

VIRGINIA TOBACCO INDEMNIFICATION AND COMMUNITY  
REVITALIZATION COMMISSION

**Education Committee**

Monday, October 21, 2002

10:00 a.m.

Roanoke Higher Education Center

Roanoke, Virginia

**EDUCATION COMMITTEE MEMBERS**

Senator Frank M. Ruff, Chairman

Senator Phillip P. Puckett, Vice-Chairman

Delegate Joseph P. Johnson, Jr.

Delegate Thomas C. Wright, Jr.

Delegate Kathy J. Byron

Mr. Thomas Arthur, Absent

Mr. Isaiah G. Hopkins

Mr. Fred M. Fields

**STAFF**

Mary Cabell Sherrod

Stephanie S. Wass

Libby Ausband

Anne Marie Cushmac, Senior Assistant Attorney General

Samantha Marrs, Virginia Commonwealth University

Dr. Monica Osei, Virginia Commonwealth University

SENATOR RUFF: Would you do the roll call?

MS. SHERROD: Mr. Arthur.

MR. ARTHUR: *(No response)*

MS. SHERROD: Delegate Byron.

DELEGATE BYRON: Here.

MS. SHERROD: Mr. Fields.

MR. FIELDS: Here.

MS. SHERROD: Mr. Hopkins.

MR. HOPKINS: Here.

MS. SHERROD: Delegate Johnson.

DELEGATE JOHNSON: Here.

MS. SHERROD: Senator Puckett.

SENATOR PUCKETT: Here.

MS. SHERROD: Delegate Wright.

DELEGATE WRIGHT: Here.

MS. SHERROD: Mr. Chairman.

SENATOR RUFF: Here. I see that everybody has read the minutes from the September 16<sup>th</sup> meeting. Do I hear a motion on that?

DELEGATE JOHNSON: So moved.

SENATOR PUCKETT: Second.

SENATOR RUFF: All in favor say aye.

ALL: *(aye)*.

SENATOR RUFF: Do we have anyone new coming to the Committee?

MS. SHERROD: Libby, did you want to introduce Dr. Osei?

MS. AUSBAND: With us here today is Samantha MARRS, she's been here before and she was part of our panel. We have Dr. Osei who was part of our panel and she helped evaluate the applications. She's with J. Sergeant Reynolds and VCU and on the faculty with eight years of experience. Samantha MARRS helped us also in that process.

SENATOR RUFF: I'm not going to dare say it to you, but how do you pronounce your name?

DR. OSEI: It's Osei.

SENATOR RUFF: All right, welcome Dr. Osei. All right. I thought we would try to start with wrapping up where we are with the scholarships. There was money left from the Southside part, there was money left in the Southwest part?

MS. WASS: Yes. The answer is yes.

SENATOR RUFF: We need to open that back up so that we can decide how we're going to deal with that. I think Dr. Fowlkes recommended at the last meeting that they'd like to see it opened back up for those this second semester that did not make the qualifications or timelines prior to the August deadline. So I guess the first issue would be do we have a motion to open those back up?

DELEGATE JOHNSON: So moved.

SENATOR RUFF: There's a motion and a second to open that back up, all in favor, say aye (ayes). All right. Now, Southwest will have to deal with theirs the way they choose to do I guess. The Southside, we restricted it to in the form of forgivable loans to those that were interested in returning to education somewhere in Southside, Virginia. We have the option at this point of letting it stay in that realm or we can open it up in a couple of different ways. One way would be to open it up to allow those that are going to community colleges that are willing to sign statements that they will go into education and have scholarships to community colleges. Another way would be and there was some discussion and I'm sorry Arthur is not here, because he was one of the folks that early on said we should include, we ought to include some medical fields. Any thoughts on that?

DELEGATE BYRON: For the scholarships?

SENATOR RUFF: Yes.

DELEGATE BYRON: Does that include nursing?

SENATOR RUFF: I'm not sure but Tom talked about that too.

DELEGATE WRIGHT: I recall at the last meeting we talked about the possibility of opening it up. I think there was a general consensus that it was a pretty good idea. As far as the particulars, we never got into that. This past realm was very successful and we zeroed in and was focused on teachers but if there's some way that we could not make it mandatory but maybe make it optional and give us more flexibility. I think it should be seriously considered.

DELEGATE BYRON: I believe that over time we're going to be looking at a lot of different things. It's my understanding we started out with teaching because that came out as a very strong need for additional teachers.

SENATOR RUFF: Yes.

DELEGATE BYRON: In the rural areas we have just as great a need. There seems to be an outpouring for CNA that nurses and people in the medical professions were needed. I'd say that would be a positive move on our part to expand it to include those areas because the medical conditions enhance the quality of life as well.

SENATOR RUFF: Since Mr. Arthur is not here, let's put this part of the meeting on hold. I'd like for him to have some say in this. Any thoughts about whether we should open it up to the community colleges for education? Community colleges that don't have a per se education program. We'd have to be counting on the folks that were involved to say that it was going to be, that's what they wanted to do and that's what they're permitted to do. Do you want to hold that until Tom gets here too or deal with that?

DELEGATE WRIGHT: It's probably a good idea. I think it's worth discussion because he did bring the point up originally.

SENATOR RUFF: Then let's put that on hold right now. The reason most of you are here or maybe all of you are here is the massive proposals that we have. I don't know if everyone has seen this, the staff recommendations. Is that a nod or not a nod? All right. There were proposals. Stephanie, do you want to go through your process a little bit? What I was thinking we'd do is that

before we make any recommendations, that we give everybody a chance to speak if they feel like they have to speak. So I thought probably we'd start with those that did not, that you all did not recommend funding for and see if they should be brought back in the mix. So Stephanie, do you want to go forth?

MS. WASS: Libby is the one that took care of that.

SENATOR RUFF: All right Libby, would you give us a brief description. What happened and how you all did it?

MS. AUSBAND: Sure, what the staff did was go through the minutes at the last Educational Committee meeting. The applications really ran the gamut from early childhood education all the way to the GED programs. The Committee chose a focus and raised some concerns. What we did was come up with a list of focused criteria. We came up with a score sheet for that. We noted that the Committee really preferred the GED programs, adult based education. Then we assembled a panel to review those applications that would benefit adult based education programs, higher education programs and GED programs. That's where Dr. Osei came in and Samantha Marrs. The panel consisted of Dr. Osei, Samantha Marrs, Stephanie and myself. We used the scoring system in our recommendations with a panel meeting to come up with tiered recommendations. There are three different tiers. The first tier is what we thought should be recommended for funding. That didn't necessarily mean that we recommended full funding. That didn't necessarily mean we recommended the full funding amount and that's obviously open for discussion here today. The second tier we recommended that the grants be awarded if funds were available or if certain contingencies were met. The third tier were those that included early childhood K-12 education and those that we felt were not recommended or not ready for funding at this time.

I want to note that on the handout that you received in your packages, number 41 and that's the third tier, I think the Committee does have that. They are to be replaced by the CVCC, the Outreach Center Scholarships and I think the requested amount there was \$100,000. That's the process we went

through. I want to stress that none of the panel members and especially Dr. Osei, the education expert who really gave us some insight as to the programs themselves and Samantha Marrs are affiliated with any of the applications or applicants.

SENATOR RUFF: Arms-length. Would either of you or any of you like to add anything before we start?

MS. MARRS: It's very important to get the criteria for the 44 proposals so we needed to have some criteria from the medium to the adult education programs. That was very helpful for us, using a score sheet. Dr. Osei helped us with the score sheet and she went over every single one. Made it very clear for us how to do that and I appreciate your help at the last meeting with the criteria.

DR. OSEI: Well, as the education rep, I tried to make sure that some of the criteria, you wanted, I saw in the proposals were scored according to that. If there were items that were missing, I did not give points for that. So my scoring is based on what was available in the proposal.

SENATOR RUFF: Do any of the Committee members want to make any comments before we start this process? Are you satisfied with starting with those that we, that the staff has recommended that they not be funded first?

SENATOR PUCKETT: I think so. Obviously the ones that have not been funded are the ones that we, probably ought to take off the table at least, if someone has a problem with something that has not been funded and certainly we'd like for you to be able to say that but those are issues that probably can be taken off the table to start with. That would be my comments.

MS. WASS: Do you want that third tier because they probably do not have that?

SENATOR RUFF: Yes, do you want to list them all off or do you just want to go down them one at a time and see how you did that?

MS. WASS: You want me to name them off so everybody knows which proposals?

SENATOR RUFF: All right. Libby, you want to read them off?

MS. AUSBAND: Pittsylvania County Public Library Cyber Mobile; Prince Edward Public School's Family Literary Center; Franklin County Enhancing Basic Educational Services for Adult Learners; Linowesco Mountain Empire Community College; Community Foundation Start-Up to Support Education; Bluefield College; Center for Academic and Career Development; Radford College Web Based Learning for Southwest Virginia; Emory and Henry Working Together for Strong Communities; Virginia Intermont Adult Degree Studies Facilities; UVA Wise Systems Engineering Feasibility Study; Ferrum College Teacher Licensure Program; CHIP of Virginia; Home Based Family Wellness Education; Mentor/Roll Model Program, Inc. A Step Beyond; Sunflower Baptist Church After School Tutorial Program; Longwood University; Distance Learning Education Project to Support SOL Remediation; First South Atlantic Regional Competition; Franklin County Automotive Services Technology Complex; Patrick County Public Schools; Electrical and Communication Upgrade; Kimble Reynolds, Jr. Esquire, Diversity and Conflict Resolution Leadership Program; Barter Theatre Foundation Value Youth Education Program; Appomattox Regional Governor's School for the Arts and Technology; a Technology Enhancement Project; Virginia Tech Empowering Local Leaders; Virginia Tech Integrating the World of School, Community and Careers; Holiday Lake 4-H Educational Center; Natural Resource Center; American Armored Foundation, Inc., Preserving the Memories; Central Virginia Community College the Outreach Center Scholarship; Virginia Tech the Forage Livestock for Southwest Virginia; Franklin County Project GATE; Franklin County Teacher Assistance Skill Upgrade.

SENATOR RUFF: Do any of the Committee members want to say anything before we get started? If not, let's start from the end and move up. If anyone feels like they have new information or that they did not get a fair consideration in this process, we'll listen to you and hopefully for not more than five minutes on each one and we'll go from there. Franklin County Teacher

Assistance Skill Upgrade.

MS. AUSBAND: That was withdrawn and that's why it's at the end and Project GATE.

SENATOR RUFF: Both of those are out, okay. Virginia Tech Forage Livestock Systems for Southwest Virginia. All right. The CVCC Outreach Program.

MR. DON SUTTON: Mr. Chairman, I'd like to address that.

SENATOR RUFF: All right.

MR. SUTTON: I'm Don Sutton, Director at CVCC. The question I had was the criteria from which the proposals were written. Would you review that with us?

MS. AUSBAND: Yes. What we did is that we looked at the educational committee's concerns naturally. Preference was given to programs that benefited higher education, GED Programs and adult basic education. We looked at the general application itself, whether the proposal was clearly articulated, outlined each step of the proposal, had clear outcomes. We looked at the budget proposal and in fairness, we looked at the ability to revitalize the community. We looked at the ability to serve as a model to other communities, we looked at the longevity of the program, we looked at funding and leveraging, we looked at the leadership. We also, as far as educational benefits go, we looked at the ability to benefit the largest population and whether it benefits the current curriculum where there has been expressed interest in the community. We looked at the accessibility of the program, we looked at whether or not it would help the population find jobs and we looked at whether or not the program used educational innovation.

MR. SUTTON: What were the criteria that were in the actual grant proposal?

MS. AUSBAND: In your specific proposal?

MR. SUTTON: No, the instructions that came in the grant proposal. The document that was online and gave us the guidelines to write the

proposal with.

MS. WASS: One of the things at the last educational committee meeting they clarified a lot of the guidelines. The initial guidelines that were put out were very general. Those priorities were made clear at the last Committee meeting.

MR. SUTTON: The grants were already submitted at that time?

MS. WASS: Yes.

MR. SUTTON: So that the grant proposals gave us a general set of guidelines, the grants were already accepted and that a new set or an expanded set of guidelines were developed after that?

MS. AUSBAND: Yes, better focus was given at the last Committee meeting as to what the Committee was looking for as far as strength of the proposal and as far as benefits of the proposal.

MS. WASS: They did offer an opportunity to resubmit within 48 hours.

MR. SUTTON: Okay, thank you.

SENATOR RUFF: Do you want to address -

MR. SUTTON: We read into the original proposal a heavy reliance on economic development. I didn't see that in the second, there is mention of a certain but a heavy reliance. Our proposal gave the opportunity for distance education for economic development. Two premier corporations are coming into Altavista and one in Brookneal. We felt we hit the nail on the head. I'm a little concerned that was not considered as a mechanism though I just voiced that.

MS. MARRS: This was submitted in two proposals?

MR. SUTTON: No, one proposal.

MS. MARRS: We reviewed two different proposals and the one that she's talking about is a smaller proposal for 100,000 and this is the proposal that we reviewed, that's all that we reviewed.

MR. SUTTON: The proposal I have here is for 155,000.

MS. WASS: That's been recommended for funding. That was earlier than that.

MR. SUTTON: Could you tell me the title of the one that was not considered?

MS. AUSBAND: Outreach Center for Scholarships was the one that we placed in the third tier.

MR. SUTTON: That must have been a carryover then.

MS. MARRS: I think we funded this.

SENATOR RUFF: But you have raised the question and it's created confusion. This thing has Emory and Henry College and it's changed to Central Virginia. Why did it have Emory and Henry College to begin with?

MS. AUSBAND: That was actually corrected on a portion of them and CVCC was originally –

SENATOR RUFF: So it's just an error in typing? All right, thank you.

DELEGATE JOHNSON: Mr. Chairman, may I ask a question? Number 41, is that the third tier that we're talking about?

MS. AUSBAND: Yes.

DELEGATE JOHNSON: The same as 23?

DELEGATE BYRON: 41 was changed.

MS. AUSBAND: Some people got –

DELEGATE JOHNSON: I'm interested in 23 and not 41.

SENATOR RUFF: Moving right along. American Armored Foundation, Incorporated; Holiday Lake 4-H Center.

MR. WILSON: I'm Preston Wilson, Holiday Lake 4-H Educational Center. The staff recommendation, does the Committee agree with the staff recommendation?

SENATOR RUFF: We haven't, I don't know that everyone has looked at them and considered them a hundred percent. We have not talked about it so I don't know what each individual person thinks. I guess the point we're at

right now is that if there's any information that you believe has not been considered that we bring that into the equation and mix. I guess if anybody disagrees then we're going to go through and pull these out and talk about them a little bit more so that we can at least go through and get some of these eliminated. Go ahead.

MR. WILSON: The other question is not a recommendation at this time, is that forever or could it be next year when there's new funding and is it possible to come back, what is the situation?

SENATOR RUFF: The Tobacco Commission has put it into three realms and obviously none of them fit any one situation perfectly; education, economic development and special projects. Special projects was created for those things that we did not feel fell into education or economic development as perfectly as a rating system would do. I'm not going to dare say yours go to special projects because you got rolled over from economic development and you've been very faithful to come to the meetings. You can pretend like I'm going to say it and you can think it if you want to but I'm not going to say it. I don't know all the, other than the criteria that they just said, I don't know, I just don't know where to go with it on this one. We don't have that much money that we can just fund it, I don't know if there's any alternatives there. I don't know what your stream of funding would be in other cases.

SENATOR PUCKETT: Mr. Chairman, I don't want to meddle in Southside situation but let me just make a comment or two. It's very difficult to fund that amount of money when we're limited ourselves. Without offering you any advice but you need to find some people that would leverage some money for you, there's no way that we'll have that kind of money to make this project even go if it were worthy of consideration because that takes about a third of our money right off the bat. It's also one that I think they're some feeling from our guidelines that there are some other people that ought to step up to the table and help leverage any kind of funding. That would just be my advice.

MR. WILSON: Thank you.

SENATOR RUFF: Delegate Byron.

DELEGATE BYRON: I just want to say this, that you certainly deserve an A for your effort and you have really put your cause in front of us and it's certainly a worthy cause. You've been to at least, I think it may be the last meeting or maybe the one before that, but several of the members and the Chair included, was hoping to see, just like Senator Puckett said, that you'd go in a different angle and try to get some partnership, people that could put some kind of investment in so the amount wouldn't be quite so high and maybe we can help you accomplish what you want. I don't know if there's anything outside of this meeting here that we can do to help you.

SENATOR RUFF: We will ask the Special Projects Committee to look at it.

MR. WILSON: We went to Special Projects and they sent us here.

SENATOR RUFF: I see. I'm sorry. All right, number 38, Virginia Tech Integrating the Worlds of School, Community and Careers; Virginia Tech Empowering Local Leaders to handle community problems; Appomattox Regional Governor's School for the Arts and Technology; Barter Theatre Foundation. Yes.

LISA ALDERMAN: We appreciate the consideration. I just want to say a couple of things that we do appreciate the consideration. I guess what I really would like to know is we have provided some additional information with the National Governor's Association talking about the need for arts, education and developing of a competitive workforce. We felt like our grant proposal did a couple of things, even though it deals with children K-12. It does help to develop some skills and communications, presentation skills that are needed for economic development and the community workforce. So the panel found it very impressive. I guess I want to know more about, since we weren't recommended for funding, maybe some of the reasons or comments you could share with me of what we could have done to make it stronger. Will the K-12 items simply because it comes from an outside source, not be considered. What are some of

the reasons for that?

MS. AUSBAND: What we looked at was, anything that benefited K-12 really fell to the third tier and that's unfortunate but because of the Committee's earlier focus and decision to look at proposals that could quickly bring jobs to the community and revitalization, that was one of the focus points on the higher Ed or adult education or GED programs.

MS. ALDERMAN: Will there ever come a time that we will make an investment in these children since they would become a part of our workforce and part of the community and our community's leaders?

SENATOR RUFF: I would hope that in the future as our economy starts to recover, we will be able to look at those types of things but right now, our focus has to be on the basis of, the arts are great but if we don't get them to the point where we have jobs for them, I don't know that, I think that's the second step rather than the first step in my mind. Does anybody else want to comment on that?

SENATOR PUCKETT: I think another piece of that puzzle is that we felt K-12 is really more of a function of local and state government to fund and we all know what that situation is right now, they don't have any money either. I think we have looked and I know the staff has looked at priorities that we think are important for the dollars that we have. In our last meeting, one of the priorities we said that if it's to be funded somewhere else that the priorities for K-12 was local and state. We don't want to fund it and let the state or the locals off the hook. If it's really important on the local level, then we felt like they ought to be willing to step to the plate and do something. I think from a matter of priorities and responsibilities, it's probably why it's in the third tier.

MR. ALDERMAN: We want to continue to look at some of these special education initiatives because we believe what it would create in the leaders in our community.

SENATOR PUCKETT: I would say that when you look at that, if you could come to this Committee and say that five counties in Southwest

Virginia, for example, are willing to put money into that program and they believe in it, then the Tobacco Commission might be in a position sometime later down the road where we could leverage some of the funding to do that.

MS. ALDERMAN: Thank you.

SENATOR PUCKETT: We really want to see a, we don't want to take the local and state people out of the loop. If we fund the whole thing then we let them off the hook, or let us off the hook.

SENATOR RUFF: There were good programs that were proposed by various counties but if we funded one this year, we'd have approximately 30 identical proposals next year and we wouldn't be able to fund them. So it creates a dilemma that we just don't have the ability to solve. Thank you. Kimble Reynolds, Jr., Esquire, Patrick County Public Schools. This is on the Electrical and Communications Upgrade Project.

MS. CINDY COURTER: I'm Cindy Courter, the grant writer for Patrick Henry Public Schools and Patrick County. I think you've probably answered most of our questions by your criteria but I wanted to ask a couple of questions. On the title page you have building utility infrastructure. Does that still apply in this criteria or is this coming from economic development?

MS. AUSBAND: I think what the grant application or what I understand is that when the applications were first created, they were based on the economic development applications.

MS. COURTER: Yes, we had a discussion on the phone, I probably never would have sent this in but my understanding was that we could apply for workforce training, technology building, utility infrastructure, farming and traditional industry and tourism is on this title page.

MS. WASS: I think those things are still allowed. I think where the panel is coming from is on this particular proposal is that we felt that this is something that the locality or the state and this is infrastructure for a school system.

MS. COURTER: I'd like to address that issue if I may. I'm well

aware that the locality should pick up the ball on this, however, in our case, the locality doesn't come and is not responsive to the needs of the school system who is the largest employer in Patrick County. One of the main things on this infrastructure is that some of these could develop into a dangerous situation as far as old electrical wiring and some of the schools were built in '39 and I think the newest one was built in 1970. From the standpoint of the auto shop and that electrical upgrade, that does provide jobs for the County because we have the Woods Brothers Museum, we have the new Virginia Motorsport Museum. So by training our students in the Career Technology Center, we're giving them some skills so that they can come out and be employed. So I'd just like you to maybe consider that issue and if not, then in this round of grants, maybe we could call it special projects or economic development.

SENATOR RUFF: There are a lot of proposals and there are a lot of needs in the region. If we say we're going to make those changes in Patrick County, should we also not do the same for or consider a new school that a particular county wants just because their Board of Supervisors says they don't feel they can afford it right now. That is the dilemma we have to deal with. The Board of Supervisors are the elected officials who are responsible for directing where the County is going and if they're not going in the right direction, there's a possibility that the voters can change that direction. I don't see where we get into a situation where we've been doing that type of funding.

SENATOR PUCKETT: I would just agree with what the Chairman just said. We're not in the school building business and everybody in Southwest Virginia needs new schools somewhere and we can't step down that road. First of all, we don't have the resources, but most importantly, that's the responsibility of the locality. Yesterday I was at a dedication in Wythe County where the local Board of Supervisors and School Board made that commitment. Borrowed \$21 million to do some of this and that in my opinion is where that has to start. We don't have anywhere close to the resources to try to meet some of those needs. I hope that everyone will not feel like we're not concerned about

that situation but our emphasis and most of these and if you're talking about any kind of structure, is jobs related and how it's tied to that. So that's what we're looking at and hopefully the locality will step up and do the right thing.

MS. COURTER: We hope that as we try to raise the education attainment level in Patrick County that our residents and supervisors as well will grasp that ideology. Thank you.

SENATOR PUCKETT: Thank you.

SENATOR RUFF: Franklin County Automotive Service Technology Complex; First South Atlantic Regional Competition; Longwood Distance Learning to support SOL Remediation. Carol Inge.

MS. INGE: Senator Ruff and Committee Members, I would just like to add a couple of important points to our proposal. First of all the Tobacco Commission invested \$266,000 in our project approximately a year and a half ago. With that money we put in a 22 county regional telecommunications network and the total project is around a million dollars. We used significant state funding to put the infrastructure in place. One of the most important things when you start talking about telecommunications and distance learning is that it is not just wires and switches but it's about the content that goes over that network. So another thing we're trying to do now is create content. Not just for SOL Remediation but also for adult education content and GED content which, by the way, is relatively the same content. When you start talking about adults who do not have a high school diploma, you're talking about the basis of reading, writing and math and that we're working with the students in the SOL. I wanted to point out that this is an investment that the Tobacco Commission has already made in this project. We have significantly put our own money and local resources and state resources into this project. The same content for the SOL is the same content used for the GED and adult education.

I also would like to add that the GED and adult education programs in the State of Virginia are funded through the Department of Education and through localities. Just as a point of interest.

Are there any questions related to our project?

SENATOR RUFF: Does the staff want to respond to any of that?

MS. AUSBAND: The proposal itself deals with the benefits of K-12 education and SOLs and that's why it was third tier. The proposal was a benefit to the county school system and K-12 educators.

MS. INGE: But the county school system had the legal responsibility in Virginia for GED and adult education and that's how the funding goes. It goes to the K-12 localities and then it goes to the program. When we create SOL content, we will be creating that same content that will be used by the GED programs and working with the school divisions that have the responsibility for GED in Virginia.

MS. AUSBAND: The first paragraph of that proposal talks about benefits to K-12 students as opposed to adult Ed.

MS. INGE: That's why I thought I would clarify that so you would realize the same content is used for the same population and the network in 22 counties that we're building, or we have built will be accessible by adult education. In fact, in my office I have several adult education contracts by the Virginia Department of Education Office of Adult Education. So what we try to do is have these studios that have created content and they will be housed in a high school in Southside where all of Virginia's GED Adult Ed and SOL remediated kids and teachers can access that content from the, which is a regional service access point.

MS. WASS: How are the ongoing – going to be covered with the salaries and training and travel and professional services?

MS. INGE: The Southside Regional Technology Consortium is funded by the General Assembly and as of right now, it's got permanent funding along with the Longwood Institute for Teaching Technology which is where my salary comes from. We're the only state sponsored General Assembly funded research and development organization in Virginia that looks at telecommunications and technology related to education. That's where our

ongoing funding comes from.

MS. WASS: Are the operating costs in the budget for one year?

MS. INGE: Well, they're just a kick start. This initial development of content. The ongoing costs will come from the institute and the Southside Regional Technology Consortium.

MS. WASS: If this were to be funded this year –

MS. INGE: We have funding.

MS. WASS: You'd never need to come back?

MS. INGE: Correct. It's just to jump start higher education at Longwood University faculty working with local programs and K-12 programs as well as adult education programs to develop that content.

DR. OSEI: Let me ask you something about the educational standpoint, you said that you were utilizing the SOLs to teach –

MS. INGE: - SOL content that we use with kids is the same content that you use with adult education. People in adult education programs, yes.

DR. OSEI: The GED Program?

MS. INGE: Yes.

DR. OSEI: Are you using them for all three?

MS. INGE: What?

DR. OSEI: Are you using the SOL content for all three?

MS. INGE: Well, yes. ABE is your low literacy and GED is your high school folks. The same SOL content we use with kids, you use with adults.

DR. OSEI: So you're not utilizing materials that are geared towards GED, now the new GED which is more analytic and you're utilizing more live documents, newspaper readings, things of that nature?

MS. INGE: Well, what we're using, yes. Actually we're using Steck Vaughn and that's been around for a long time. What we're using is digital video content. We just completed a study and we have conclusively confirmed that digital video correlated to reading, writing and math over the internet

improves school performance. We took 200 students and did a pretest and post-test experimental control with that video so we're primarily using digital content as opposed to just textbook.

DR. OSEI: I'm still trying to find out how you're using the SOL content. The new GED is much more geared toward adult information in the sense of the live documents and so forth.

MS. INGE: Well, GED content is around reading, writing or mathematics. SOL content is about reading, writing and mathematics. So I'm not so focused on our using SOL material, I'm focused on the fact that I'm using reading, writing and math material to support the SOL as well as supporting the GED program. It's the same thing. You don't create different content for adults that you do for kids when the adult has reading difficulties and writing difficulties, the same as children.

DR. OSEI: But are you talking specifically to a ABE level as opposed to a GED level which is 9<sup>th</sup> grade and up? I can understand from literacy if your basic elementary skills which is the basis –

MS. INGE: - High school content should be the same content as the GED student content.

DR. OSEI: In some instances yes but -

MS. INGE: I would hope a lot.

DR. OSEI: But the SOL content is so specifically geared, with the GED it seems much more universal. So in the sense of learning the skill as opposed to actual content.

MS. INGE: I would have to disagree. I believe the SOL content and the GED content itself is very similar. It was developed by teachers. By the way, the same teachers who teach the SOL area in K-12 are also the teachers that teach the GED at night after school typically in Virginia because they are part time. We don't have full time funded GED teachers.

DR. OSEI: Most people it would be more of a convenience matter for the actual material used as opposed to utilizing material for the adult versus

high school.

MS. INGE: I haven't seen a lot of research that supports the Speck Vaughn materials at least not being effective.

MS. MARRS: You provide the K-12 SOLs.

MS. INGE: Yes.

MS. MARRS: You never enunciated the proposal for GED –

MS. INGE: - For GED, right. That's why I wanted to come to the Committee and clarify that because clearly the same content is used for the same two populations.

MS. WASS: Is this state funded, is this part of the SOL funding? Could the state fund this as part of the SOL funding? If it's related to the SOLs in addition to the GED, adult based education. Couldn't the state fund this through the SOLs and then in addition to the GED and basic adult education, then adult education would benefit?

MS. INGE: Well, I think both are suffering right now. We have a very low amount of remedial material for SOLs, we have a very low amount of good quality digital material for the GED program. This would serve both for the entire state. When I go to work with pre-service teachers at Longwood University, to start creating remedial content for K-12 and the SOL, that same content can be access to the GED programs across the state for adults who are high school and below in their academic level. So it's the same content.

SENATOR RUFF: When the 260 plus thousand was put in from the Tobacco Commission last year, was there a commitment for future financing?

MS. INGE: At that time there was not a lot of discussion about that particular issue. The idea was could we sustain it and we could sustain what we were doing at that time which was the infrastructure.

SENATOR RUFF: In most cases and in the agreement that the Commission had, it was not going to be an ongoing financing thing so I would say that that is really not relevant because I don't want to get us into a bind where we say that we will chase every trail that we start.

MS. INGE: Let me clarify one thing, when we went to get tobacco money for our project a year and a half ago, it was the Southside Regional Technology Consortium that got that money and now the Longwood University Pre-service Program is asking for this money so it was two separate programs. So Longwood University has never been funded by this particular program.

SENATOR RUFF: There seems to be some differences, there seems to be a difference from what she said.

MS. AUSBAND: What the grant actually addressed and what we used as our evaluating tool was just a grant proposal and it addressed only K-12 and it did not address the adult basic education or GED.

SENATOR RUFF: Should it be reconsidered under those terms?

MS. AUSBAND: If it were re-written, yes but right now we don't have any information available other than what we've heard today for the first time. Anything about the GED benefits that had been run by us.

SENATOR RUFF: Could we talk about that a little later? Are you going to be around? I need to ask you another question later on.

MS. INGE: Okay.

SENATOR RUFF: All right, Sunflower Baptist Church, Mentor/Roll Model Program; CHIP of Virginia.

MELINDA MOORE: Good morning, I appreciate the opportunity to talk to you this morning and I do have some questions about the grant process. I wonder if CHIP were selected for the third tier recommendation because we were viewed as an early childhood program rather than a program that also supports family empowerment?

MS. AUSBAND: The focus of the Committee, I think was, I think they, I don't think health education is –

SENATOR PUCKETT: I think that's right, the Committee, excuse me Mr. Chairman, I think the Committee said last time that tobacco money was already split 50, 40 and 10. Ten of that goes to health education and that may be where your proposal should go to that group that has the ten percent money rather

than to the economic development or education.

MS. MOORE: Is that special projects?

MS. WASS: No, Tobacco Settlement Foundation.

SENATOR PUCKETT: That's a different foundation from the Tobacco Commission. They do have the responsibility for meeting all kinds of health initiated programs so I think that's probably where the CHIP Program would go. We don't administer that because that's an entirely different foundation.

MS. MOORE: I wanted to share a little bit of information about our, on our focus on helping families become more empowered because I'm not sure that was presented in a way in which we would like to have had it presented. A significant number of the CHIP outcomes center around family empowerment and focus on families getting access to transportation and other resources they need in order to take advantage of the GED programs and adult education. We've had at least a ten-percentage point increase among parents who, a year later and both parents are sometimes employed and parents receiving their GED. Another positive outcome is related is that we have met the healthy people 20-10 goals for pregnancy spacing which on the surface probably doesn't sound like it's related to higher education but when mothers are able to delay pregnancy 24 months or more, they are more likely to take advantage of opportunities that are being provided for GED and adult education. Healthy people 2010 is recommending that the high risk low income population by 2010 will have 20 percent of parents who are not able to delay pregnancy, the 24 months between deliveries. CHIP has achieved a rate among low income parents of six percent in the year 2001, a full nine years ahead of helping people meet the 2010 goal. That's very relevant to families being able to access higher education programs and GED programs. If they are not able to understand the value of education, if the parents are not healthy enough to take advantage of that. One-fourth of CHIP mothers have a common medical condition of asthma and some things that are barriers to their ability to take advantage of higher education. If they don't have transportation to

the facilities these people can't take advantage of what's available.

SENATOR RUFF: You certainly make a good case but everything we do in Southside and Southwest Virginia is part of a very complicated puzzle. We can take anything and put it in that puzzle and it looks good but can we afford everything, no. Thank you.

MS. MOORE: Thank you.

SENATOR RUFF: Ferrum College Teacher Licensing Program; UVA Wise, System's Engineering Feasibility Study. Dr. Amelia Harris.

DR. AMELIA HARRIS: We understood from your last meeting that you were interested in proposals that combined education and economic development. So that being the case or I think that being the case, I would just like to pull out a piece of the grant for emphasis today. It's what you've already read but that is that we believe that if we're able to get systems engineering school or department that it will stimulate and expand the business and industry that we already have as well as recruiting new business and industry to the area which we desperately need. It's totally disappearing in our economy. These would be particularly technology related businesses. The students that would graduate from this program would be paid reasonably high salaries. UVA graduates are paid \$50 thousand right out of school and I don't know that we could do that where we are but they certainly would command higher salaries than we normally have. All that would definitely go back into the economy and help us also. I think the systems engineering program would allow us to keep a lot of the students that are now leaving because they can't find jobs. I think all that shows that if you're able to do this systems engineering project that we would be able to combine education and economic development in our area which we need to do.

MS. AUSBAND: I think part of the problem here was because this was a study and feasibility as opposed to –

DR. HARRIS: So not directly enough?

MS. AUSBAND: Yes.

DR. HARRIS: Then we have to figure out a way to do this, we have to do a study before we can do the project.

SENATOR PUCKETT: Mr. Chairman, I would just recommend that maybe instead of partnering with the Tobacco Commission that you partner with industry because they're going to be in a better position to do that. If they are interested enough at UVA Wise then they ought to be interested enough to try to help fund it a little bit because they're going to be a direct beneficiary of it. Then once that actually happens, you might be in a position to come back to the Commission and say we've got some partners here. I think you heard us say at our last meeting that we really like to see people who are willing to step up to the table and help us and help us leverage money because we know that we don't have enough money to fund everything here, we can't do that. I think your emphasis here to begin with is with the industry and if they're willing to try to partner with UVA Wise and help do that study and see what's out there then, you may have something down the road that the Commission might be able to help you with in the future.

DR. HARRIS: Thank you very much.

SENATOR RUFF: Virginia Intermont. Yes, sir.

MR. GREG CRUEY: Senator Ruff and Senator Puckett and members of the Committee, I'd like to update the status of the grant a little bit. When this grant was originally submitted, Virginia Intermont had aspirations in Buchanan County and not much else. Our president and our cabinet today is in Buchanan County looking at a facility that we already signed a lease on and trying to decide what happens next at that particular facility. When we submitted this grant we called it workforce training and we checked the box for workforce training. It could just as well have been under technology to some extent. I think Mr. Sutherland was up here first and I kind of agree with him that the focus had shifted just a little bit if there was an opportunity to rewrite I missed it. That's probably says more about me than the work of this Committee. All the same, I feel like the target's been moved just a little bit. I understand this is a new

process and hopefully in the future it will be more clear at the beginning.

We're looking at a facility right now where we will have a teacher licensing program in place in January. Our adult degree study program has 187 students in 7 or 8 counties in Southwest Virginia at this point and we're looking at continuing that process. We're looking at offering by this time next year a Bachelors of Criminal Justice in the King Mountain Correctional Facility Center. We're looking at offering a Bachelor of Social Work in Buchanan County at that center and we'd like to offer computer information management as quickly as possible. We have people on our staff that could offer a Sysco certificate but we don't have the equipment to do it. The original budget asked for \$100 thousand dollars and \$50 thousand of that was for a facility and we now have a facility. We also have a local partnership with Buchanan County. The County is leasing us that facility for a dollar a year and we feel like that's a pretty powerful partnership. We don't have a local government agency or a state budget that we can fall back on. This is not a request that's going to be repeated multiple times, this is a one time capital expenditure that we're looking at. To get into this building, we're looking very actively for other partners. We think we have some in some private foundation that we've been in communications with. We think this will be a powerful tool for economic development and will affect our planning district and will serve more than just Buchanan County. Any questions?

SENATOR PUCKETT: Am I hearing you say you want less money than \$100 thousand?

MR. CRUEY: Yes, sir. \$50 thousand in the original budget was for building acquisition. If we could get the other \$50 thousand that would go a long way toward helping us develop more quickly, that facility. I've been involved from the inception trying to get this going in Buchanan County. We have a new president that's been in place for a little over a year now. We're looking to expand our adult degree programs. I love Buchanan County, I live in Tazewell County but Buchanan County I've spent half of my life. We think they deserve a four year education institution on site down there and we think we can

offer it. We think we can offer it sooner if the Commission would be one of many partners.

SENATOR RUFF: In that \$100 thousand dollar request, \$20 thousand was for renovation, is that still part of the request?

MR. CRUEY: I'm sure we'll spend more than that in the old elementary school down there and it's a building that dates from the mid to late '40s. I'm sure we'll spend at least that.

MS. MARRS: We'd be willing to reconsider this one.

SENATOR RUFF: Then let's put that one over here.

MR. CRUEY: Thank you very much.

SENATOR RUFF: Emory and Henry; Meadowview Working Together for Strong Communities.

MR. STANLEY: My name is Stanley and I'm on the staff at Emory and Henry and I work very closely with the Meadowview community. The proposal that's before you has had a long trip to get here and we were slated to get money in one round and then when this Committee met the last time here, we understood that among the priorities that were looked for were leveraging of funds which this proposal does to the tune of about \$47,500 sustainability. There are two long term commitments here and one is from the community and the other is from the college meeting the needs of tobacco communities. Washington County of the Southwest counties in Virginia are tobacco producing counties and has produced more tobacco and has more families benefit from tobacco over the years and Meadowview is right in the heart of that and long term redevelopment of those communities. That's both through the educational process at Emory and Henry and also in the community development process. It serves as an anchor for what we hope to be long term redevelopment funded through the Virginia Department of Housing and Community Development. Their short term leveraging of cash matches and long term leveraging. In terms of adult education, higher education, that is part of this proposal as well. If I could answer some questions I'd be glad to maybe help clarify that.

DELEGATE JOHNSON: Mr. Chairman, I don't know if the Committee went down to Meadowview to take a look at that or not, probably did. At one time Meadowview had two doctors, a garage, a high school, two drugstores. Today we have nothing. We don't have a doctor, we don't have an undertaker, we don't have, maybe one garage and no drugstore. This is the center of Washington County's burly belt region. More burly tobacco is grown in that community than any of the others. One of our missions is to revitalize a community that has lost so drastically because of the loss of tobacco. We can't get a measly \$100 thousand to revitalize that community that needs it so desperately. I thought that was one of the missions. Not too long ago, this Committee gave \$25 thousand to a community that upgraded their medical facilities and we don't have a doctor and we can't get one.

MS. AUSBAND: Originally you were asking for \$399 thousand.

MR. STANLEY: We're willing to re-negotiate.

DELEGATE BYRON: It looks like you were including in there a community center?

MR. STANLEY: Yes.

DELEGATE BYRON: And a van?

MR. STANLEY: It's a real partnership between the college and the community.

DELEGATE JOHNSON: You were told you should join up with Emory and Henry College, they didn't do it because they wanted to, they were told to do that so they could get the funding and then when it got to the Committee, they said wait a minute, this is education and shifted them over here and they lost their money.

MR. STANLEY: I think we were slated for \$80 thousand in March and because Emory and Henry's name is in the title, we got switched over here.

SENATOR RUFF: That was Southwest Economic Development?

MR. STANLEY: Yes.

DELEGATE JOHNSON: In the meantime we're struggling to serve the poor, sick farmers and their poor family. Even the high school closed down and we don't have a high school. It's a furniture store that sells furniture from Martinsville.

DELEGATE BYRON: I know Delegate Johnson loves his community but getting back into a perspective here again. It also talks about the community block grant.

MR. STANLEY: That's correct for which we are applying.

DELEGATE BYRON: It also talks about you using money for economic development. Using money yourself for grants or things to entice businesses to come to the community.

MR. STANLEY: I'm not sure I understand what you're saying.

DELEGATE BYRON: Monies from grants to establish a loan grant support business enterprises but mostly to the community.

MR. STANLEY: In an ideal world, if we were able to get \$399 thousand it's a priority but we're not in an ideal world and we're willing to share and we're willing to or there are other ways to go about that too.

DELEGATE BYRON: Some of the programs you were talking about, entrepreneurship, self esteem, conflict resolution, leadership skills.

MR. STANLEY: Yes.

DELEGATE BYRON: Is that the focus or are those going to be additional ones? The educational side is what we're talking about.

MR. STANLEY: Those are additional ones but the focus is on small business skills in that community.

DELEGATE BYRON: What age are we talking about?

MR. STANLEY: That would be adult. The community and what the community envisions through the needs assessment survey and the number of community meetings and envisioning process. It's been a multi-use community center, we bring traffic to the square but would have services for adult, youth and children. Some of that in that package is primarily for youth and children but the

small business skills and things like that is certainly adult focus.

DELEGATE BYRON: Is their infrastructure built into –

MR. STANLEY: The building, no, we don't have a building yet.

DELEGATE JOHNSON: You were going to use the money for renovating those buildings? How many empty buildings are there in the square?

MR. STANLEY: Five or six empty buildings.

MS. AUSBAND: I think what's coming out now is the problem panel saw. We have, even on our recommendations to the Committee that are more detailed. We made some recommendations but we were looking at earlier is that part of the program could be funded but the proposal itself was not broken down into pieces and the funding that we can recommend for those as a whole. That's why it fell where it fell. If the Committee was interested in specific portions, the panel did recognize those and the value of the funding.

MS. WASS: You have on here operating costs.

MR. STANLEY: Yes, for the first year.

MS. WASS: How do you intend to pay for those in the out years?

MR. STANLEY: Through a foundation that's given through the college.

MS. WASS: Is that already secured?

MR. STANLEY: It's not for start up but we knew, faculty development funds and that sort of thing, yes.

MS. WASS: They'll be able to cover all the ongoing costs?

MR. STANLEY: We have been so far.

SENATOR PUCKETT: Mr. Chairman, probably most of you know this but this is, in my opinion, a unique cooperative effort. Emory and Henry College is really Meadowview. If the college wasn't there, there would be anything to speak of. The college, I think, in talking to Dr. Morris, they're in this thing for the long haul and try to really help revitalize this area if there is a way to do it. I can think of almost no better engine to do this than Emory and Henry College because they've been doing it and will be there.

DELEGATE BYRON: Are we talking about Southwest Virginia? It's hard I guess in education and I've been trying to separate what all doing on the Committee. We don't intend to pound people, we don't intend to move people around and you certainly have a very good cause here and something that's worthwhile and worth looking at. You don't have anything in place so I don't know why it's not in special projects, especially with Senator Wampler keeping an eye on things for Southwest Virginia. How it happened in the first place.

SENATOR PUCKETT: I wish I had an answer for you because I'm not sure either but I would say that, I think the Committee obviously has recognized some of the proposal as being worthy of consideration and maybe that's one we ought to take a look at and see where we can do something. Purely from an educational standpoint to try to jumpstart this project a little bit. I'd like to at least take another look at it and see if we can do something.

SENATOR RUFF: If you have a few minutes with the staff, can you segregate the portion that would be classified as education?

MR. STANLEY: We can do that.

DELEGATE JOHNSON: We'll take crumbs, we don't need the whole loaf, right?

MR. STANLEY: I'll take whatever I can have.

SENATOR RUFF: Moving onto Radford College. Bluefield College. Lenowisco, Franklin County, Enhancing Basic Educational Services for adult learners.

MS. SMITH: Good morning Mr. Chairman and members of the Committee. Thank you for looking at our proposal before our selection and let me speak a little bit further for this proposal and what it means to the people of Franklin County. We have a 28 percent literacy rate in Franklin County which means we have about one in every three that does not have a high school diploma. The program is funded to serve three percent of the targeted population and we are currently serving about 65 percent more than we had funded for. Our dollars

are stretched thin. We are a very unique consortium in Franklin County with higher education all in the same building in a public high school. They have funded that so we have combined as partners there to develop an exemplary program for the State of Virginia. As you know, we get our funding once a year. We have an industry that's waiting with about a thousand employees that needs assessment and testing that we do for adult education.

We also are members of a rapid response team and we've lost about 2,500 jobs through loss of agriculture in Franklin County. We were hoping to use this money to deliver services. Most of these services could be absorbed next year through local resources. We have a great commitment from the superintendent for local funds for the following year. It's just that the demand is so great right now, we actually have a waiting list on this. And to be able to give quality services, we're hoping to be able to kick start these services in Franklin County. I'm open for questions.

SENATOR RUFF: Comments.

MS. AUSBAND: I think we had a lot of discussion about this proposal during the panel meeting. Dr. Osei has a lot of input with respect to specific portions. I'm hoping she'll be able to expand a little bit with her comments. But specifically with the portion that should be handled by the Department of Corrections. I think part of your proposal was educating people in jail or out of jail or that were ordered to obtain some level of education by the court.

DR. OSEI: I was just wondering has that been a consideration to look at the Department of Corrections?

MS. SMITH: I'm so glad you asked that. I'm so glad there are members of the legislature here because they have \$54 million and you have \$2.2 million. The Department of Corrections educational funding actually goes through those people, those people that are incarcerated and not for probation and parole.

DR. OSEI: They have community based programs and parolees

and persons coming out of jail –

MS. SMITH: But that is for the caseworkers, that's for their projects particularly at the jail, that's for the federal and not the state prisons but if they're here on probation or they come from local jails or what we call prison units, the money is not there for those.

DR. OSEI: There are new programs that have been developed at the county level coming out the jails are also providing their own education liaisons between the community.

MS. SMITH: They provide the liaison but not the funding. Providing a staff person to do the follow up and sending people there but they don't give the money for the actual teaching experience. That's part of what we're trying to do. We have a judge in Franklin County who sentences people to adult education. He's very innovative and hard thinking in that and he really puts a demand on us for that.

DR. OSEI: Have they set up a drug court situation there or a reporting center like or –

MS. SMITH: There's not one in Franklin County. There's a multi-jurisdiction one that's located in Henry County. It does not serve Franklin.

DR. OSEI: For the public K-12 system, they're not providing adult based education?

MS. SMITH: This is a piece of that. The Franklin County system puts in a tremendous amount of local money for this. They're already supporting a backlog. They're actually putting in about 65 percent more than they are required.

MS. WASS: Does any of this have matching funds?

MS. SMITH: There is materials and -

MS. WASS: - They're already paying for those items?

MS. SMITH: It will be extra in that.

MS. WASS: How will the salaries be paid after the first of the year?

MS. SMITH: The – division will assume it.

MS. WASS: That entire amount?

MS. SMITH: Yes.

MS. WASS: This year they're paying \$36 thousand and next year they will pay \$119 thousand?

MS. SMITH: Yes.

MS. WASS: Is that in the budget?

MS. SMITH: The budget's already passed. The budget has to be passed by law in the school division in May.

SENATOR RUFF: Are you aware that the school board association or the superintendent's association has suggested that local school systems plan on cutting five percent next year?

MS. SMITH: Yes, sir. I don't know where it's going to come from but even if we had to scale back on some of the services, we're willing to do that because whenever you apply for something, you always sort, you apply for it which would be ideal but I think we could assume that.

MS. WASS: If this were not funded this year, would the start up program be postponed?

MS. SMITH: We'll have a waiting list of several thousand. The first time in Southwest Virginia we had a tremendous waiting list and we already have one here. We're willing to re-negotiate if we have to. I just thought I'd add that in there.

DR. OSEI: Have you exhausted, especially with the corrections population, all of the services that have been rendered to them through the county and these new one stop shops that are being set up?

MS. SMITH: This is basically one stop. This is what this is. Part of an enhancement to that. So yes, we have, because actually have been to the American Bar Association and the judges in this county are going to present this to the Virginia Bar Association as well as the American Bar Association. So we've been moving right along. I want to emphasize that Franklin County is

exemplary in this. We're using this to also enhance the model for all of Southwest Virginia. We've had many of these adult educators come from many of the counties in Southwest Virginia and in the state and it's exemplary program and we're doing that here in Southwest Virginia.

SENATOR RUFF: You're saying this is a leading program but we'll get 30 other requests for next year?

MS. SMITH: No, I'm not saying that. I told them not to come to the Commission and ask for money. What I'm saying is that I'm trying to put the pieces in place and that if they can replicate it on their own, we're seeing them start to do some of these kinds of things in other counties but we have to have it in place and we have to have them see it and start moving along as well as serve the needs here that are growing everyday.

DR. OSEI: Do you have a reading specialist or would that be a full time position, a reading specialist for this program?

MS. SMITH: Yes, we hope to do that. Nowhere in the Commonwealth do we have an adult education reading specialist. This would be exemplary for Southwest Virginia and also for the Commonwealth.

SENATOR RUFF: I'd ask John Forbes with the Literary Foundation to look at some of this educational funding and educational programs. Does anyone know if he looked at this particular one?

MS. MARRS: I think I handed it to him at the last meeting but I don't know.

MS. SMITH: I'll stay around and talk afterwards. You can have me for today.

DELEGATE BYRON: Mr. Chairman, I think it's important that we make sure that we are not duplicating or that there's no other resources. One thing that was very important at some of our previous meetings was the fact that there are so many different initiatives that are going on that are done in various areas of the state. We've got one stop and Workforce Investment Act and different programs and special grants. The question in my mind is that I don't

think it's totally or I'm not totally comfortable that there isn't something else or a model for other communities and how are they going to afford the same thing if you can't afford it. We have to have a model or find a model that they can afford and keep it going as well.

MS. SMITH: Delegate Byron, I'm happy you asked that question because I'm a regional program manager and we represent six school divisions and their adult education programs. I'm also the secretary of our Workforce Investment Board for Region 17. I just came back from some statistical training at Hershey, Pennsylvania. I'll tell you that part of what we would do with anything like that is that you have to leverage your funding and it's very important we do that through the one stops. Franklin County happens to be a member of the New River Valley Workforce Investment Board that was just now undergoing reorganization. They have not been leveraging funding with local programs. This gives us funding to leverage Workforce Investment Act some funds to continue as a model for other adult educational programs who will be working with the Workforce Investment Board.

DELEGATE BYRON: The program will not fall apart if something doesn't happen today.

MS. WRIGHT: That's right.

MS. MARRS: We had a question about this equipment for your school or your proposal. I'm speaking about the equipment costs and it looks like there's over \$35,000 worth of equipment costs. How much was for the correctional program versus how much is for the technology. Could you just briefly answer that question about that.

MS. WRIGHT: Assisted technology is particularly for on-site classes, an on-site group that has worked with Goodwill Industries because they actually have very active goal. It gives them daily living skills and there's no equipment for that. You can take advantage of a lot of these school divisions equipment as well as some of the technology we have at the technology center. We're hoping that we can have some sharing of the equipment.

SENATOR RUFF: Thank you. Prince Edward County Schools; Pittsylvania County Public Library.

MARTHA WALKER: Thank you for considering our request. I'm just wondering if this would be more appropriately a request for special projects rather than this.

SENATOR RUFF: I'm not sure that they can respond to that. Their focus is on education. I would say that probably you'd have a better consideration because once you look at the scale I don't know that that's going to be the highest priority. That completes those that there's no proposal for funding. Next you'll work on the second tier unless somebody has a better idea. If the amount is not right, they may have to call back some of them. Okay.

SENATOR RUFF: Blueridge Regional Library; Mountain Empire and Southwest Virginia Community College Foundation. Partial funding is proposed for that.

DONNA STANLEY: I have no idea what was proposed, we need to discuss the application.

SENATOR RUFF: The proposal was for \$669 thousand and the recommendation was \$250 thousand.

CAROL STANLEY: I'm Donna Stanley, Mountain Empire Community College. The proposal was for \$669 thousand and that was basically based on pretty much serving the same number of students from Mountain Empire Community College at Southwest. I recognize that you've got \$11 million worth of requests and only \$2.8 million in funds. Although we'd like to have the full amount of our funding, we'd be delighted to get enough resources to get the program off the ground. I'd say probably if we had to reduce the resources that we had, we would just be testing the market and the demand for the program with the dollars you're able to provide for us and we're grateful for receiving a grant. Do you have anything to add Dr. King?

SENATOR RUFF: Southside Planning District Commission. The request was \$90 thousand and the recommended amount was \$90 thousand.

Patrick Henry Community College, the request was for \$460 thousand and the recommended funding was \$356 thousand.

KATHERINE SMITH: I'm Katherine Smith from Patrick Henry Community College. I very much appreciate the funding that we have had over the past two years and we'll be very happy to accept that.

SENATOR RUFF: Don't think you're getting this money yet. We're trying to figure out where we're at.

MS. SMITH: As you know Martinsville and Henry County is suffering right now with high unemployment with the highest unemployment in the state. We have had a 44 percent increase in our enrollment in the summer and we're over 25 percent for the fall. What we want to do is expand any offerings that we already started and our community is beginning to turn around. It's still built on what we have done and we want to handle the additional enrollment.

SENATOR RUFF: Danville Community College had a request for \$677 thousand and the funding recommended was \$109,500.

MS. WALKER: Members of the Committee, thank you very much. My name is Martha Walker. I'm from Danville Community College. Perhaps you can tell me what part of the proposal was recommended for funding.

MS. AUSBAND: Expanding the automotive repair auto body training.

MS. WALKER: May I speak to that for just a moment please? We certainly appreciate that recommendation and there's no doubt about that. We also have proposed equipping the advanced manufacturing program. Danville Community College received a grant two years ago from the National Science Foundation to adapt and implement an advanced manufacturing program which includes a polymer tract. In that particular grant there was some money for equipment. We have sense leveraged the grant from the United States Community Adjustment Investment Program for \$400 thousand to purchase a piece of equipment. That's one piece of equipment and it is in place and the program, the curriculum is being done now or a small portion of it and some of

that is being offered now. That particular piece of equipment will be used by industry and becomes an economic development tool. However, there are multiple other pieces of equipment that we submitted a proposal for a \$185 thousand for the polymer program. This is an economic development educational partnership and we've leveraged funds for this program for the last several years. We're on the verge of actually starting it. The entire proposal is over 400 and some thousand dollars for equipment just for that program. The rest of the money we're leveraging with the National Science Foundation and grant proposal just went in last week. We feel like it's a good proposal and we've had good success with the National Science Foundation. We've also had a great deal of interest in this proposal from the National Sciences so we think that they would be interested in this as well. However, it requires a match of a hundred plus thousand dollars. \$185 thousand is the proposal for purchasing equipment. So I'd ask the Committee to consider that specifically.

The other programs we're also upgrading the equipment within the program. The automotive needs, that's what we need to do. We know and we are aware of cuts we're facing in the system and that equipment is one of the first things to go. I ask for you to reconsider the polymer, the advanced manufacturing program, the community just as Patrick County, Henry County, Martinsville are all facing unemployment problems and so is the Danville and Pittsylvania County areas and the Halifax Region. We're looking for every resource we can find to leverage and create trained employees for future companies. Ethyl Pro Pac just came to the Danville area and they're very interested in what the college is doing in the polymer and the advanced manufacturing side. We have other companies that are trying to expand and they're trying to rebuilt their workforce and they'll need training. So I'll ask you to reconsider that. Any questions?

MS. WASS: Is the advanced manufacturing program a higher priority than your automotive?

MS. WALKER: At this time with the leveraging of money we're involved in, yes, it is.

MS. WASS: It's difficult to appropriate a match for one that's not approved.

MS. WALKER: Even if we didn't get the National Science Foundation, having the money for this equipment allows us to implement the program. You're leveraging and building on the equipment until you actually get the program.

MS. MARRS: Where would you go to finish paying for it?

MS. WALKER: The \$185 thousand, then you have the equipment and what you do is continue to search for those resources which is the National Science Foundation, other economic development opportunities or what, but you continue to build.

SENATOR RUFF: I think we'll need to discuss that a little bit more. Franklin County Scholarship Program supporting 21<sup>st</sup> century careers. The request was \$86,000 and the recommendation was \$86,000. Halifax Educational Foundation, \$110,000 requested and \$110,000 was funded recommendation. Patrick County Public Schools, \$280,000 request and \$175,000 recommended funded.

MS. SLAVIK: We certainly appreciate that.

SENATOR RUFF: The Virginia Highlands Community College Greenhouse Project. The request was \$590,000 and the recommended funding was \$100,000.

MS. SLAVIK: What would the \$100,000 include?

MS. MARRS: Give me ten seconds.

SENATOR RUFF: Before we take a break, I'd like to get through this.

MS. MARRS: We recognize the amount requested was very large and we only had so much in our pot but we found the program had a lot of merit to it and we recommended a small portion for capital expenses, a hundred thousand. Any reaction to that?

MS. SLAVIK: The problem is going to be where does the rest of

the money come from? That would really go a long way as far as site preparation and laying the slab but as far as construction of the greenhouse itself, that's going to be very difficult if not impossible because we're going to be sitting there with the slab while we continue to go back to other groups and try to request funding.

MS. AUSBAND: Where else are you looking for funding?

MS. SLAVIK: We have begun to look at applying for other grants of course. You have a problem of which comes first, the chicken or the egg. We're also trying to get approved, we have one curriculum approved and that's for a transfer to Virginia Tech's Horticultural Program. We have a program in Richmond right now being reviewed on Horticulture Technology which is a greenhouse management degree and then turf and landscape management. Those two curriculums are in Richmond right now being reviewed. While we're trying to request the curriculum, we also trying to request additional grants and trying to look for other possibilities but you have to start somewhere.

SENATOR RUFF: Hold that for a minute.

DELEGATE JOHNSON: One of the big needs for this greenhouse is because of the alternative farming, preparing alternative crops and to educate tobacco farmers on other uses of agriculture.

MS. SLAVIK: Yes, and also we have done some short courses and some workshops on converting tobacco, flow greenhouse systems over to alternative uses because they've got these facilities out there trying to find some other way to make use of that. We looked at that and saw enough interest to start doing a needs assessment and found that there is a tremendous interest not only from the farming community but also for those high school graduates. A lot of interest just went in the area from golf courses to have trained employees and one of our best recommendations we had was from Northeast State Technical Community College in Tennessee who have asked that once we get the program going that we send them students that have been trained because they cannot find trained and qualified employees to maintain their facilities and their grounds.

DELEGATE JOHNSON: Mr. Chairman, what would be the least

amount that you could survive on?

MS. SLAVIK: Oh, that would take some calculating but somewhere around \$350 to \$400 thousand to get the facility built. It wouldn't be the size we're looking for but it would at least give us a facility.

DELEGATE JOHNSON: Virginia Tech is on board 100 percent, are they not?

MS. SLAVIK: Yes. The plant/growth facility curator at Virginia Tech is here and he's been instrumental in assisting with the design phase of this and also contacting companies and getting bids, quotes and information on the best possible designs to suit the conditions in Southwest Virginia as far as environmental control. We already have a commitment from them as far as plans to help us go ahead and have materials available once the greenhouse is there not having to go out and buy plants. They've also been very supportive in helping us develop our curriculum.

MS. MARRS: Are you looking for any other grants because I was not really –

MS. SLAVIK: At that time we had not really started looking at grants. Our grants writer is from Virginia Highlands and is not here today. We had started exploring other avenues and we have not committed to any particular grant and as of yet, we're looking at some of the USDA grants. Those are not just for Virginia Highlands because you also have to bring in Virginia Tech or a high school and have articulation agreements. Those are limited in scope. When you have those types of grants, you're also committing for some of those funds to go to other institutions.

MS. MARRS: But specifically for capital expenses, is USDA going to pay for building a greenhouse?

MS. SLAVIK: USDA may have some funds for that.

SENATOR RUFF: If you all could hold that for a little while, there's some other things we have to work out. Southside Virginia Community College. The request was for \$350 thousand and the recommended amount was

\$200 thousand.

MR. EARL CURRIN: Mr. Chairman, we need every nickel of the \$350,000 requested. An earlier presenter said today that they were looking for the ideal amount. We're not looking for the ideal amount, we're looking for the bare minimum. The request was to complete funding for our vocational and technical facility that will house our truck driving school, heavy equipment operator's school and our technician's school. Mary James got some photographs and she'd just like for you to take a look at those and you can see where those programs are currently housed and what the needs might be. We would like to consolidate these programs into one facility.

SENATOR RUFF: Let's hold that right now if you don't mind.

MR. CURRIN: All right.

SENATOR RUFF: We need to talk about that some more.

MR. CURRIN: All right. I would like too ask the panel one question. We thought our proposal should have been at the highest-level number one and we got in tier number two. What criteria or is there included in the criteria anything to do with where your college is located? Southside is in the heart of the flue cured tobacco region. Sixty percent of the allotment is in our service area. It seems like if we had a proposal equally weighted with a fringe college would we get any extra weight? I don't think we would based on the criteria and maybe you ought to do that.

DELEGATE WRIGHT: I think Dr. Currin makes a good point there. If you'll look and see these requests from my area of Southside Virginia are very small but the benefits from this particular project is extremely large. This is a project and we'll hear more about it later, that is providing jobs as we speak. We need this facility that's been referred to to consolidate some of these programs together and you'll hear more about it later. This is a program that is the type of thing that this education committee should fund because we've got a waiting list of people that want to get in the program. We got a waiting list of employers ready to hire these people when they come out. We've been

devastated in Southside Virginia for the loss of the tobacco crops and all the revenues associated with it. This project is extremely important for Southside.

SENATOR RUFF: Thank you.

MR. CURRIN: The commitment made by the area, the college has already committed to six full time instructors for three programs. The Virginia Trucking Industry has already provided us with 16 rigs. We don't need any money for the rigs, Nottoway County has given us ten acres at Fort Pickett park to provide this training. The commitment is there but we just need an adequate facility with at least one bathroom with a door on it or maybe two bathrooms unisex with a curtain fold across the side. We got some pictures and Mary Jane will pass those out and we want to show you this.

SENATOR RUFF: All right. Now, we're in the first tier. Franklin County. The MW Manufacturing and Community College partnership. The request was for \$81,000 and the recommended funding is \$35,000. I'm aware of that and I want to get through with this, I am, I want to get through with this at one time so everybody knows what we have to deal with when we come back. Southwest Virginia Community College, the request was \$300,000. You said full but on this extended thing you have partial funding, was that a mistake?

MS. AUSBAND: I think in discussion we were saying that partial funding is possible, it is fine. We were wondering what other funding you sought or obtained for the moving of the building.

SENATOR PUCKETT: Dr. King, I think one of the things they'd like to hear from you is that the proposal recommends some partnerships between the college and the school and Buchanan County. Funds received from other sources or whatever.

DR. KING: I think one of the real strengths of the proposal is the partnership angle. We have a number of agencies in the Town of Grundy which is making available the shell building space. We have Buchanan General Hospital which has an ongoing contribution for the operations of the program, \$100,000. We have a small but vital contribution from the Buchanan County

Board of Supervisors and we have a partnership with the law school where we have actually had IT programs up until this year when they needed the space for an additional library. The real bottom end to this is that the vacuum that would be in that community if these greatly needed allied health and nursing, occupational therapy, CNA, the whole Sysco training, the partnerships that we have with the public schools and they are there for that. You all know when you read the proposal, it's a unique situation we find ourselves in. We've got to find a way to continue our presence there and any further help from this body would be a great investment in that part of the state. We're going to make it happen but you all could do a great deal in making it happen. If you have any questions I'll be glad to respond.

MS. AUSBAND: Is there other funding that's been given to Southwest Virginia to move buildings or is it just support or any kind of support you're looking for?

DR. KING: There's no dollars but it's just the in kind use of facilities as such. There's the ongoing support from the Board of Supervisors and Buchanan General Hospital for operations of the program.

MS. AUSBAND: Have you applied for other funding or other grants?

DR. KING: We're looking at that and we have not identified that. There's one that's a good possibility but we're still working on that. We got to make this thing happen between now and next fall because that building won't be there then. I read in the paper last week where they've torn three or four of the buildings down already. Thank you very much.

SENATOR RUFF: Thank you. Martinsville Industrial Development Authority, West Piedmont Business Development Center, \$20,000 requested and \$20,000 recommended.

LISA FOLKES: Good morning, thank you for the recommendation and your consideration. I'm Lisa Fowlkes from the West Piedmont Business Development Center. We have a small business incubator and

I just wanted to assure you of our commitment in helping to make our economic development prosper in the area. We not only served the City of Martinsville but Patrick County and Buchanan County and Franklin County. What we have done with our local school systems including Patrick Henry Community College and the National College of Business and Technology right next door to our facility. We are going to invite them in and encourage the students to open their own business in our incubator. We have been trying to encourage them to and help with the education process and what it really takes to start your own business. Tomorrow I go to Martinsville to talk to the high school students and the following week I'll go to Franklin County and talk to the students there. Our incubator is on its way and the proposal I submitted to you all was for resource material for our library and that will be very helpful, not only to help educate and train our current tenants but also to encourage other business entrepreneurs in our area to actually take that step forward which is a huge step to start their own business. Thank you.

SENATOR RUFF: Thank you. I hope to get through the rest of these before we take a break but I guess we'll just take a break at this point. The other three are South Central Area Education Center; \$135,000 request and that was recommended for full funding. Patrick County GED Program, \$132,000 and that was fully funded. Central Virginia Distance Learning and the request was for \$155,000 and \$60,000 was approved. Just so you'll understand what our dilemma is now. So right now we'll take a break and you all get your thoughts in a row when we come back.

BREAK:

SENATOR RUFF: I want to commend anyone who wrote these grant requests, some of you did in fact a fine job and some of you did a good job but the reality is that we got to figure out how we can be fair to all the tobacco communities. There are some that have the expertise to write grants and some

that do not. Even though the staff made recommendations, it's the responsibility of this Committee to pass on the fairness or how do we relate fairness to these proposals that are before us today? So I want to get that out of the way as we start this process. We need not talk about South Central Area Health Education Center. We've recommended \$135,000, do you want to speak to that?

KATHY OLDS: I'm Kathy Olds, I'm Director of the South Central Area Health Education Center. We very much appreciate consideration of our proposal. We believe this program will help benefit the economic development and workforce issues in our community. We are in a situation where we are looking at leveraging other funds, we have some other funding opportunities that we currently have, some federal funding as well as local funding that we are eligible to apply for. This proposal or this funding would allow us to make some renovations which will allow us to then have our proposal approved and be a provider of a certified nursing program. We very much appreciate the opportunity to submit the proposal and your recommendation. I'll be happy to answer any questions if you have any about the proposal.

SENATOR RUFF: Can you tell me what county this covers?

KATHY OLDS: This primarily covers Pittsylvania County and a little bit of Campbell. One of the issues we face is that with the certified nursing program and the length of time it takes, six to eight weeks that it takes, it's difficult for some people to travel that distance, particularly if they're working which a lot of folks are, trying to take this program. It's primarily involving folks in Pittsylvania County although we have an eight county service area that includes Patrick, Henry, Franklin up into Bedford. We'd be happy to solicit students from those areas as well but we're looking primarily at those people that have been laid off from Lane Company and from some of the industry in Pittsylvania and the Campbell County areas.

SENATOR RUFF: That represents part of Campbell County also?

DELEGATE BYRON: Yes, that's along the guidelines I was talking about earlier, some of the needs in that area.

MS. OLDS: This proposal because of the length of the CNA program, we documented the need and we know the survey we did and from that survey we did, we know that positions are immediately available and this will enable a fairly short turnaround time in order to train people and people will have positions available to go to and the need is there. So this could meet the immediate needs of the community as well as people who need jobs in the area.

SENATOR RUFF: Thank you. Patrick County GED Program.

MR. JERRY HUGHES: My name is Jerry Hughes and I'm the executive director of the foundation. I appreciate your recommendation for full funding. Our situation continues to worsen somewhat. I know in August that the statistics said that we had one of the highest unemployment rates in the state. That city is Galax but Patrick County and the City of Martinsville and the Counties of Henry and Patrick are at the 15 percent level. Over 30 percent of the residents over the age of 18 are not having a high school diploma or equivalent GED. This GED program is just paramount to our folks in this area to have any employment or an opportunity for employment in the future. Again, I'm very appreciative of your recommendation for the funding.

SENATOR RUFF: I'm going to put you on the spot now. Patrick Henry schools have submitted a proposal and you put in a proposal. As I said before, we've got to balance for a wide range between the two that's over \$300,000. Each county would probably get about \$60,000 if it was split equally so that would be about five times the County's share if we look at it that way. What argument can you give me. I'm going to give Patrick County the same opportunity, while your program is the right program to fund and theirs is the wrong one to fund?

MR. HUGHES: That's a loaded question but it's an honest question. I was not aware of the grant request or proposal from the school system. I'm not familiar with all of the particulars of that request. We did have support of the adult education program and the County's GED program and we hope to add the GED program or an incentive to get more people involved in it

through that program.

SENATOR RUFF: Thank you. Patrick County, do you want to come back and tell us why he's wrong and you're right?

MS. COURTER: Well, we're all coming from the same place and we want higher education attainment levels for Patrick County as do all the counties in Southwest Virginia. Our grant proposal project help is a collaboration between Patrick County Public Schools and Patrick Henry Community College. The pilot project for distance learning started in May of 2001 with meadows of Dan Elementary School and Blueridge Elementary. Patrick County is a very large land area and the county has 432 square miles. We have a lot of disadvantaged poor people and because of transportation issues and childcare issues, they cannot get to a central location. Be it Patrick Henry College or the adult learning center in Stuart. Through the distance learning project it sets up all the elementary schools in the county and also three areas of Martinsville city to be the distance learning center for the people in the local community can go to that place and get an education, their GED and hopefully after getting their GED they may like to take other courses through the college system. We also see distance learning as a way for businesses to also go through these hamberg units. Meetings could be projected in these different areas and other courses just on quality of life issues and different things that people need to know and it would be transmitted through the system in these individual learning centers.

SENATOR RUFF: Patrick Henry. You've all been brought into this, do you want to weigh in on this issue?

UNIDENTIFIED: On the Patrick County joint project?

SENATOR RUFF: Either or.

MS. COURTER: It all works together. What we requested for improving our technology is to allow our remote sites to have the same access to on campus resources and people who can actually take the classes.

SENATOR RUFF: You're not going to tell me whether one proposal is right and the other one is wrong?

MS. COURTER: They're both wonderful. Can I say one other thing, that is the adult education program in Patrick County is funded or taken care of by Patrick County Public Schools.

SENATOR RUFF: Now, staff, put them on the spot and I'll put you on the spot. We can't fund all of these and in all fairness to the rest of Southside Virginia, why do you think one ought to be funded over the other?

MS. AUSBAND: The reason that the Patrick County GED Program made the first tier instead of Project H.E.L.P. is because its sole purpose is for the GED program. Project H.E.L.P. did have a strong element for K-12 and youth programs and does have the adult workforce but it didn't share the same focus that the Committee pointed out at the last hearing and that's why the GED program was picked first or made the first tier.

MR. FIELDS: Mr. Chairman, in hearing a lot of this, I think we might need to reconsider some things but when you say we're not funding any K-12 projects, I find and I think I agree a hundred percent with you not going to fund a primary school or high school but when you say that, you're doing things to folks in other institutions like Barter and like some of the others that I have heard here today who are state funded or who are funded like the two schools I just mentioned. So I think we need to look at that again somewhat. When you say we're not going to fund any of them, very needy programs are being left out. I think we might need to say public schools K-12.

DR. OSEI: One of the main things I noticed also if I understood correctly, you didn't have to fund salaries per se. It seems like the proposal help was heavily weighted to salaries where in the GED program they're attempting to offer incentives to the actual students to come and get their education. That's one of the reasons when I voiced my opinion, it was more towards the GED because it directly impacts students where this is a little bit of a stretch but it seems like a lot of this was toward salaries. I don't know if that was one of the priorities or not.

SENATOR RUFF: Any other comments? There are two ways to deal with this particular thing. We can send it back to Patrick County and let

them fight it out, we can fund one or the other, we could conceivably fund both of them and I don't think that's going to happen or we can fund neither one of them and try to spread the funds around somewhere else. Any proposals from the Committee members?

DELEGATE BYRON: Mr. Chairman, I'll say in the past we had some very creative compromises among folks when they get together and discuss things. Perhaps they can look at this and get together and discuss it and come up with what would be the best.

SENATOR RUFF: Would you all like to try to do that?

MS. COURTER: I been trying to get together in a meeting with all parties concerned to discuss this.

SENATOR RUFF: All right, you all go outside right now and work it out. No, you all go outside right now and try to work it out because we're going to move onto the next one. We've got to get this cleared pretty quickly.

MS. COURTER: You want us to do it now?

SENATOR RUFF: Yes, I want to know what you all think or at least sit down and talk about it. If you can't sit down and talk about it, there's no point in sending you out to do that. It doesn't have to be done today but I want to make sure that we're moving somewhere in the right direction on this thing.

MS. COURTER: We need to collaborate on these issues to raise the educational attainment level. However, it gets done I think that's public school's mission and it would make sense to work together. I thought that's what we should be doing.

SENATOR RUFF: I envision that we will have a meeting shortly prior to the full Commission meeting. Anything this Committee does is a recommendation to the full Commission. We will deal with any proposals that are passed here today and that will be handled by the full Commission. Then any that are left on the table, we'll be glad to hear a few minutes prior to the next full Commission meeting and vote on it. At this point I'm going to pass that by for right now and you can all sit down and talk or not.

MS. SMITH: I'm sort of confused. Patrick Henry Community College submitted a proposal totally separate and apart from the Patrick County Schools. We were going to be a partner with them and provide technology to improve access to education. Our other proposal was far more comprehensive.

SENATOR RUFF: I'm not going to get into any other proposals right now. I'm just saying when I got your attention is because your name or your college's name was brought into the issue. I just wanted to know if you wanted to add anything.

MS. SMITH: Would you want me to work with her on that part of it, is that what you're saying?

SENATOR RUFF: I have set the parameters that I don't think this Committee is going to vote to support both of those plans so I would prefer Patrick County to figure out a solution rather than us. If we have to, we will do it.

MS. SMITH: Thank you.

SENATOR RUFF: Central Virginia Community College Educational Foundation. They requested \$155,000 and the proposed funding is \$60,000.

MR. SUTTON: I'd like to ask staff where the cuts were?

MS. AUSBAND: The distance education portion.

MR. SUTTON: I'm looking at my proposal now and technical assistance and, there's some line item cuts.

MS. AUSBAND: Page two, distance education, workforce development and scholarship.

SENATOR RUFF: Can you live with that?

MR. SUTTON: Yes, sir.

SENATOR RUFF: Southwest Virginia Community College. Have you got any suggestions for us on this?

MS. MARRS: The panel talked during the break with people from the greenhouse project, Virginia Housing and Community College about whether or not they'd be able to go after a matching grant and we talked about \$300,000 if

they could find a matching grant to that capital. How does that all sound to you?

SENATOR RUFF: If you increased it from 100 to 300 thousand, what would you take the \$200 thousand from?

MR. MARRS: She said to us they couldn't take \$100. She said –

SENATOR RUFF: I understand that.

MS. MARRS: We're not sure where we'd take the other \$200,000 from.

SENATOR RUFF: Without a reduction from somewhere else an increase is not going to work.

DELEGATE JOHNSON: Mr. Chairman, this is in the second tier award grant funds available or award with contingencies. The \$300 thousand and then the additional \$200 thousand contingency, do we have any cushion at all that we can work with on this? How much is Southwest Virginia getting?

SENATOR RUFF: If we look at it in each county or look at it on a county wide basis, you'd be looking at \$60 to \$75 thousand for county. If it's a multiple county thing, that's great but we're going to have to figure out some way, we can't create anymore money.

DELEGATE JOHNSON: Mr. Chairman, how much money do we have to spend?

SENATOR RUFF: Tell us the figures again.

MS. WASS: \$2,761,440 available.

DELEGATE JOHNSON: \$2,761,440?

MS. WASS: Yes.

DELEGATE JOHNSON: Mr. Chairman, I have another question. The recommended funding is only \$682,528?

SENATOR RUFF: My assumption was the second tier was certainly going to be funded also or most of it. This is a wide area and we got to make sure that we're fair to everyone here.

DELEGATE JOHNSON: We got to have a little money for Meadowview.

SENATOR RUFF: You can't have a monopoly, you got to use real money. Do you all want to sit down and talk about that sometime?

SENATOR PUCKETT: We need to talk about it, Southwest.

SENATOR RUFF: We'll muddle through a little more of Southside while you're gone. Tommy, you mentioned the Southside thing. How many counties would be dealt with there?

MR. CURRIN: Ten counties that comprised the 13<sup>th</sup> and 14<sup>th</sup> planning districts.

SENATOR RUFF: If the proposal from South Hill is accepted, you've got to subtract that from that total. What other proposals are coming from that region?

MR. CURRIN: I don't have access to that information.

DELEGATE WRIGHT: To me this project is really the reason why the Committee is here today. This Committee here is fulfilling jobs that are going wanting right now and good paying jobs. Like Dr. Currin and Mary, it's very important to Southside and no question about it.

MR. CURRIN: Currently we have 24 truck drivers enrolled. 14 heavy equipment operators and 12 technicians enrolled. You all have already invested in an instructor to house these programs and we need a little more money to get the thing complete and that's why we're here today.

DELEGATE WRIGHT: Dr. Currin, could you tell us about facilities like, are there facilities like Wal-Mart and Dollar General Store that need trucker drivers and so forth?

MR. CURRIN: We can place ten times what we graduate. We can graduate 24 truck drivers every six weeks and jobs are there. A lot of them receive bonuses for signing on and that's not an issue. We can't do anymore than what we're doing in the facilities right now.

DELEGATE WRIGHT: Isn't there a titanium mine offering jobs?

MR. CURRIN: We have trained 60 heavy equipment operators to mine titanium in Dinwiddie County and they're not even in our service region but

put on the frames.

DELEGATE WRIGHT: People live in our areas that stay there and have jobs?

MR. CURRIN: Yes, sir.

MARY JANE: I know we're preaching to the choir here but our partnerships with business and industries have been monumental and don't come out in the proposal because what you said about tractor trailers that have been donated and other equipment that's been donated. Our diesel technician program which just started in August, we're doing that on a shoestring with some old donated equipment. We have some storage areas out back which are under tarps. One of the attractive things about this project is the fact that it's located at Fort Pickett park which has adequate space but it also has living facilities for people from outside of our area that need this type of training to come in at a reasonable rate like \$10 a night. Also in our proposal one of the things we talk about is a pilot program that we're working with some people on to offer some building trade programs that go hand in hand with what we're doing. We have an ideal location to do this because of Pickett park and the space they afford to us. That goes along with our heavy equipment and diesel program.

DELEGATE WRIGHT: Is there anything you'd like to tell the staff that was not spelled out real plain in that grant and the funding was awarded up to the top amount and from the leveraging –

MR. CURRIN: We'd like to get the staff to see what's going on and you've already invested heavily in the program. Let us finish this project so we can get on with it.

DELEGATE WRIGHT: Is there any leveraging that the staff needs to know about?

MR. CURRIN: I tried to mention that awhile ago. The college has already invested because we've got five full time instructors at Pickett; three truck drivers and – I'm sorry, six full time. Three truck drivers, two heavy equipment instructors and a diesel technician instructor.

DELEGATE WRIGHT: Isn't this project bear bones?

MR. CURRIN: That's why we have to move to Dinwiddie County to keep our heavy equipment operators going. We want to keep that program operating because of funding. We got funding for two years but we need a facility to house this.

MS. WASS: Where did you get that funding?

MR. CURRIN: We got money to hire some of the instructors from the Department of Labor, emergency grant because of the unemployment that was in our service area. You can't use any of that money for the facilities.

MS. MARRS: There was a reduced recommendation, we were aware of \$300,000 at the last meeting and that was part of the reason –

MR. CURRIN: This is a complete project and we were –

MARY JANE: You were talking about regional and I don't know what the proposal for \$90,000, Southside Planning District, I don't know what that proposal was for.

SENATOR RUFF: South Hill, the location of the center.

DELEGATE WRIGHT: Dr. Currin, didn't you submit an additional proposal for other things. You could have put in an application totaling up to a lot more than what you did, but didn't you priority what you needed?

MR. CURRIN: This is what we need to get a bare bones facility built to house these three programs and add a computer technology program at Pickett. I don't know any other way to make the statement but we've been piecemealing this now for three years. We've almost got enough money to get it off the ground.

MS. AUSBAND: I think what the panel really looked at was, all of these are, they're piecemealing the same, piecemealing from the same pool of funds.

MR. CURRIN: We've been a little longer on this project. It's up, running and successful and we're in the heart of the tobacco growing region and that's important.

SENATOR RUFF: There are proposals for Mecklenburg and Halifax Counties, I'm going to save it. If you look at Brunswick, Cumberland, Charlotte, Dinwiddie, Greenville, Nottoway, Lunenburg and there's one from Prince Edward, this is a major chunk of the tobacco region. Thank you all. Any other questions? All right, I think we're straight on that. Senator Puckett.

SENATOR PUCKETT: This is Southside and follow this real closely. I'm sorry, Southwest. I don't want to spend any Southside money. In the Committee's recommendation on Southwest Virginia Community College Training Center, you didn't recommend on your sheet that it be funded fully but recommended in the tier sheet that you get \$300,000. We're going to maybe move some of that money to the greenhouse. We're going to move \$100,000 from the training center to the greenhouse. We're going to move \$50,000 from Mountain Empire in Southwest to Meadowview Emory and Henry project which is on the third tier, number 23. Our next question is do we have any money left that Southside might give us?

SENATOR RUFF: I think you're working in the right direction so we need to –

SENATOR PUCKETT: We took the money strictly out of what was allocated out of Southwest funding and we didn't touch anything else.

DELEGATE JOHNSON: Mr. Chairman, if there are any additional monies or contingencies or whatever it may be, we would recommend that it be put over to Southwest Virginia and be added to the greenhouse project.

SENATOR PUCKETT: If you give us any.

SENATOR RUFF: Delegate Wright had raised an issue at the last meeting and I don't know if he wants to raise it at this point and let you all consider that in the process.

DELEGATE WRIGHT: I think the Southwest and Southside Scholarship Program was an outstanding success and I'd like to start a discussion or possibly make a motion that any undesignated monies be put back in the scholarship fund. Tom Arthur is not here and I think we should give him an

opportunity at our next full Commission meeting to discuss opening up the Southside portion of the scholarships to other fields. He did mention that when we first discussed this and I think it has some merit and I'd like to see what your thinking is on that.

SENATOR RUFF: Do you all believe that scholarships would have a higher priority than spending to the last dollar in Southwest?

SENATOR PUCKETT: I don't know, Rachel, where are we in scholarships.

DR. RACHEL FOLKES: I cannot tell you the exact amount but we're paying it out currently. The bills that have come in from the colleges, everyone that was awarded the funds have not taken advantage of them at this point. Some of those people will wait and use those funds for spring even though they made application in the fall but we still have balances. I just can't tell you exactly how much. I think it would be premature to make that decision today because we have obligated the funds and we have given all of the persons who were eligible for the scholarships, we've given them letters supporting the funding. We sent them letters saying if you plan not to use these funds, let us know so that we can release them and use them for other students or other purposes. I feel like it would be premature at this point for you to make a commitment to new students without letting us make the obligations to the ones that we've already sent the letters to.

SENATOR RUFF: How much longer do you think it would be before you would know the intent of those people?

DR. FOLKES: We asked the ones that were awarded scholarships in the first round to notify us by the end of this month whether or not they intended to use and accept the award. If a hundred percent of them let us know that, then we will have some information for you at the end of the month or first of November.

DELEGATE BYRON: Can you tell me why they would not want to accept the scholarship?

DR. FOLKES: The majority of the ones who have not accepted it are in Southside and the reason that we speculate that they have not is because it's a loan, it is not just a strict grant, it's not a scholarship. Once they received the promissory note and all the conditions of the promissory note, the people who made an application wanted to be sure they got their name in the pot and were eligible for the money had second thoughts about it. I think another thing that had people thinking twice about accepting it is that they are obligated to go back to Southside and teach school in Southside. I think that maybe when they made application at the time and maybe if those rules were changed, they would just go ahead and make an application for it and then when the promissory note arrived with all the information saying that you would pay that scholarship at four percent if you didn't go back and teach I think people just had second thoughts about it.

DELEGATE WRIGHT: Mr. Chairman that's not what I was talking about. I was talking about monies that were left on the table from what we've discussed today. You make a good point. I think our goal is to expand opportunities not only for the ones that were offered scholarships but to make additional funds available in the future. That's my understanding. So I'd make a motion then or we could have discussion on it.

DR. FOLKES: Let me add one piece of information. Everyone who applied for the scholarship whether in Southwest or Southside that met the eligibility criteria, there were funds available. We did not have to deny anyone because of a lack of funding and there are still some monies remaining that have not been awarded.

DELEGATE WRIGHT: My idea was that we can get an earlier start. That was done at the last minute and this way we'll have more time. The high schools and we'll have more time to let people know this is available and more preparation can be made. I'm saying the money we have left today be used for the scholarship program in the future, additional money.

SENATOR RUFF: Rather than make a motion, let's just keep it in a discussion mode. What do you all think about it?

MR. FIELDS: We don't know how much will be left in the fund. We don't know if there's ample funds there or not.

SENATOR RUFF: So you're not ready to make a decision on that? Okay. Then the question would be are we going to know anymore – when is the full Commission meeting?

MS. WASS: The 30<sup>th</sup>.

SENATOR RUFF: We're not going to know anymore by then either.

DELEGATE JOHNSON: Mr. Chairman, my thought would be we shouldn't have any money in the scholarship fund, if it's there and not being used it should be applied to some of these worthy projects that we have people out here screaming for.

MS. WASS: Timing is the issue. We still have the rest of the fiscal year, June 30<sup>th</sup> to make a decision. Technically this money is not even here yet. The MSA won't make a payment until January and April. I think a lot of these decisions can be made in the spring and you'll still have plenty of time. The funds do not go out to the Southwest Virginia Higher Education Center until the awards are made and the tuition is being paid, otherwise it stays with the Commission.

DR. FOLKES: We are in the process right now of paying the colleges. They are invoicing us daily for the students that have accepted the scholarships. I wish I could tell you a hundred percent of the colleges have billed us but they have not. In fact, parents are calling everyday asking why they're still showing a balance on their account and that's because the college has not billed us for it yet. As soon as we get the bills we process them and the money goes back to the college.

SENATOR RUFF: Thank you.

DELEGATE BYRON: Could we recap the number of differences that we're talking about, \$100,000 out, then we move down to number 8, is that the only change so far?

SENATOR PUCKETT: Fifty came out of number 15 and goes to 23.

SENATOR RUFF: Does anyone want to throw in any comments about what they said.

DELEGATE WRIGHT: I think the cooperation aspects that you mentioned is good, just as it works on the same level for economic development, I think it's a good thing for people to come together and leverage resources for the best use. A work in progress I think is a good idea.

SENATOR RUFF: I'm going to put that aside and let that simmer for a minute. The other questionable mismatch is the Henry Martinsville area. If you eliminate the Patrick County part of that, you're looking at \$20,000 for an IDA Center, \$35,000 for Franklin County MW Manufacturing and \$86,000 for the Franklin County Scholars for the 21<sup>st</sup> Century and \$356,000 for Patrick Henry Community College, and \$50,000 for the Blue Ridge Regional Library. What do you all want to do with that? Do any of the participants want to weigh in? The staff felt pretty comfortable with the Martinsville IDA proposal. The Franklin County Manufacturing partnership requested \$81,000 and you all said \$35,000. When I first looked at this thing I thought they were crazy talking about paying for safety training for private industry.

MS. AUSBAND: That's the portion we eliminated.

SENATOR RUFF: You eliminated that?

MS. AUSBAND: Yes.

MS. AUSBAND: We recommend that the supervisory training and the adult based education training provided they showed that they were more broadly applicable, and not just M&W Manufacturing.

SENATOR RUFF: How does that relate to the quality of the proposal for scholarships for the 21<sup>st</sup> century?

MS. AUSBAND: I think one of the significant differences is that the M&W Manufacturing jobs were training people to stay within the community and what we had wanted to see on the proposal for the CNA and the IT

certifications and scholarships for 21<sup>st</sup> century careers is something that showed that students that were trained or paid to obtain these certifications would stay in the region and wouldn't be contributing to any sort of migration issues. That's another reason why it was rated lower than MW Manufacturing. That proposal M&W would keep jobs in Franklin County whereas the certification there had nothing that showed that.

MS. WASS: From the standpoint of accounting, they had indicated that the scholarships were the highest priority.

SENATOR RUFF: Is anybody here from Franklin County?

MR. COLEMAN: I'm Ron Coleman and I am the Director of Workforce Services at Virginia Western.

SENATOR RUFF: Virginia Western, that's not Franklin County. Service area, not the County.

MR. COLEMAN: Research has showed there's a tremendous need for especially LPNs in Franklin. We have a hospital there and we have a number of different nursing homes that have a need for these folks. Jobs are there and the people are there to take classes. If this is a joint program between Patrick Henry and Virginia Western and Franklin County public schools and the Workforce Development Center.

SENATOR RUFF: Just for healthcare workers?

MR. COLEMAN: Yes.

SENATOR RUFF: No other programs?

MR. COLEMAN: There are different groups in different parts of the project. The others are for training and computers in advanced areas. Patrick Henry actually would do most of that, the community college. We're all together and let me explain something to you that might make it clear. We're all together in the one stop. The workforce consortium is composed of 14 partners and has been very successful in Franklin County and that's why these are all joint projects.

SENATOR RUFF: Franklin County is part of the Virginia

Western area and not the Patrick Henry area?

MR. COLEMAN: It's both, we have half the county and they have half the county and what we have done through the Workforce Development Center is try to make this a project that's going to serve the people in Franklin County rather than the two colleges.

SENATOR RUFF: Come on back up here, we've got to figure something out here.

MS. KATHLEEN SMITH: We have a huge service region.

SENATOR RUFF: What is your huge service region?

MS. SMITH: The most difficult place to reach is in the hinterlands of Patrick County.

SENATOR RUFF: Are we dealing with Patrick County only?

MS. SMITH: We have so many needs and the Commission has encouraged all these partnerships and that's basically why we are in so many of these proposals. We partnered with the public schools and we partnered with the one stop, we partnered with businesses and industries in an attempt to piece together as many successful projects as we can.

SENATOR RUFF: I'm not trying to sound mean here but I would challenge any county in this state is any worse off than Brunswick County. The needs are out there whether it be Buckingham or Patrick or Lee or Brunswick. They are all in tough situations and we got a responsibility to serve that whole region. When you talk about 356,000 going to that community college when Patrick is already requesting money for things and Franklin is requesting money for things, how can we justify that amount of money?

MS. SMITH: We are providing some support to all of those areas that are existing resources. What we're asking the \$356,000 for which was \$460, is to build on and expand those programs that we're offering on the Patrick Henry Campus and allow us to offer more programs outside to our remote sites. We're matching quite a number of these other projects through our own faculty, through the facility, providing technology, equipment and staff. We don't feel we should

be penalized because we're already institutionally committed to these other programs. We need to build more on the ones that we have that are successful. For example, you mentioned scholarships. All of our scholarship money has been depleted and we still have 21 percent of our students who are not able to come because they are lacking a significant amount of aid. Our technology increase that we've asked for is so that we can pay for the tests. We can offer the courses and we have faculty and students but if they can't pay to take the test to become certified, then this has all been kind of a futile effort.

We're also attempting to build on our Motor Sports Program and I can't tell you how popular that is. We've got a waiting list and we've got people from Hawaii and California that want to come in. We've partnered with Petty Enterprises and Gibbs and they've given us over \$200,000 worth of equipment and we can't turn out people fast enough. These people are getting jobs starting at \$40 and \$50 thousand dollars which is pretty darn good down in our part of the state. I guess what I'd really like to say is that we think that we have some really good programs going on there and they're successful and we've got waiting lists. The biggest problem we have now is that we're bursting at the seams. We got more students than the faculty can take care of. We're encouraging people to come and we're offering them money, we're offering them programs and saying we want to help you but we don't have the resources to deal with the surge in the enrollment. I don't like to be put in a position of saying take from this one and give to that one and that takes the wisdom of Solomon. Even I'd have to say that I couldn't tell you that one is more needed or more valuable than the other one. We're all here for education and anything you fund in education is going to help Southside and Southwest and we all benefit from it whatever you do. Hopefully, don't penalize Patrick Henry because we're already helping all these other areas; help us to do it better.

SENATOR RUFF: I applaud your presentation and I'm not trying to penalize anybody but there's a limited amount of resources and we have to be fair to the entire region. These guys over here are fighting among themselves as

to how much should go in each program and we have to figure out what's fair and reasonable. Now, I'll turn to staff and you tell me how you came up with a figure and is there any adjustment to that figure that should be made?

MS. AUSBAND: We're looking at Patrick Henry.

MS. SMITH: I just wanted to mention something else. We have leveraged funds from federal, state and private foundations as well as in kind gifts like equipment over a quarter of a million dollars worth. We haven't just relied on the money you've given us.

SENATOR RUFF: What counties are in the service area?

MS. SMITH: All of Henry County, all of Patrick County, the southern portion of Franklin County and generally Route 40 is the dividing line and then the City of Martinsville.

SENATOR RUFF: Floyd County is not in your service area?

MS. SMITH: No, we got another wave of students coming in from Vanity Fair, Bassett. We're not just in distress but we're really in a crisis and we really need your help.

SENATOR RUFF: If we were looking at \$60,000 per jurisdiction, you'd be talking about a total of \$240,000. Even if you don't consider anything that Patrick and Franklin are doing, you're still talking about a quarter of a million dollars. All right, staff.

MS. AUSBAND: This program was severable and I recommended portions, there was one which was scholarships and that was fairly duplicative with other programs didn't recommend funding for that. Whether to enhance workforce development for \$150,000 and that dealt with services at Rivermont Public Housing Program, a pilot program.

MS. SMITH: Also taking programs into the businesses.

SENATOR RUFF: As I understand it, you're going to put the computer equipment in the housing project. What's the security issue there?

MS. SMITH: It's not an issue and it's been worked out and we've got an agreement with the local authorities and assurances that that will not be a

problem.

SENATOR RUFF: What is the assurance?

MS. SMITH: That it's a safe environment.

SENATOR RUFF: You all can't be insured for it, can you?

MS. SMITH: We're insured –

SENATOR RUFF: Even though it's somebody else's property?

MS. SMITH: I cannot tell you the legal issues. I was just simply told that, I've been told we're okay.

SENATOR PUCKETT: You can be covered away from the premises on equipment you have at other locations, you have to have a master policy.

MS. SMITH: This is something the city really wanted to do.

DELEGATE BYRON: One of the things that I'm hearing is this pilot program and two local companies, at the cost of \$75,000. Are we training employees for a company that's already in business?

MS. SMITH: Right, but to upgrade the skills to meet the industry standards.

DELEGATE BYRON: They are already working for this company?

MS. SMITH: Yes.

DELEGATE BYRON: The company ought to be paying to enhance these employees.

MS. SMITH: They're paying a portion. They're paying for the materials and we're paying for the staff and the equipment.

DELEGATE BYRON: What kind of funding do you have an arrangement for next year, since this is a start up for this particular program, do you have any funding arrangements for next year, any plans on how to pay the salaries next year?

MS. SMITH: Yes, what we're doing is having our foundation pick up the salaries as needed. We're going to use the two projects to determine which

are the most productive and determine the greatest area of need and then we will set aside foundation funds that the positions can be moved out of the tobacco funding into our regular operating budget. So this is basically a transition.

DR. OSEI: The computers are needed to train them for the certification?

MS. SMITH: Yes. Those exams are basically the Microsoft and the Oracle and the mouse. We've got to train those people on state-of-the-art equipment and we have to maintain the most current software and programs so that when they take the test, they are taking the test with the highest level of skills that are demanded. We can't train them on antiquated and obsolete equipment programs. We just got to keep on the cutting edge for certification programs. We need to pay for the test because people can't pay. They won't take the test if we don't pay for them and then they're not certified.

MS. AUSBAND: I think the recommendation for this or our initial recommendation is to pay for half the computers but fully fund the certification.

MS. SMITH: We can do that.

MS. AUSBAND: And the media production.

SENATOR RUFF: What would that bring that figure to?

MS. AUSBAND: \$80,614. That was initiative three and we moved a little ahead of ourselves there. The panel's recommendation was to fund certification costs, fund the projections, fund the projection system, fund the cost for half of the computers requested and the security for the computers.

MS. SMITH: I might mention we're waiting to hear from the Department of Labor grant that would be a million dollars a year for three years for Danville and for Patrick Henry. We've been told by Congressman Goode that we should be expecting notification shortly and hopefully before the election. If that comes through, we'll be able to pick up some of these issues that were not recommended. That's another one of our leverages.

MS. AUSBAND: Initiative four, the Committee recommended that was the automotive program. So to recap, initiative one was duplicative,

initiative two we were discussing with Rivermont Housing Project a training of employees already employed, initiative three was cut in half and recommended funding of only \$80 thousand and initiative four we recommended for funding.

MS. WASS: What would be the priority on those four initiatives?

MS. SMITH: Well, the motor sport program has the biggest enrollment and longest waiting list and the graduates are getting the highest paid jobs. We would probably rank that one first. Then the IT certification second and then the workforce development would be three and we'd find some other way to do the scholarships.

SENATOR RUFF: I would encourage your motion on that one to fund initiatives three and four at this time and look at the others later.

DELEGATE WRIGHT: I so move.

DELEGATE JOHNSON: Second.

SENATOR RUFF: All in favor say aye (*aye*).

MS. AUSBAND: That was the panel's recommendation for partial funding for initiative three or for full funding of initiative three.

SENATOR RUFF: For the \$80 thousand.

MS. AUSBAND: For the \$80,614 for initiative three.

SENATOR RUFF: What did Patrick County figure out? Come together please.

MR. JERRY HUGHES: In discussing this we found a way that the foundation could use some funds, part-time GED instructors to participate in the school's systems application. Also, we're asking for \$100 thousand each which would allow us to really, from the GED side, which would allow us to go ahead with the GED side both projects.

SENATOR RUFF: We will reserve enough money to make sure that you do that and that you all come up with some solid written things and send it to the staff and before the full Commission meeting we'll deal with that. The meeting is next week so just put in writing what you just said. Kathy, do you have a recommendation on number three? We haven't voted on number one yet.

DELEGATE BYRON: I move that we approve the \$60 thousand

SENATOR RUFF: Is there a second?

DELEGATE WRIGHT: Second.

SENATOR RUFF: All in favor say aye (*ayes*). That was number three. All right, number one, let's take that up.

DELEGATE BYRON: I move that we approve the amount recommended.

SENATOR RUFF: Martinsville IDA. Is there a second? All right. All in favor say aye (*ayes*). The next, the number five, \$200 thousand, is there a recommendation or a motion.

SENATOR PUCKETT: So moved.

DELEGATE WRIGHT: Second.

SENATOR RUFF: All in favor say aye (*ayes*). Franklin County, the M&W Manufacturing Partnership, \$35 thousand. Do I hear a motion?

DELEGATE JOHNSON: So moved.

DELEGATE WRIGHT: Second.

SENATOR RUFF: All in favor say aye (*ayes*). Southside Virginia, Tom.

DELEGATE WRIGHT: I recommend the requested amount of \$350 thousand?

SENATOR RUFF: Is there a second?

MR. HOPKINS: Second.

SENATOR RUFF: All in favor say aye (*ayes*).

DELEGATE JOHNSON: Mr. Chairman, I'd like to ask a question. I noticed the recommended funding was \$200 thousand but we approved \$350 which leads me to believe there must be some extra money out there. If there's extra money out there, I believe I asked for some for Southwest Virginia or how much we would get or we could use it in the greenhouse or at Meadowview, either one of those projects.

SENATOR RUFF: There are some that are being cut in Southside and once we get these added up, if you want to take back the \$200 thousand temporarily you can. You can pass it by.

DELEGATE JOHNSON: I'm not questioning the, I'm just asking if there's extra money.

SENATOR RUFF: I'm sorry, you all were out and I apologize. If we look at \$60 to \$70 thousand per county in the area, the Southside service area includes ten counties and I eliminated two, Halifax and Mecklenburg because there are separate proposals. Prince Edward makes three. They're separate proposals for those that may or may not be approved. Seven counties times \$60 thousand, that's \$350.

DELEGATE JOHNSON: I don't question that at all.

SENATOR RUFF: If you want to stop, we can add it all up or go on. All right, number eight.

DELEGATE WRIGHT: I so move.

SENATOR PUCKETT: Second.

SENATOR RUFF: That took \$200 thousand. Is that a motion?

DELEGATE WRIGHT: Yes.

SENATOR RUFF: All in favor say aye (*ayes*). The Danville Community College, 109. Who wants to make that motion? Number 12.

MS. AUSBAND: I think she wanted to substitute; there was a substitution there.

SENATOR RUFF: Hold up on that one then. Number 14, is there a motion?

DELEGATE JOHNSON: So moved.

SENATOR RUFF: All in favor say aye (*ayes*). Number 15.

SENATOR PUCKETT: \$200 thousand.

SENATOR RUFF: Is there a motion? All in favor say aye (*ayes*). We didn't really talk about number 16. Now, number four we really haven't talked about a whole lot and I think we need to talk about it a little more. Excuse

me, 23, yes. All in favor say aye (*ayes*).

SENATOR PUCKETT: Moving \$50 thousand on 23.

SENATOR RUFF: All in favor say aye (*ayes*). We didn't talk about Blueridge a lot. Is the Blueridge person still here? I guess not. The full Commission will have to vote on these and I hope there won't be any changes. This is a recommendation for them.

MS. AUSBAND: Are we discussing Blueridge Regional Library?

SENATOR RUFF: Yes.

MS. AUSBAND: Is there a representative here?

SENATOR RUFF: Tell us a little bit more about that.

MS. AUSBAND: That's where the library will offer computerized services to patrons. The panel liked the idea and it was a good proposal but what we questioned was whether or not the library had looked into the master leasing program. If they could get a lower rate on the computers through the master lease.

SENATOR RUFF: Have you gotten an answer on that?

MS. AUSBAND: No.

SENATOR RUFF: If there is no objection, let's –

DELEGATE BYRON: I have a question, what stops the library from coming back and having them look for this for themselves? Would this cause other groups or libraries all across the Commonwealth to become computerized?

MS. AUSBAND: There is that possibility, this is an educational grant and it provides services and skills to the community. It fell within the Committee's focus.

SENATOR RUFF: All libraries have computers, they already have computers in their library right now? This would just be enhancing them some more?

MS. AUSBAND: Expanding those hours and expanding the number of computers available.

MS. WASS: They could create a portable computer lab. I think the computers currently in the library are being used by the general patrons. I think they wanted to offer separate classroom where they offer classes on computers.

MS. AUSBAND: Internet skills and job searching skills.

DELEGATE WRIGHT: I know there's an awful lot of e-mails from libraries that are just spending money. I think there's going to be other areas of the state that will come to us asking for help. I think we need to consider all that and take a look at the proposals.

SENATOR RUFF: Any motion on that. If not, then I'd say it's not funded at this time. The Patrick Henry Community College. What was the figure on that?

MS. WASS: \$206 thousand.

SENATOR RUFF: Is there a motion on that one?

DELEGATE WRIGHT: I so move.

MR. FIELDS: Second.

SENATOR RUFF: Patrick Henry number 13.

MS. WASS: We approved that one.

SENATOR RUFF: The Danville Community College, what was the issue you wanted to deal with on that one?

MS. AUSBAND: The Committee or the panel had recommended one portion of a severable list of proposals that Danville Community College had applied for but she expressed interest in prioritizing different parts of the proposal for \$185.

MS. MARTHA WALKER: Senator Ruff and Committee members, the proposal was outlined to purchase equipment for the Danville Community College. It was not listed in a prioritized order although it was not said that way. The first item on the list is equipment for the advanced manufacturing for the Polymer. The funding there is \$180 thousand. That would get us a portion of the equipment that is required to implement the actual

program. All the rest to economic development in our region. We recognize we've got to do things that are different. The Community grant and the Department of Labor grant that Kathleen spoke of earlier we're hoping to get that and that's really addressing for us more healthcare and not equipment in our technical and industrial program. The second priority on that is our electronic program. Those two programs are projected, the electronics we already offer and upgrading and that's \$127 thousand on equipment. The program that was recommended by the panel was for our automotive program which was \$195. Although that is a priority we're working on that, we also know we have other avenues that we can seek funding from, from our local industries on that and they're in place and we service them with employees constantly. We know that we'll get their support when we lay out the plan. However, on the polymer program that's developing, we see that along with the economic development in our region and we see it as a true economic opportunity. We've invested a lot of money in it, we know it works and there's a lot of interest in that. We're asking for a portion of the funding to buy this equipment as our main priority.

SENATOR RUFF: That changes a new dimension and now you got yourself in the same situation that Patrick Henry is in.

MS. WALKER: In what way, sir?

SENATOR RUFF: We've already approved the nursing program.

MS. WALKER: The nursing program is not in our funding, that's not in our request. I was saying –

SENATOR RUFF: I understand what you're saying but what I'm saying is that we've got to look at this so we don't, where one area gets too much of the money and that's my concern at this point.

MS. WALKER: We serve Pittsylvania County, Danville, Halifax as you're aware of.

SENATOR RUFF: There is a proposal from Halifax for the higher ed center.

MS. WALKER: That's from all the different counties, all the

regions too. Longwood, Danville Community College, Virginia Tech, Blue Ridge, Southside, four year institutions.

SENATOR RUFF: We got to do a little math here. Is there anyone here to speak specifically for higher ed. Halifax is higher ed, were you suppose to be speaking for them?

UNIDENTIFIED: No, I'm not speaking for Halifax Higher Ed. They were here, and left. I think it's for the equipment or that proposal, to upgrade the computer labs?

SENATOR RUFF: Did we deal with number 11? We didn't do anything with the money but we talked about the relationship of that and the manufacturing partnership. Is that totally unrelated?

MS. WASS: They are separate proposals. That was the county's higher priority, the scholarship program.

SENATOR RUFF: Is anyone running a total on this, would you bring me a total please? Just bring it up here if you would. The amount you all are going to change Danville Community College to was \$185, is that right? Is there a motion on that one?

DELEGATE WRIGHT: So moved.

MR. HOPKINS: Second. All in favor say aye (*Ayes*).

SENATOR RUFF: The Halifax Education Foundation request for \$110 thousand. Is there a motion on that one?

DELEGATE JOHNSON: So moved.

DELEGATE WRIGHT: Second.

SENATOR RUFF: All in favor say aye (*Ayes*). Franklin County scholarships, \$86,617, is there a motion.

MR. HOPKINS: So moved.

SENATOR RUFF: Is there a second?

DELEGATE WRIGHT: Second.

SENATOR RUFF: All in favor say aye (*Ayes*). The full Commission will take action on this, this will leave some money for us to try to

fill in, if you all believe we've been grossly unfair. I hope you all don't think we've been too unfair and that's all I can say. It does give us a little bit of wiggle room once we sit down and see where we've made a mistake.

Does anyone have anything else they'd like to cover?

DELEGATE JOHNSON: Mr. Chairman, I want to thank you for the way you've conducted business here today and this is a difficult situation and we all realize that. We all appreciate the way you dispatch business and we thank you for that.

MR. FIELDS: Mr. Chairman, we certainly need to thank those two ladies sitting there so very much. Of course, I guess Libby and Stephanie, that's part of their job to do but we thank you too and we thank the other two.

MS. WASS: They're volunteers.

MS. FIELDS: Well we appreciate your help very much Dr. Osei and Ms. Marrs.

DELEGATE BYRON: Could we request that we get updated or some kind of picture of what they all came out to based on the recommendations. I'd like to ask that our two volunteers be at the full meeting.

SENATOR RUFF: Our next meeting is next Wednesday in Abingdon. We'll be cautious on agreeing to do that, that will take you two days. There were several issues that were raised in money dealing with Patrick County and there are other issues that might need some wiggling to make them go. If there's no other business, then we're adjourned.

PROCEEDINGS CONCLUDED

CERTIFICATE OF THE COURT REPORTER

I, Medford W. Howard, Registered Professional Reporter and Notary Public for the State of Virginia at large, do hereby certify that I was the

court reporter who took down and transcribed the proceedings of the Virginia Tobacco Indemnification and Community Revitalization Commission when held on October 21, 2002 at 10:00 o'clock a.m. in the Roanoke Higher Education Center.

I further certify this is a true and accurate transcript to the best of my ability to hear and understand the proceedings.

Given under my hand this \_\_\_ day of \_\_\_\_\_, 2002.

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Medford W. Howard

Registered Professional Reporter

Notary Public for the State of Virginia at Large

MY COMMISSION EXPIRES: October 31, 2002