.	6/12	Increase the enrollment of high school students at community and technical colleges

**Narrative:**

The System Office will develop a comprehensive approach to assisting community and technical colleges in providing access to community and technical college programming and services. Efforts will target adult students, high school students and veterans.

Initiatives to implement new technical programs and increase on-line and technology driven courses will continue.

# MEETING THE CHALLENGE:

**Goal 4. Provide resources to meet the needs of community and technical college students and employees.**

Measures	09-10	10-11	11-12	12-13	13-14	14-15
a. External funding generated	--					10 M
b. Cost savings by implementing efficiency measures	--					2.5M
c. Reduction in overall funding gap between WVCTC and peer institutions	(\$33,315,920)					
d. Reduction in faculty salaries gap compared to national averages	(\$13,925)					
e. Percentage of classified employees fully funded on classified staff salary schedule	96.82%					100%
f. Credit hours earned through distance education and hybrid courses	44,311					48,742

Strategies	Target Date	Outcome
Request and justify additional state funding for community and technical colleges.	3/12	Increase funding for community and technical colleges
Facilitate the development of a System approach to cost saving strategies.	6/12	Become more cost effective in the operation of colleges and the delivery of services
Facilitate the development and submission of federal grants to advance community and technical college education in the state.	6/12	Increase grant funding, facilitate change in program delivery, implement new programs and increase the number of graduates
Pursue grants to increase technology driven programming.	6/12	Increase the technology capacity for course delivery and promote shared programming among community and technical colleges
Facilitate a System approach to increase CTC funding by working closely with college presidents and their boards.	3/12	Increase funding levels for community and technical colleges

**Narrative:**

The System Office will work closely with the Governor's Office and the Legislature to identify the funding needs of community and technical colleges to pursue needed funding to move the System forward.



---

**Report to the Legislative Oversight Commission  
on Education Accountability**

**September 13, 2011**

**MIDDLE-SKILL JOBS  
IN THE AMERICAN SOUTH'S ECONOMY**

Report by National Skills Coalition for the  
Southern Governors' Association



COMMUNITY AND TECHNICAL COLLEGE SYSTEM OF WV



*Moving West Virginia Forward*

## Middle-Skill Jobs in the American South's Economy

Report by National Skills Coalition  
for the Southern Governors' Association

August 2011



James L. Skidmore, Chancellor  
WV Council for Community and Technical College Education

---

# Middle-Skill Jobs

---

- Those jobs requiring more than a high school diploma but less than a four-year degree.
- Employers indicated these jobs are on the “hardest to fill” list.
- These jobs comprise nearly 50% of US Jobs; the largest segment.
- Will account for 44% of job openings over the next decade.

# Middle-Skill Jobs

---

## ■ Information Technology

- Certifications

## ■ Manufacturing

- Maintenance Workers
- Computer-Controlled Machine Operators
- Aircraft Technicians

## ■ Allied Health

- Nurses
- Dental Hygienists
- Surgical Technicians
- Respiratory Therapists

# Middle-Skill Jobs

---

## ■ **Providers of Middle-Skill Jobs Education and Training:**

- Community and Technical Colleges
- Apprenticeship Programs
- Career-Technical Centers
- Private Providers
- Employers
- Community-Based Agencies

## ■ **“Hands-On Jobs” Technician Level**

- Less likely to be outsourced to foreign countries.

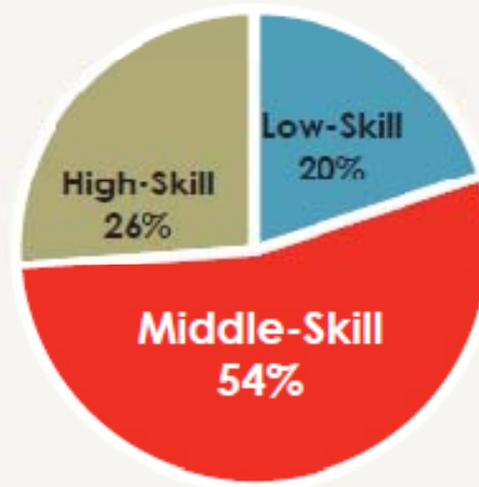
# West Virginia: Jobs by Skill Level

---

## Jobs: Demand for Middle-Skill Jobs is Strong

Over 50 percent of all jobs in 2009 were middle-skill jobs.

Jobs by Skill Level, West Virginia, 2009



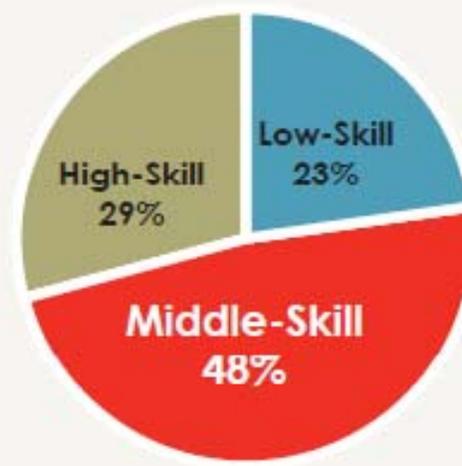
# West Virginia: Job Openings

---

## Job Openings: Demand for Middle-Skill Jobs Will Remain Strong

In the decade between 2008 and 2018, 48 percent of all job openings will be middle-skill.

Job Openings by Skill Level, West Virginia, 2008–2018

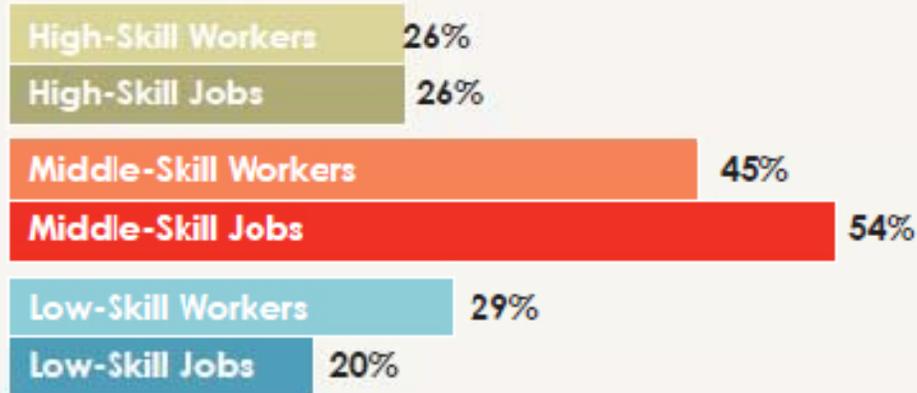


# West Virginia: Middle-Skill Gap

## A Middle-Skill Gap

Middle-skill jobs account for 54 percent of West Virginia's labor market, but only 45 percent of the state's workers are currently trained to the middle-skill level.

Jobs and Workers by Skill Level, West Virginia, 2009



# West Virginia: 2025 Workforce

## Middle-Skill Gap Will Persist

Educational projections for West Virginia suggest that the state is likely to face a continued shortage of middle-skill workers in the future. During the fifteen years between 1995 and 2010, the state saw an increase in residents with educational attainment at the high-skill level, while the number of residents with middle- and low-skill education levels decreased. The state's projected education trends for the subsequent fifteen years suggest that while there will be a very slight uptick in middle-skill educational attainment, middle-skill worker shortages will continue.

Percentage Change in Educational Attainment, West Virginia, 1995–2025

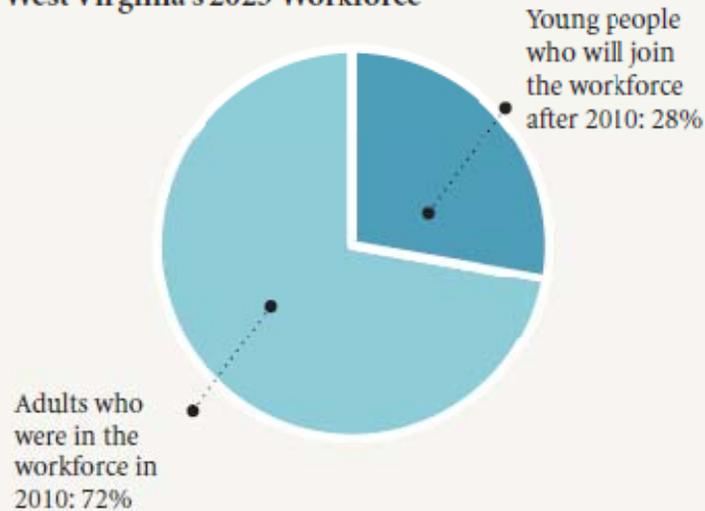


# West Virginia: 2025 Workforce

## The Workforce of Tomorrow is in the Workforce Today

West Virginia cannot address its middle-skill challenges by *focusing its education and training resources solely on the next generation of workers coming out of high school*. Well over two-thirds of the people who will be in the state's workforce in the year 2025 were already working adults in 2010—long past the traditional high school-to-college pipeline.

### West Virginia's 2025 Workforce



## ■ Closing the Gap – Strategies

- Set bold training goals for middle-skill jobs.
- Change the perception of middle-skill jobs.
  - Message: Smart choice, not second choice
- Target training dollars toward high-demand jobs.
- Collect and analyze data on middle-skill jobs.
- Convene regional sector-based industry leaders to develop strategies to address demand.
- Develop Career-Pathways for Adults.

## Investment / Policy

---

- ***“States that make targeted investments and policy reforms aimed at closing the middle-skill gap will be best positioned to survive innovation transition, grow new innovation industries, support job creation and prepare the State’s workforce for better times ahead.”***

*Quote from Report:  
Middle-Skill Jobs in the American South’s Economy  
August 2011*

<http://www.workforcealliance.org/>

# Middle-Skill Jobs

---

## ■ What has West Virginia done to prepare our workforce?

- Created Community and Technical College System (CTCS)
- Provided workforce development funding
- Provided community and technical college capital bond funding
- Provided funding for two Advanced Technology Centers
- CTCS is initiating sector-based workforce approach
- HEPC and CTCS are addressing college completion
- HEPC and CTCS are addressing adult student completion

# Questions

---





James L. Skidmore, Chancellor  
WV Council for Community and Technical College Education  
1018 Kanawha Boulevard, East - Suite 700 Charleston, WV 25301  
Phone: 304-558-0265 | Email: [skidmore@wvctcs.org](mailto:skidmore@wvctcs.org)  
Web: [www.wvctcs.org](http://www.wvctcs.org)