



Education Committee Meeting
Tuesday, January 4, 2005
1:00 p.m.
Patrick Henry Community College
West Hall - Room B-1

APPEARANCES:

The Honorable Frank M. Ruff, Chairman
Mr. Stephen S. Banner
Mr. Bernie K. Day
Mr. Fred M. Fields
The Honorable Isiah G. Hopkins
Mr. Buddy Mayhew
Mr. Harrison A. Moody
Mr. John M. Stallard
Mr. John T. Taylor
The Honorable Thomas C. Wright, Jr.

COMMISSION STAFF:

Mr. Carthan F. Currin, III, Executive Director
Mr. Ned Stephenson, Manager of Strategic Investments
Mr. Timothy Pfohl, Grants Program Administration Manager
Ms. Sara Griffith, Grants Program Administrator, Southwest Virginia

OFFICE OF THE ATTORNEY GENERAL

Ms. Anne Marie Cushmac, Senior Assistant Attorney General
Counsel to the Commission

SENATOR RUFF: Good afternoon to everyone; we appreciate the fact that Patrick Henry has agreed to host us, and several of us took a nice tour of the buildings we've met in in the past. I'm glad to see so many are here today.

Carthan, would you call the roll?

MR. CURRIN: Mr. Banner?

MR. BANNER: Here.

MR. CURRIN: Mr. Day?

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1 MR. DAY: Here.
2 MR. CURRIN: Mr. Fields?
3 MR. FIELDS: Here.
4 MR. CURRIN: Mr. Hopkins?
5 MR. HOPKINS : Here.
6 MR. CURRIN: Delegate Johnson?
7 DELEGATE JOHNSON: (No response.)
8 MR. CURRIN: Mr. Mayhew?
9 MR. MAYHEW: Here.
10 MR. CURRIN: Mr. Moody?
11 MR. MOODY: Here.
12 MR. CURRIN: Mr. Stallard?
13 MR. STALLARD: Here.
14 MR. CURRIN: Mr. Taylor?
15 MR. TAYLOR: Here.
16 MR. CURRIN: Delegate Wright?
17 DELEGATE WRIGHT: Here.
18 MR. CURRIN: Mr. Vice Chairman?
19 SENATOR PUCKETT: (No response.)
20 MR. CURRIN: Mr. Chairman?
21 SENATOR RUFF: Here. Thank you, Carthan.

22 All of you should have received a copy of the Minutes from the May meeting of last year. I
23 would entertain a motion to approve the Minutes. It's been moved and seconded, all in favor say aye?
24 (Ayes.) They are approved.

25 We've received various proposals under two categories. The first thing I think we ought to do
26 is go through the \$400,000.00 proposals from the community colleges. If any member of the Committee
27 has any question about any of the proposals or would like to know more information about them, just
28 tell me as we go down the list.

29 Central Virginia Community College Manufacturing Technology Foundation, \$250,000.00.
30 Central Virginia Community College, the Bedford Center, \$100,000.00 and the Tobacco
31 Scholarships, \$50,000.00.

32 Moving to Danville, and there is no description there. Can you tell us a little bit more, Tim,
33 about the Danville Community College piece?

34 MR. PFOHL: The largest piece would be renovation to a facility where they are
35 going to relocate their nursing program, and that is \$285,000.00 out of the \$400,000.00 request. There
36 is \$100,000.00 requested for financial assistance for scholarships and \$15,000.00 for tutoring services.

37 SENATOR RUFF: No questions about that?

38 We'll move on to Mountain Empire Community College, \$400,000.00, their entire amount
39 into scholarships. Is anybody from Mountain Empire here? When you all do the scholarships, you do
40 them a hundred percent to folks who are from tobacco-related farms or businesses?

41 MS. STANLEY: Actually, we have two categories of scholarships, the tobacco
42 allocation, which has been reserved for tobacco families and their dependents working in tobacco, and
43 then we have another category of funds with a separate branch, and we aim higher for the scholarships
44 which are for students qualified based on taking certain classes in high school. They have to meet

1 certain criteria based on higher requirements. That particular amount of money is not reserved, really.
2 What we're proposing with this particular application for the \$400,000.00 is basically about half the
3 money for each group, about half in our Aim Higher Program and half for scholarships to be awarded to
4 tobacco families.

5 MR. CURRIN: Would you state your name?

6 MS. STANLEY: I'm Donna Stanley, Vice President of Mountain Empire College.
7

8 SENATOR RUFF: Does the college run that through the financial aid policies so
9 that that make sure that any Pell Grants or any other possible money is used for it?

10 MS. STANLEY: Yes, absolutely. We combine the three programs we're
11 administering with others. The Aim Higher Program is basically designed to top off other financial aid
12 that we might get. That program is designed to be very economical in terms of dollars spent on
13 scholarships, because what we're doing is saying that we'll provide tuition assistance up to the cost of
14 meeting 72 credit hours for the community college, and if there is other federal or state aid or
15 scholarships that are allocated, we only use Tobacco Commission money to fill out that 72-hour tuition.
16 We're using this money to fill in the gap. For tobacco families, we're providing scholarship assistance
17 up to 70 percent of those attending. So we have such a large demand for scholarship services, last year
18 only 650 people got the scholarship. We haven't been able to award the full cost of tuition. We're asking
19 the tobacco families to cover up to 30 percent of the cost, and we try to supplement what they get from
20 the federal or state.

21 SENATOR RUFF: What percentage of those that file are eligible for Pell Grants?

22 MS. STANLEY: Generally, our student population is well over 50 percent eligible
23 for Pell Grants. We find sometimes the tobacco families are not attending full-time and attending part-
24 time. We find a greater need for assistance for the part-time students.

25 SENATOR RUFF: Thank you. I'll warn you, any of the other community colleges
26 that are over \$200,000.00 we ask the same question about the Pell grant, so be prepared to answer that.
27 Any other questions?

28 Patrick Henry Community College, Building a Competitive Workforce.

29 MR. PFOHL: Patrick Henry has three components as well. The first is to develop
30 a new program, actually two new programs in viticulture, which is grape growing, which is the making
31 of wine.

32 The second piece would be the new scholarship program, and that is to provide emergency
33 and special need assistance to students with exceptional financial hardships.

34 The third piece is advance technology to procure some equipment upgrades.

35 SENATOR RUFF: Anyone have any questions about that one?

36 Moving on to Southside Community College, \$100,000.00 for scholarships, \$100,000.00 for
37 the career coach.

38 MR. PFOHL: Those would be part-time positions that would be placed in area
39 high schools, and that will take in about a dozen school districts, to assist students with becoming aware
40 of some of the community college programs, so they can get some community college credits while still
41 in high school, as well as to encourage them to move on from high schools to community colleges and
42 then to four-year programs beyond that.

43 SENATOR RUFF: Two hundred thousand dollars for the Motorcycle Skills
44 Academy. We had a conversation about that on the way up here. Would somebody explain that?

1 MS. ELKINS: I'm Mary Elkins, I'm from Southside Community College. As you
2 all know, we already have a Diesel Technology Program and also an Automotive Program. The
3 Motorcycle Skills Academy will be under the umbrella of this, and it will be located in Pickett Park.
4 We'll teach people how to work on motorcycles and ATV's. We have sent people to a community
5 college in Kansas to look at a program there. They have a program they are offering there. We have
6 also been to a community college in Sanford, North Carolina to look at a 20-year-old program there. We
7 have talked with people in the state, the Harley-Davidson dealerships and other dealerships about the
8 challenges they have in getting technicians. This is a program that we will be starting that will, again,
9 center around working on motorcycles, ATV's and jet skis.

10 SENATOR RUFF: Those dealerships were supportive enough that they are
11 committing private dollars?

12 MS. ELKINS: The key element here is going to be the donation of equipment. In
13 our Diesel Technology Program we have been able to put that together because of people stepping up to
14 the plate with a donation of equipment. So, yes, we have some verbal commitments for donation of
15 motorcycles and equipment.

16 SENATOR RUFF: Thank you. Any questions?

17 Southwest Community College, \$400,000.00 for the Scholarship Program.

18 MS. ROBERTS: I'm Phyllis Roberts. We use the tobacco funds and we used
19 federal and state money for our programs, and we are participating in these programs as well.

20 SENATOR RUFF: Virginia Highlands Community College, \$400,000.00 for
21 scholarships.

22 MR. MATLOCK: I'm David Matlock, Director of Admissions and Financial Aid.
23 Our population is very similar to that of Southwest Community College. We have designed our
24 scholarship program to be a last dollar program. After the student completes the financial aid process
25 and all other grants have been applied, then we would award additional tobacco funds to meet the needs
26 that they might have. Those students that are not eligible for any tobacco or any federal Pell Grants or
27 state grants then would receive additional tobacco scholarship money.

28 We're in the first share year of the AIM Scholarship Program at Virginia Highlands. With our
29 student population, we're very similar to the other two schools. About 54 percent of our total student
30 population are eligible for some type of Pell Grant.

31 SENATOR RUFF: Thank you. Does anyone have any questions about any of the
32 community colleges? If not, I'll entertain a motion that we go ahead and approve those.

33 DELEGATE WRIGHT: So moved.

34 SENATOR RUFF: It's been moved and seconded, all in favor say aye? (Ayes.)
35 All opposed? (No response.) Thank you all.

36 We'll now move on to the rest of the proposals. The total request is \$6,000,000.00, I believe.
37 It's far more than we have, I'll leave it at that. We have 1.4 million that was available. We'll begin, I
38 guess, alphabetically.

39 MR. CURRIN: Mr. Chairman, the Appalachian College Association, they
40 requested that their application be withdrawn at this time, and I was in concurrence with that request, if
41 there's no objection.

42 SENATOR RUFF: Hearing no objection, we'll go with your advice.

43 Moving on to Central Virginia Community College Educational Foundation, Region 2000
44 Secondary Dual Enrollment Network. The request is for \$65,000.00.

1 MR. PFOHL: This is a request for about a third distance education transmission
2 classroom for Central Virginia Community College, where they would transmit classes to area high
3 schools, to five or six school districts in their service area. A couple of the school districts are located
4 outside the tobacco region. The application states their current transmission sites are completely
5 utilized.

6 The Staff felt this was a very innovative and aggressive partnership in place and this could
7 provide education to the students. The availability of the community college allocation and use of this
8 site with non-tobacco localities argued towards no award, and that's what we recommended.

9 MR. SUTTON: I'm Don Sutton. Bob Bailey, who is the Grant Manager of a
10 \$750,000.00 National Science Foundation Grant to CVCC, to comment on his strides working with
11 Southside. We're trying to build a pipeline through the middle schools and high schools and the
12 community colleges for technical education. I'm sure Mr. Bailey would be brief, but I'd like him to say
13 something.

14 MR. BAILEY: I'm Bob Bailey, CVCC. I'll be brief and look forward to answering
15 any questions you might have. The NSF Grant that the college has, and particularly in the technical area
16 of, our technicians go out to these power plants and work and get familiar with the equipment. A key
17 element of that, most of the grant focuses on secondary education, and a key element of that is dual
18 enrollment, increasing the dual enrollment, particularly in the math and sciences areas that are needed
19 for technical trades, as opposed to a four-year college area.

20 There are some challenges that are laid out in the proposal. Particularly in our area, fourteen
21 different high schools covering a large area trying to bring them together to address these geographic
22 areas. It allows these students to have an opportunity to focus on math and science courses and have
23 them on the road toward a technical degree.

24 MR. SUTTON: This is a demonstration project for a much larger grant so we can
25 go beyond the Region 2000?

26 MR. BAILEY: Yes. The NFS Grant focuses on the new technology. It's the first
27 step in the college plan to move toward the broader realm, the National Center for Energy Production
28 and Transmission. We also feel like it is a model for any career technical field in building the bridge
29 from middle school to high school and to the community and technical colleges and on. The real value
30 of it is that the model that has been applied can be applied to pretty much any technical area specific to
31 the area of dual enrollment.

32 SENATOR RUFF: Let me ask this, of the fourteen high schools involved, how
33 many of them are in the tobacco region?

34 MR. SUTTON: Four, Campbell, Appomattox, Rustburg, and there is one other. It's
35 Altavista, Campbell, Rustburg and Appomattox.

36 SENATOR RUFF: Any questions?

37 MR. DAY: Mr. Chairman, why is what this gentleman went over a bad idea? Why
38 wouldn't we fund this?

39 MR. PFOHL: I don't think it's a bad idea. There are probably no bad ideas in here
40 in the whole list. It's a matter of us having to make the tough choices. We felt like two aspects of this
41 were of concern, from the Staff's prospective. There is \$400,000.00 available to the community college
42 system, and they could use that for this, and they chose not to. They sought competitive money,
43 knowing full well how competitive these rounds have been in the past.

44 The second aspect is that out of the five school districts they mention in the application, two

1 of them are outside the tobacco region. It's a very strongly leveraged request. You could probably make
2 the argument that there is adequate funding from other sources to cover those non-tobacco localities, but
3 we had to make a tough choice somewhere.

4 SENATOR RUFF: Any other questions?

5 MR. DAY: No question, but just make the observation that it would seem to me
6 that would leverage a future what, --

7 MR. BAILEY: The NFS is \$750,000.00. We can't use any of that for equipment,
8 that is all around the professional development with science and math teachers.

9 MR. DAY: Can you get that without this?

10 MR. BAILEY: I can't get it out of the 750,000. The 750,000 is for other aspects,
11 build up the curriculum development. This actually would cover the infrastructure to be able to deliver
12 the program and the NFS Grant.

13 MR. DAY: If I follow the math, it seems like we can buy \$10.00 for a dollar.

14 SENATOR RUFF: Let me ask you this. Don, you all are putting 250,000 in
15 manufacturing technologies proposal. How does this relate to that, higher or lower?

16 MR. SUTTON: The 250,000 is going to purchase equipment for manufacturing
17 technology laboratory as we close out the Technology Center. Mr. Currin has seen that. I don't know
18 exactly Mr. Bailey's need for that classroom and delivery of that instruction within the next 18 months or
19 sooner. We really cannot, at this point anyway, without going back to the college and make that
20 decision. I'll certainly see if we can find a middle ground.

21 SENATOR RUFF: Everything in life is choices. If we choose to fit this 65,000 in,
22 it means it will come out of some place else, somebody in this room is not going to be happy with it.
23 The question is, should you all be unhappier, or should they be unhappy?

24 MR. SUTTON: That's up to the Committee.

25 SENATOR RUFF: Thank you. Let's go ahead and move through these others, and
26 then if somebody sees one, or if they want to cut out somebody, then we can do that.

27 Moving on to the Chase City Community Services, the Estes Center Science Lab. The
28 request is for \$100,000.00, and the Staff recommendation is for \$100,000.00.

29 MR. PFOHL: This is the Estes Center that the Commission has been involved
30 with, Phase 2 construction and site preparation. The request is to provide a clinical nursing lab in the
31 facility in downtown Chase City, and the program is matched with a commitment of \$150,000.00 in the
32 Community Development Block Grant with the state Department of Housing and Community
33 Development. Staff recommended full on that.

34 SENATOR RUFF: Any questions?

35 Moving on to the Crater Regional Partnership, the Skill Streams For Success Program, a
36 request for \$70,000.00. Staff recommended \$50,000.00.

37 MR. PFOHL: A program in an area that is not served by one of the community
38 colleges that received an allocation from the Commission. It is a program that has been funded by the
39 Commission in previous years, dating back to when Education was an eligible activity of the Economic
40 Development Grant cycle. It's been funded in the earlier rounds. The applicant is requesting 70,000 and
41 presented evidence that about 50 percent of their enrollment are from tobacco localities. The Staff did
42 some simple math, and we recommend an award of 50,000 based on that.

43 MR. MORRIS: I'm Tony Morris. I'd just say that we concur with the Staff
44 recommendation.

1 SENATOR RUFF: All right. Moving on to Danville Community College,
2 Equipping RCATT. The request is for \$271,000.00, Staff recommended \$49,000.00.

3 MR. PFOHL: RCATT is currently locating in a temporary facility in Danville.
4 Their new facility is under construction across the street from the Institute for Advanced Learning, and
5 they are scheduled to be in there this summer. The request involves moving some of their existing
6 equipment into the new site, and they are purchasing some new equipment. The principal leveraging
7 piece here is the National Science Foundation Grant, and that requires a dollar-for-dollar match. This is
8 an organization that has had access to the community college organization funds. Staff recommended
9 that we throw down somewhat of a challenge grant to Danville Community College and provide half of
10 the required match for the NSF, which is the \$49,000.00. That is contingent on an dollar-for-dollar
11 match of local funds. No local funds are indicated in this proposal, so that is why we took that position.

12 MS. WALKER: I'm Martha Walker. We appreciate your submission. RCATT is
13 building a new facility, and we have had about five years of work on this project, and it is across the
14 street from the Institute for Advanced Learning and Technology. RCATT is an institution for the
15 research that is going on, and it is a major piece of revitalization in the region. We started out with
16 funds from Goodyear Tire and Rubber of about 300,000 that was funded by them to purchase
17 equipment, and that's in our temporary location, which is at the old Sears Building, and that is also in
18 partnership with the facility. We've received a million dollars for the RCATT facility, and the
19 construction will begin with local money and not state. Those funds from the National Science
20 Foundation have created a new threshold for advanced manufacturing technology. What we have asked
21 for for that particular project is 99,000 for new equipment to create an advanced manufacturing and
22 technology, actually, it's a lab. For the lab there is no other money at this moment to create that lab.
23 That is why we asked for the \$99,000.00 request.

24 We're also looking to purchase equipment for the LC lab, and that is 71,000, as well as
25 relocation funds to actually move the equipment from our current location. It's through the \$400,000.00
26 allocation.

27 We also have another major issue we asked in our college, and that centers around the nursing
28 program. We've got to do something with our labs and the conditions to make sure that we can expand
29 that program. At least that's, I think, what the majority of the funds this year are going to go for. So,
30 we're asking for every dollar to meet the challenge, the 49,000.

31 SENATOR RUFF: Can you live with that? You'd rather live, if I understand you
32 correctly, you place this as a lower priority than the nursing program?

33 MS. WALKER: At this moment in time we have to, yes.

34 MR. MAYHEW: Would this be contingent on matching funds, the 49,000?

35 SENATOR RUFF: I think that's the way Tim phrased it.

36 MR. PFOHL: The Staff's recommendation, or whatever the Committee's pleasure
37 is.

38 SENATOR RUFF: Any further questions?

39 Danville Community College, Retaining the Industrial Workforce, Lean Manufacturing
40 Applied Studies Program. The request is for \$104,975.00. Tim.

41 MR. PFOHL: This is a proposal to go into the second phase of lean manufacturing
42 training for the employees of O'Sullivan. The first phase of the lean training resulted in O'Sullivan
43 rehiring sixty laid off workers. This would provide training for 300-plus O'Sullivan employees. This is
44 a situation where the community college is requesting it, but we noted there are no local public funds in

1 this project, but this would benefit the locality through substantial revenues, and O'Sullivan would be
2 able to stabilize and continue to expand and create employment in the region. So we recommended a
3 partial award of \$50,000.00 contingent on dollar-for-dollar match of local public funds.

4 SENATOR RUFF: Martha, do you want to address that?

5 MS. WALKER: I have invited Jeff Arnold, who is the interim Director of
6 Workforce Services. Perhaps he'd like to speak.

7 MR. ARNOLD: I'm Jeff Arnold from Danville Community College. I think you're
8 familiar with Phase 1, which you have heard about. Phase 2 is critical to sustain the workforce and
9 continuing the initiative which will basically allow O'Sullivan to rehire, and that can help the workforce.
10 Steve can probably address the internal situation at O'Sullivan better than I can.

11 MR. MANN: I'm Steve Mann, Human Resource Manager of O'Sullivan Industries,
12 South Boston. We took this program at a critical time when we were looking at closing the plant and
13 putting 400-plus people out of work. We had already lost our second shift and our third shift. With this
14 program we were able to improve our manufacturing efficiency versus our sister plant in Missouri,
15 which has resulted in a movement of business from Missouri to here in Virginia and in South Boston.
16 With this we anticipate increasing, because business is now starting to go, and we need to get this kind
17 of training for people to be qualified to do the jobs that we have. It is not available through the
18 community college directly, but we're affiliated, and we hope one of the benefits of this program will be
19 that they will have a program to offer to other industries.

20 As far as local dollars being spent, we are training people on company time. In the first phase
21 of this the company spent close to \$600,000.00 in wages training these people. We didn't ask them to
22 come in on their own time, but we instead asked them to do it on our time, and on the second phase of
23 this we'll be doing the same thing. All the people, including the new people, because we're in an
24 expansion mode, knock on wood, it'll stay like it is. We hope to bring our second shift back on by this
25 time next year and that we'll have a full second shift, which will be about 150 people versus 40 that we
26 have. Many of these will be people who were affected by the tobacco area cutbacks in South Boston.

27 SENATOR RUFF: In the original funding portion, how much money did you put
28 into it?

29 MR. MANN: The original funding was \$120,000.00.

30 SENATOR RUFF: How long did that training period last?

31 MR. MANN: That training period started from July of '03, and we had our last
32 paid session in October.

33 SENATOR RUFF: You would anticipate starting this, this would run about the
34 same length of time for training?

35 MR. MANN: It will depend on how many people we have.
36 We have taken this in segments, and we're going to bring in new people that will have to start at the first
37 segment. It's going to depend on the number of new people that we bring in. We have a little more than
38 a third of the entire program that we laid out with RCATT, we have to continue with the current
39 workforce. We have added sixty people, and they have had no formal training. We're doing a little
40 informal so they can understand the phraseology at this point what we're trying to accomplish.

41 SENATOR RUFF: The Staff has recommended \$50,000.00 for that. Will that help
42 you, or take you to the middle of the stream and drop you?

43 MR. MANN: Anything will help, and we're grateful for anything we get; we'll
44 continue to look for other sources, but, again, we're not going to say no and refuse something and make

1 someone else happy, I'd rather be half happy. If we can continue and go forward with this, because what
2 we're doing is, or the dollars that you're giving are dollars being spent on educating people as well, and
3 it's not being done so people are going to walk out with a degree. We want to put people to work, which
4 I think is one of your goals. I think the primary function of the tobacco money is to get people who need
5 jobs back in them. That's what we're trying to do. It is self-serving, because I'm trying to save my own
6 job.

7 SENATOR RUFF: Any questions? I think we can probably work with Halifax
8 County. If we're talking about creating that many more jobs, I think you're talking about Economic
9 Development money the next time around, which is about a six-month time gap, we can probably work
10 on getting some money in there.

11 If there are no other questions, let's move to the Friends of the North Fork, Rich Valley
12 Community and Educational Facility, and the request is for \$50,000.00.

13 MR. PFOHL: The applicant is not incorporated and does not have tax exempt
14 status and not an eligible applicant. They are not here for our request for them to identify an eligible
15 applicant, and I think in any case the request is to provide primarily environmental education, like
16 resource conservation education and so forth. I didn't think it was particularly a good fit for the
17 program, so regardless of who the applicant is, I think the use of the facility is not consistent with the
18 priorities of the Committee, so the Staff recommended no award.

19 SENATOR RUFF: Is anybody here from the North Fork that would disagree with
20 that statement?

21 Moving on to Halifax Educational Foundation, the Southern Virginia Higher Education
22 Center, Technology Training Lab. The request is for \$200,000.00.

23 MR. PFOHL: Last year the Committee assisted with the renovation of physical
24 space for the technology training lab at the Higher Education Center in South Boston. There is now a
25 request to add a substantial number of additional training devices. Hydraulics, industrial wiring, motors,
26 mechanics, refrigeration, very similar to what some of you may have seen at the Lake Country Center in
27 South Hill. The application is pending with the USDA. No local match is indicated, so the Staff
28 recommended an award of only \$180,000.00, and it requires a local match of \$20,000.00.

29 SENATOR RUFF: Anyone want to speak?

30 MR. CAVAN: I'm John Cavan, Chairman of the IDA in Halifax County. This lab
31 is extremely important, and in the past this Commission has seen fit to help us do that, along with money
32 from the Higher Education Center. We have about a 30 equipment we need, and some of that goes to six
33 different plants and people, and we need to provide training in the skill sets of our local workers, keep
34 them there and to keep them trained so they can do this kind of work in the 21st century, especially in
35 the technical training. It is much needed, and we appreciate your support. It's working.

36 I also want to acknowledge the fact that the local area and others have helped us, and we
37 appreciate whatever you can do for us. Thank you.

38 SENATOR RUFF: Any questions? All right.

39 Longwood University, Clinical Services and Economic Development in Southside. The
40 request is for \$371,850.00.

41 MR. PFOHL: This would establish a new Master's Degree program and reestablish
42 a Bachelor's Degree program in communication disorders, training speech pathologists certified with
43 their credentials in place to the school systems across Southside. This is a strong proposal and had a lot
44 of letters of support from the Southside school districts saying that we need speech pathologists and they

1 are not getting qualified applicants. The school has a history of operating this type of program, and it is
2 a strong proposal, and a very large portion of the amount of money that is available is what they are
3 requesting. It would result in a number of graduates only three years from now, and it actually would be
4 a relatively low number as far as other competing applications, or the number of people that would be
5 impacted by some of these requests. We thought this was a strong proposal and well crafted. Staff
6 recommended no award.

7 SENATOR RUFF: Anyone from Longwood here?

8 MS. DALY: I'm Gayle Daly, and I'm the Program Coordinator for this program at
9 Longwood University. In addition to the program that we have gotten funding for and approved by the
10 Board of Visitors to reestablish this undergraduate program and establish the Master's program. Our
11 proposal goes beyond looking at just providing education, but also provides clinical services across
12 Southside. During our feasibility study to determine the need for the Master's program in addition to the
13 need for the special clinician, the need for the services came across as being very strong. There are not
14 any other services available throughout the Southside region, and I'm speaking about the audiological
15 services available. Farmville itself does not have an audiology program there. The proposal is looking
16 at requesting money to be able to develop the clinical services and pay for the audiology equipment
17 necessary to do that. Individuals who may not even realize that they are in need of a hearing aid, but
18 they are experiencing difficulties, we can provide services and that would allow for re-employment of
19 individuals who may be under employed or unemployed as a result of hearing loss, especially with
20 young children.

21 Any award that the Commission can see fit to provide in terms of allowing us to hire an
22 audiologist and provide some of that equipment certainly would be very helpful in starting that. It
23 would not just be for the services at the school, but we think it could be providing services in clinic, but
24 also during the time these people are being trained offering services across the Southside.

25 SENATOR RUFF: Any questions? I think Tim probably said it, and it is pretty
26 accurate. It is a strong proposal, and there are needs out there in the region, but with limited funds I'm
27 not sure how we can do that.

28 Moving on to the Mount Rogers Regional Adult Education Program, Southwest Virginia
29 Regional RACE to GED Initiative. The request is \$155,900.00, and the Staff recommended
30 \$153,020.00.

31 MR. PFOHL: This is a renewal request. The Committee recommended and the
32 Commission awarded \$125,000.00 last year in the education competition, and it is an expansion of these
33 efforts. We've targeted a number of people who received GED's. The proposal is a cooperative effort of
34 adult education programs in three Southwest planning districts, covering twelve counties and three
35 cities. Staff recommended a full award, or actually \$2800.00 of expenses and that was already a funded
36 Staff position, and we felt that wasn't consistent with our program guidelines. Excepting that the
37 balance of the request, we recommended an award of \$153,020.00.

38 SENATOR RUFF: Anyone here from Mount Rogers that wants to speak?

39 MS. SCOTT: I'm Rebecca Scott, and I'm with the Regional Adult Education
40 Program. There are still over 90,000 adults in the workforce in 15 jurisdictions who lack a high school
41 diploma. We appreciate your support in helping people to get those credentials and get into the
42 workforce.

43 SENATOR RUFF: Through this program how many have received their GED to
44 date?

1 MS. SCOTT: In the last program year 929.

2 SENATOR RUFF: How many are currently in the pipeline? How many people are
3 taking classes but not yet reached the point where they get their GED?

4 MS. SCOTT: The folks we're after are the folks that would probably pass the test
5 very quickly. We're trying to find folks that may have dropped out. The focus is to do testing on them,
6 not so much to get them into classes but to identify the folks that have a high level of ability and having
7 testing available with this instead of having to be able to test only once a month. We're asking that we
8 be allowed to test at least ten days so that folks who are looking for jobs don't have to wait. It's not so
9 much focused on instructions as it is on GED testing, which there is no other source of funding for the
10 GED.

11 MR. BANNER: Mr. Chairman, this program for the GED has really worked in our
12 area. I think it is one of the better things that we have done. With the money they have really taken it to
13 the people that needed it. I think they have done a great job.

14 SENATOR RUFF: People, Incorporated of Southwest Virginia, Licensing Practical
15 Nursing Certification Training Initiative. A request for \$192,465.00.

16 MR. PFOHL: The request would be to begin offering an eleven-month LPN
17 program which would be operated in Washington County and target low income, unemployed adults,
18 with 50 percent of the participants being existing workforce investment participants. The request is for
19 the hiring of instructors, establishing a few training centers, plus equipment, supplies, materials and so
20 forth. This is in addition to the LPN training that is offered by Washington County and which the
21 application states is primarily serving people under 18 years of age, the under-employed crowd. This
22 was a regionally well leveraged from a financial standpoint, pretty well targeted proposal. It would
23 result in people having a fairly fast track to employment. There are LPN programs in nearly every
24 locality in Southwest Virginia. There was a concern that if we reached down into funding LPN
25 programs as opposed to some of the Master's and Bachelor's programs that we've funded so far that we
26 may be opening up a situation where we have more applicants coming to the door than we can handle.
27 So we recommended no award on this one.

28 MR. DAY: Mr. Chairman, if we look through these applications, there are five
29 before us today that are essentially proposing to do the same thing, increase the number of nurses in
30 Virginia, this one, Chase City, University of Virginia, Highlands Community College and Virginia State.
31 It seems to me that the nursing shortage is just almost an epidemic level everywhere, and particularly
32 here in Virginia, especially in rural Virginia. I don't know why these five applicants couldn't get
33 together and come with one proposal, rather than us picking and choosing, yes, you get money and no,
34 you don't. It's on criteria that I'm not knowledgeable about.

35 SENATOR RUFF: If you'll hold that thought, and if there is anyone here that
36 wants to speak to this.

37 MS. JAMIE: I'm Ms. Jamie from People, Incorporated. As far as the LPN
38 program, the local community colleges are not able, if they have a program it takes about three years to
39 get through the program. The target population that we're working with and currently working with are
40 single parents, and they don't have three years. They have children to raise and households to keep, and
41 that's the difference in our program. The LPN program at Wytheville Community College, it takes about
42 two years to get through that. We can work with our proposal with two hospitals in the area that would
43 hire any graduate from the program that actually receives their diploma. We previously had this
44 program in our area, those ladies that operated the program previously retired, and the school chose not

1 to renew the program. We don't have a local program for LPN's. Even the ones offered by the school
2 system are 18 months. When you have single parents who have a responsibility for raising children,
3 they don't have 18 months or two or three years to dedicate to that, and especially at minimum wage.
4 These wages start at, if you're qualified, \$12 to \$14 to \$16 dollars an hour with benefits. This is a new
5 program around the area, and it would help the workforce investment program. We can leverage about
6 128,000 at the Training Center. Unfortunately, we need money to get it started in order to leverage that
7 money and carry out that program. Thank you for the consideration.

8 SENATOR RUFF: Thank you. You heard Bernie's question. Somebody from one
9 of the Southwest Virginia colleges, can you tell us how this relates to what you all are doing?

10 MS. CLEAR: I'm Debbie Clear, Vice President of Instruction. We have a Tri-
11 College Nursing Program. We have an application before you where we're seeking to expand that
12 program by developing a part-time evening and weekend distance education program to let people that
13 are already trained as LPN come back part-time through the evening and get their RN degree, because
14 they certainly are helping with this great nursing shortage. We find that that population has a hard time
15 quitting their job and coming back to school full time. This would allow them to expand their education
16 while keeping their jobs. We would be serving the population.

17 SENATOR RUFF: I see the difference there, but I'm a little confused, not being
18 from the medical industry. Wouldn't it be more efficient to use the same facilities and same teaching
19 instructors to teach LPN's and RN's?

20 MS. CLEAR: I don't really feel qualified to answer that question, but at Mountain
21 Empire Community College we're operating both the RN and we have an LPN program. We have two
22 separate faculties teaching those two programs. We're trying to increase capacity in the program so the
23 number of students can increase in the program, the applications to Tri-College Nursing Program, before
24 you would allow us to get an additional 120 students in the LPN and RN programs. That would allow
25 us to increase our RN pool by about 36 percent. At Mountain Empire College we recently staffed,
26 increased our LPN Program. This is a program you have a pass rate. You have CNA's, LPN's and RN's,
27 and hopefully we're going to encourage more students to go after a BS. There is a great demand right
28 now for providing a lot of career pathways to get into the nursing profession.

29 MR. DAY: The point, I think, to keep in mind, is twofold. Number one, there are
30 no unemployed nurses that I know of, and there is a huge demand. Kids can get right out of school and
31 earn a good living with a nursing degree. It seems to me the more kids we can cram through these
32 programs the better off we're going to be. It meets our objective, it solves the nursing shortage in
33 Virginia, and it addresses Southside.

34 MS. STANFORD: I'm Cheryl Stanford from Virginia State University, Department
35 of Nursing. The Virginia Board of Nursing specified the difference for LPN training and RN training.
36 To get qualified students to come through your program it is best to have training for both, because the
37 RN course is much more intense, as far as curriculum, than the LPN. It's a different program for both of
38 those.

39 MR. DAY: You misunderstood my intention. I think the Staff has recommended
40 zero money for your program, and I'm trying to find some compromise that we can to spread resources
41 around the programs that have the same purpose, which is putting more nurses in the communities.

42 SENATOR RUFF: I don't disagree with you, and I don't think anyone else would.
43 As we have seen in Southside, and you all can tell me if I'm wrong, you have certain people that want to
44 be nurses, and they can become nurses, you have some people unemployed or under-employed which

1 you start out in the CNA program they found they like it or don't like it, and if they like it they move on
2 to LPN, and if they like that some move on to the Registered Nurse Program. The programs the
3 hospitals are doing in Southside had a lot of applicants. What percentage of the applicants were
4 accepted and what percentage were graduated? Do you have any idea?

5 MS. ELKINS: I'm Mary Jane Elkins, Southside Virginia Community College. We
6 have hundreds of applications. We have 60 spots in the RN program. We graduated about 55 percent as
7 RN's.

8 SENATOR RUFF: What I'm saying is that you don't take somebody from ground
9 zero, from being unemployed to having qualifications to become a good nurse. There has to be some
10 kind of screening process. That is the concern I have with this proposal. If you take somebody
11 unemployed who has never been in the medical profession we throw out a lot of money to educate them
12 and then they decide they get sick when they see blood, and my question is, have we accomplished
13 anything?

14 MS. FRENCH: I'm Joyce French, Southside Planning District. The Estes Center
15 in Chase City was mentioned also. I guess that has been running for three years now. That has Certified
16 Nursing Aide and LPN. They are both there, and they are both operational. That runs year-to-year for
17 the LPN's and CNA's. This lab is now, they are having to take the people that need a lab and send them
18 away to the Allied Health Training Center, because there is no lab. This is not a start-up situation, this is
19 where we are serving people that are already there, because they get to a certain point in chemistry and
20 biology they have to go away. We're trying to meet a demand that is already existing, as compared to
21 starting a program. When you talk about combining them all together and looking at one application, I
22 think we're all at different places, and I don't think that would be feasible at all.

23 MR. THOMAS: My name is Eric Thomas from Virginia State University. By
24 virtue of the alphabet I notice our proposal comes at the very end. I'd make a comment that maybe some
25 of my colleagues would agree with. There is a nursing shortage in the State of Virginia and in this
26 region, but what we're trying to do in our proposal is to supply more nurses, and we're doing it in
27 different routes and through different mechanisms, in some cases with targeting different population, but
28 we're all trying to reach a common goal of supplying more nurses, and all of those different routes are
29 workable. Some are attempting to supply more LPN's and some more RN's. It's all attempting to
30 address the nursing shortage. Most of us institutionally, and I don't know about the community colleges,
31 but the four-year institutions, we've been encouraged by the legislature and by our state council to find
32 ways to produce more nurses to serve the health care needs of the state. That is what we are attempting
33 to do, in most instances with each proposal through a different mechanism.

34 SENATOR RUFF: Thank you. I think the entire Committee understands and
35 agrees with that, but the question is can we do it more efficiently. I think Bernie's question was can it be
36 done more efficiently if we look at it more globally.

37 MR. DAY: The only reason I bring it up is that three of the five applications have
38 no money recommended for them. Had there been money, I wouldn't have said a word.

39 SENATOR RUFF: Tim, do you have any idea what we spent last year between
40 Southside and Southwest Economic Development and Education, how much we spent on the nursing
41 programs?

42 MR. PFOHL: I'd have to go back and look in my records. We made an award to
43 the Tri-College Program in Southwest Virginia, \$150,000.00 for that regional program in Southwest.
44 There was the award to the consortium, four hospitals in Southside Virginia nearly two years ago now,

1 two rounds ago, and I'm not sure that answers your question. There has been some use of the
2 Community College Allocation Fund, Patrick Henry and Danville, it's coming in a variety of forms.
3 Why the Staff made this particular recommendation, we did some background research on places like all
4 *nursingschools.com* and found a listing of some of the nursing programs at the state. What it seems to
5 appear to us there's a very large pipeline at the LPN level with a vo-tech programs providing LPN
6 training in narrowing down, and in some cases absent the availability of training at higher levels of
7 nursing certification, particularly within the tobacco region. The question is at what point in that
8 pipeline it starts very broadly and narrows down and in some cases disappears, should the Tobacco
9 Commission funds be spent to do the most good. Our recommendations are primarily focused on
10 programs that provide opportunities that were not there previously or that would provide opportunities
11 on a regional level where possible.

12 In this particular case we found some information that there are over a dozen LPN programs
13 in Southwest. The proposal was asking to create a new program, and there is already a public school
14 system providing some training, so this is one we thought we'd back away from. Commend them on
15 their effort, we speak highly of People Incorporated and what they have accomplished as a community
16 action agency, but we didn't feel like this was a proper investment.

17 SENATOR RUFF: Let's move on to Rooftop of Virginia CAP, Expansion of Basic
18 Education Opportunities. Request was for \$12,538.00, and the Staff recommended no award.

19 MR. PFOHL: This is a proposal to provide adult education in Galax, Grayson and
20 Carroll Counties. This is an area served by the Mount Rogers Education Program, which is, that's one of
21 the regional proposals we just talked about. This is a small amount of money and good proposal, but
22 small grants require just as much administration work as the large ones. This is an area that could
23 conceivably be served by that larger Mount Rogers Adult Education GED proposal, so we felt like we'd
24 recommend no award on that one.

25 SENATOR RUFF: Anyone want to speak to that? All right.

26 Moving on to the Town of Saltville, Workforce Development for Technology-Based
27 Employment, requested \$65,000.00, and the Staff recommended \$40,000.00.

28 MR. PFOHL: The request would provide 300 scholarships and attend adult
29 services workforce development courses offered through Highlands Community College, Center of
30 Business and Technology. Courses would be offered at two locations. It would be a one-week 40-hour
31 course focused on improving communication skills and customer service, computer skills,
32 understanding tele-services employment opportunities, in effect, call centers and other operations of that
33 type. The application states that the Town of Saltville has an industrial prospect that is prepared to
34 create more than 200 jobs in the tele-services business. The request was to train 300 people. Staff
35 recommended funding that would allow them to train the first 200 people and do some initial marketing
36 of the program. We had a contingency that the program would be open to any qualified resident of the
37 tobacco region, rather than just the Town of Saltville or Smyth County.

38 SENATOR RUFF: Anyone here wants to speak on that?

39 MS. MITCHELL: I'm Tracy Mitchell, Economic Development Director for the
40 Town of Saltville. The town was successful in working with Global Contract Services, and they plan to
41 open a call center in Saltville on February 1st of this year. They initially wanted to start out with 200
42 employees, and if they have available trained labor they will get up to 230. That's what these
43 scholarships would help us do. So far they have been able to identify around 50 individuals with
44 experience and skills to really start off on the job running. We don't have another call center in the

1 Smyth County area, and we don't have a widely qualified workforce.

2 SENATOR RUFF: Any questions? Southwest Virginia Economic Development,
3 did they put any money toward this?

4 MR. PFOHL: No, they haven't been presented with this proposal, and that's a
5 March 1 application for the FY05 funding.

6 MR. FIELDS: How many people from this \$40,000.00 will be trained for the Town
7 of Saltville?

8 MR. PFOHL: The request was for \$65,000.00 to train 300 people, and the
9 recommendation from the Staff is \$40,000.00 which would provide training for approximately 200.

10 SENATOR RUFF: You're going to hire how many people?

11 MS. MITCHELL: We want to hire 200 people, but the facility will hold about 330.
12 We have received some support from the TROF Fund and Smyth County Industrial Development. In
13 terms of this specific training, we've received some supporting funds for this type of training from
14 Workforce Development Board and also People, Incorporated and the VEC.

15 SENATOR RUFF: So if I understand correctly the \$40,000.00 would get you
16 going?

17 MS. MITCHELL: It would be very helpful, yes.

18 SENATOR RUFF: Any other questions?

19 SCORE, Inc., Establishment of a Middle College in Alberta, Virginia. The request was
20 \$140,000.00, the Staff recommended \$140,000.00.

21 MR. PFOHL: The start-up funding to hire a director and instructor and secretary,
22 supply materials and physical plant, which would be a modular unit that would be located at the
23 Southside Virginia Community College in Brunswick County. Middle College would serve
24 approximately 60 adults between the ages of 18 and 24, coming from the counties of Brunswick,
25 Lunenburg, Mecklenburg and Nottoway, high school dropouts who primarily would possess a GED
26 training would provide the GED. Staff recommended a full award of \$140,000.00.

27 MR. CAVAN: I'm John Cavan, President of Southside Virginia Community
28 College. Today I'm going to introduce Brian Stith, who was a highly successful basketball player at the
29 University of Virginia, ten years in the NBA, and he committed to come back to his community and give
30 back to his community what he felt the community gave to him. This is what we want to do in rural
31 Virginia, bring back our talented young people who are committed and help them to help everyone. It's
32 a pleasure to introduce Mr. Brian Stith.

33 MR. STITH: My name is Brian Stith, President of SCORE Corporation. Thank
34 you for your support of this award, and this will go a long way in helping young adults in our area. If
35 you look at the statistics out of the five eleven area high schools, third, fourth, fifth, sixth and ninth,
36 respectively in the State of Virginia, as far as the high school dropout rate. We want to be able to
37 address these problems and give these young people an opportunity to go out and compete in the world.

38
39 SENATOR RUFF: Thank you.

40 MR. BANNER: Mr. Stith, I enjoyed watching you play for the University of
41 Virginia, and you're a very good athlete. Would you explain to me what the middle college concept
42 really is and what are we talking about by middle college? You've got community colleges and four-
43 year institutions, but what is the middle college?

44 MR. STITH: You have a high dropout rate in this area in the four counties of

1 Brunswick, Mecklenburg, Lunenburg and Nottoway. We want to be able to provide the students an
2 opportunity who'll make a decision that this is not the way, you should come back to school and make a
3 better living for yourself. I think you can make a direct correlation between a well-trained workforce
4 and a community that has a high degree of diplomas and also four-year degrees. If you associate that
5 correlation between the two, then I think you'll see that that will help young adults be trained to compete
6 in the workforce.

7 MR. BANNER: These students going to the middle college would not have
8 completed high school or would have completed high school?

9 MR. STITH: Would not have completed high school.

10 MR. BANNER: In lieu of a GED you would do advance training with students that
11 have dropped out of school somewhere along the way?

12 MR. STITH: Yes, sir. Not only would they be able to obtain a GED, but then in
13 the process they would be able to earn credits toward a two-year community college degree.

14 SENATOR RUFF: John, you might give a little background as to where the
15 concept came from?

16 MR. CAVAN: The concept came out of the Chancellor of the Virginia Community
17 Colleges. A year ago we piloted two community colleges, one at J. Sargeant Reynolds and one at
18 Southside Virginia Community College in Keysville. Prior to coming to Virginia, and just to give you
19 some background, our chances of technical education were not good. Again, we started on a middle
20 college program at the community college or the Community Technical College, and this was highly
21 successful. We transplanted this program to Virginia and piloted it at the two community colleges I
22 mentioned.

23 This year we piloted it at five new community colleges. Danville is one. We're taking steps
24 going forward with providing a public partnership for SCORE to start a second middle college on the
25 Alberta campus, which is 45 miles away from the Keysville campus. We see that it has been highly
26 successful, and it is a quick route to a GED. Students can prepare for a community college program
27 simultaneously while they are being trained for employment. It is an excellent program, and it has been
28 endorsed by the Chancellor and also Governor Warner.

29 DELEGATE WRIGHT: Let me add to that that we have heard from Smyth County
30 the fact that they needed help and training in getting people qualified to work in these call centers. In
31 Southside Virginia we can't afford to lose a single young person. We have to see that they are trained
32 and educated. This is an excellent program, and I have seen it work at the John Daniels Campus there in
33 Southside. I think we need to expand this program, I think it will be excellent.

34 MR. CAVAN: This is a keystone extended program, Brian Stith and the SCORE
35 project. This is the beginning of a strong public partnership. These are the type of things we need, and
36 we need to form these partnerships and get people who are committed moving in our region and staying
37 here and getting involved.

38 SENATOR RUFF: Did that answer your question?

39 MR. BANNER: Yes, sir.

40 SENATOR RUFF: Any other questions? All right.

41 Moving on to Smyth County School Board, 21st Century Careers Program. The request was
42 for \$296,760.00. The Staff recommended nothing.

43 MR. PFOHL: Smyth County completed a workforce study, and this request is as a
44 result of that study. It is a multi-faceted request for a program coordinator to work with local school

1 systems in the middle and high schools to make children aware of employment opportunities, careers
2 available within the county. A requested funds for Smyth County resident, and that's for scholarships.
3 There are such things as manufacturing and skills training. The request for supplies and materials is
4 probably the signature element from the dollar standpoint. What is really the signature is the request for
5 \$200,000.00 for a robotic welding training equipment, which would be located at the Smyth County
6 Career and Technical Center. I think it is a strong vision and a good process that was conducted to
7 arrive at this point. This is a sizable portion of the competitive grant funds that would be available only
8 to residents of one county. We are concerned about the message that that would send. Some concerns
9 about the focus of the coordinator position being to develop K through 12 programs, which is something
10 the Committee said they wanted to steer clear of. Consequently, the Staff recommended no award.

11 SENATOR RUFF: Anyone here from Smyth County?

12 MR. SULLIVAN: I'm Jim Sullivan, School Superintendent. With this request the
13 effort that has gone forth here is to work with the coordinators and bring business and industry closer to
14 our students from the middle schools through the high school level, possibly the junior college level.
15 The multi-facet of this proposal is indicative of the study that took about a year and a half to complete.
16 In the process of looking at what we can do to address the disconnect between workforce development
17 and workforce preparation and the demands of industry we looked at several different levels. We use a
18 coordinator for workforce business and industry to identify students that would work in apprenticeships
19 or mentorships so we could connect the preparation of the workforce with our students.

20 The other part of this is the adult education part, which would train workers and prepare
21 people for the manufacturing industries. We appreciate any consideration that you might give to this
22 proposal and the process of connecting workforce development with the demands of industry. We are in
23 a highly economic depressed county, and we're making progress with that, but our unemployment rate is
24 decreasing as a result of some preparation. It has some immediate impact, but it is long-range also. The
25 county has invested about 150 to 200 thousand in this process, and we're looking for something that will
26 help facilitate this.

27 The equipment here is a high cost item, it's the thing we're struggling with. So, any help we
28 can get in that area would be greatly appreciated.

29 MS. MORGAN: I'm Sally Morgan, the Community Economic Development
30 Director, Smyth County. Our focus in the last year has been directed towards existing industries. This
31 study was done by the Smyth County Industrial Council, which is a group of about 30 people and
32 represents about half of our workforce unit with the manufacturing, or survivors, as we call them,
33 company that is there with us.

34 One of the things that we have is we have six industries that hire welders now and will be
35 hiring them next year also, for the next year or two, actually. Some of the equipment is antiquated and is
36 not up to par with what they need. Some of it dates back to the 1970's.

37 Another little part of our proposal is the need for a work coordinator to work on this. We're
38 very interested in capturing the students that are educated through the school system to come back. We
39 feel like we have some job opportunities now. One of them is the General Dynamics plant. They have
40 some highly skilled jobs that they need to find workforce for. We know people have graduated from
41 high school in Smyth County and left the area, and we'd like to get those folks to return, knowing there
42 are some opportunities, and we need somebody to help do that. That's just a small piece of it.

43 SENATOR RUFF: Thank you. Any questions?

44 Moving on to Tek.Xam Foundation, Training and Assessment for Workforce Skill

1 Development, a request of \$194,600.00, and the Staff recommended \$194,000.00.

2 MR. PFOHL: This is a renewal request that you probably recall from last year.
3 Tek.Xam got a partial award, and it is nearly complete in providing training on computer skills to a
4 hundred people in each of the 13 counties in the two regions. This request would add 11 new Southside
5 localities to the list of communities and an additional 1100 people that would have a workforce
6 readiness certificate in computer technology. The Staff recommended a full award.

7 DELEGATE WRIGHT: I'd like to ask John Cavan how this program is working as
8 far as the community college goes?

9 MR. CAVAN: This is a partnership that has worked extremely well, and we've
10 worked very closely with them. It's providing computer skills to people who really don't have a
11 familiarity with the computer. The challenge we have is getting people involved who are afraid of an
12 educational experience, but it has been highly successful, and we enjoy this partnership.

13 DELEGATE WRIGHT: Would this be for the dropouts and those getting GED's or
14 coming through there?

15 MR. CAVAN: Dropouts below the GED level, or people who are just unfamiliar
16 with computer skills, trying to get ready to go to the workforce, and particularly trying to get into
17 community college programs.

18 DELEGATE WRIGHT: Otherwise, they would have received that in school if they
19 had been in the public school system or dropouts and so forth that have not received it?

20 MR. CAVAN: If they were in the public school system they would probably be a
21 lot more efficient, but unfortunately they dropped out. It's trying to close the gap for people in
22 Southside Virginia.

23 MR. FIELDS: Mr. Chairman, can someone from Southwest from the community
24 colleges, could somebody speak to that?

25 MS. STANLEY: I'm Donna Stanley. Our college has done some outreach, and I
26 know at our institution we have worked a lot with our workforce development programs trying to go
27 into public schools, for example, and work with single parents and other adults to have some experience
28 in using computers. We try to take the instruction to where the people are. We often invite grandparents
29 that want to help their grandchildren with homework and want to communicate with the grandchildren
30 to use computers.

31 MR. FIELDS: What 13 areas did that program take place in last year?

32 MR. PFOHL: Last year there were five Southwest counties and eight Southside
33 counties. The Executive Director of Tek.Xam is here.

34 MR. MILLER: The Southside communities that we're dealing with were
35 Brunswick, Buckingham, Charlotte, Cumberland, Mecklenburg, Lunenburg. Our target was a hundred,
36 and we're pretty close to achieving that. We have tried to establish some sort of protocol. Within that
37 time, though, six to eight months, we have trained over five hundred people and got them through the
38 process. It took a lot of protocol in getting this thing set up, and we've leveraged some money with the
39 Literary Foundation. We have had a person in each one of these target communities to assist people.
40 Some of these people don't see themselves as community college material. We do think we have
41 developed a pretty solid protocol. We have been working in Washington County and Smyth and Wise.
42 This year we will add Henry and Martinsville relative to Southwest. In Southside we're targeting
43 Appomattox and Danville, Emporia, Halifax, Nottoway and Pittsylvania.

44 MR. FIELDS: Give me those counties again?

1 MR. MILLER: Buchanan, Dickenson, Smyth, Washington, Wise, Henry and
2 Martinsville.

3 SENATOR RUFF: Does that answer your question, Fred?

4 MR. FIELDS: I'll have a question at the next meeting we have.

5 SENATOR RUFF: If there are no other questions on that, we'll move on to the
6 University of Virginia, Educating Nurse Leaders in Southside and Southwest Virginia. Requested grant
7 was \$273,926.00, and the Staff recommended full funding.

8 MR. PFOHL: This is actually a joint proposal from both UVA and Virginia
9 Commonwealth University to provide training at both the Master's and Bachelor's level for nursing in
10 Southside and Southwest Virginia. The VCU component is to provide distance learning opportunities
11 within Southside for the Bachelor's degree in nursing. The UVA piece of this is to expand offering their
12 on-line Master's degree program in nursing. Staff recommended full funding for this.

13 MR. DAY: Will either of these programs be open to out-of-state residents?

14 MR. PFOHL: There are actually some scholarships that are a piece of the proposal
15 from UVA, but I don't believe that is open to out-of-state residents. At UVA there is a timeline learning
16 opportunity, and we were concerned we'd be paying for facilities and equipment that would be available
17 to people out-of-state. The applicant's response was that the cost of out-of-state tuition was such at UVA
18 that they would feel like they would have such participation.

19 MR. DAY: Yes or no?

20 MR. PFOHL: It's possible, unlikely.

21 SENATOR RUFF: Was this identified as a major stumbling block for nurse
22 training?

23 MR. PFOHL: Yes, anyone that wants to increase their certification in nursing
24 apparently would have to leave the region to do that for probably a couple of years or more, and this
25 would provide an opportunity within Southside with the VCU proposal to get that Bachelor's degree and
26 take the training at one of the education facilities in Southside and not have to leave the region, do the
27 clinical work near home, and so forth. From that standpoint, yes. As far as the Master's degree it would
28 give people an opportunity to greatly increase their earning potential through an on-line format from
29 their homes throughout the region, then come to Charlottesville briefly for some assistance and do the
30 training there.

31 MR. FIELDS: Mr. Chairman, is there nowhere in Southwest that these are being
32 offered?

33 MR. PFOHL: Right now what VCU is proposing as far as the distance learning
34 would be limited to Southside. The UVA on-line piece would be available in Southwest for the Master's
35 degree.

36 MR. DAY: Is anyone from UVA here?

37 DR. FOWLKES: I'm Rachel Fowlkes from the Higher Ed Center in Abingdon.
38 The Master's degree program that UVA proposes is needed statewide. It's very difficult to find faculty to
39 teach the RN programs, because a Master's degree in Nursing is required. It's difficult to get faculty into
40 a full-time program. This would be a great benefit to all of our community colleges.

41 Turning to the Bachelor's degree program, all our community colleges in all the regions are
42 served by the Teletech Program can provide a Bachelor's degree in nursing.

43 MR. CAVAN: I'm John Cavan. Old Dominion University houses the Teletech
44 Program for every community college in Virginia. I'm sure in Southwest they offer a Bachelor's and a

1 Master's through Teletech. You can get your Master's on the community college campuses across
2 Southside. Many of our nurses in Southside have gone through the ODU Master's program.

3 MR. DAY: Would the on-line component be open to out-of-state applicants?

4 DR. FOWLKES: I'm sure it would be.

5 MR. DAY: What then becomes the criteria, is it an unlimited number of
6 participants or slots? Can you take 100 or 2,000?

7 DR. FOWLKES: I don't know the numbers, but I can find out for you.

8 MR. DAY: Theoretically, could it fill up with applicants from New Jersey?

9 DR. FOWLKES: Theoretically, but unlikely.

10 DELEGATE WRIGHT: Could we put a safeguard in there? I'm concerned about
11 that as well.

12 SENATOR RUFF: Rachel, maybe you can explain that to the Committee, how
13 these on-line courses would be filled. How do you get tuition?

14 DR. FOWLKES: If you're in-state, you pay in-state tuition --

15 SENATOR RUFF: How do they make sure that someone is paying? If I'm hearing
16 these concerns, they are afraid people will come in and learn some information.

17 DR. FOWLKES: When a person makes an application for a program you have to
18 declare your state of residence or your location. That information is used to determine whether a person
19 is eligible.

20 SENATOR RUFF: You have to be given a code to get in that program.

21 DR. FOWLKES: Correct.

22 SENATOR RUFF: Without that code number you can't get in?

23 DR. FOWLKES: That's correct, you wouldn't have that access.

24 DELEGATE WRIGHT: My concern is out-of-state. My concern is spending
25 money from the tobacco region on out-of-state people.

26 MR. PFOHL: I think the specifics of what the two schools were requesting helped
27 address that. They are asking for on-site coordinators within the tobacco region, instructors to provide
28 training within the tobacco region, costs of materials and travel to get those people in Southwest and
29 Southside to get that training. The only pieces that would potentially benefit non-tobacco residents
30 would be some specific equipment in the UVA piece. They are looking for some backup computer
31 servers with an on-line offering. Otherwise, everything is really geared toward benefiting the tobacco
32 region. I think that is an outgrowth of a lot of conversations we have had with them.

33 DELEGATE WRIGHT: The equipment you referred to could be used by people
34 out-of-state. How much money are we talking about as far as this program?

35 MR. PFOHL: Out of the total request of \$273,000.00, UVA has asked for
36 \$15,000.00 for computer equipment, there is a video classroom of \$13,000.00, less than \$30,000.00,
37 plus the technical support is about \$30,000.00. It's less than \$60,000.00 out of the total request. What
38 they are offering up is a Federal Health Resources and Services Administration Grant of \$250,000.00.
39 You could make the case there are other sources of funds to help to cover the costs of providing services
40 to non-tobacco residents. Otherwise the bulk of the request was providing the services and the faculty.

41 MR. ARNO: These funds implement a program that UVA School of Nursing
42 federal grant, they received that and designed a program to take out to the rural areas like Southside and
43 Southwest. Most of the money from UVA's application for the Master's program would be used to
44 provide on-site counseling and on-site instruction and some recruiting and counseling. It won't be done

1 at the University.

2 SENATOR RUFF: Any other questions?

3 Moving on to Virginia Highlands Community College, Nursing Enrollment Capacity.
4 Request is for \$169,300.00, the Staff recommended \$169,300.00.

5 MR. PFOHL: This is renewal funding to expand the Appalachian Tri-College
6 Nursing Program, and it is a partnership with the three Southwest Virginia community colleges. The
7 funding they received last year was primarily to help them establish clinical sites on the three campuses.
8 The additional funding would impact 60 students in the two-year program, hiring of a Care Coordinator,
9 provide marketing instruction, development of web-based courses, and some other related expenses.
10 Staff recommended full award.

11 SENATOR RUFF: Any questions? All right.

12 Virginia State University, More Nurses In Virginia. The request was for \$390,000.00, the
13 Staff recommended no funding.

14 MR. PFOHL: Virginia State is establishing an associate science degree program in
15 nursing for entry level RN's. The funds were requested for educational materials and equipment, to hire
16 a clinical faculty, assist in obtaining accredited clinical setting for the students' clinical experience.
17 Specifically, the request was to outfit a practice skills lab with a variety of necessary equipment and to
18 hire full-time and part-time nursing faculty positions. The applicants are here today to speak and
19 provide some additional material to you, and they are going to give us some materials in response to
20 some of our concerns. The Staff recommended no award, because the proposal as submitted on
21 November 1st was to hire faculty to teach on the campus in Ettrick, which is in Chesterfield County just
22 outside the tobacco region, and to provide equipment for the facility on-campus. The representatives
23 from VSU have provided us with a pretty lengthy list of clinical training sites in Southside. The piece
24 that needs to be filled in is how the Commission can help with getting those students into those training
25 sites and provide that required clinical experience.

26 SENATOR RUFF: You made some comments earlier; do you want to add those
27 comments?

28 MR. THOMAS: My name is Eric Thomas, and I am the Provost at Virginia State
29 University. Dr. Cheryl Stanford is accompanying me; she is the Director of Nursing Program. Ours is a
30 new program, and we've been approved by the State Council through a degree program in nursing. Our
31 program is for entry-level RN nurses. As a part of that program, what we covered in this proposal is a
32 component where we would specifically recruit students from the tobacco region and train those
33 students and place them in their clinical training at sites in the tobacco region, then upon graduation
34 seek job placement for them back in the tobacco region where they came from. Those are the activities
35 in the proposal and the addendum. We were a little concerned because activities that we were doing at
36 the institution that are different from but still aimed at the same objectives as what other institutions
37 were proposing, not being recommended where others were.

38 MR. CURRIN: But those candidates, after going through that training, they'd seek
39 to find employment in the tobacco region, but if they can't find employment there they would go outside,
40 is that correct?

41 MR. THOMAS: A trained RN can find employment anywhere. If we take them
42 from this region and provide most of their clinical training in this region and offer them jobs after
43 graduation back in the region, I think most of them would choose to come. I admit it would be better if
44 we had built in some incentive program, provided a bonus or something else that would further attract

1 them back to the region, but we just didn't have the time to develop that in conjunction with local
2 hospitals in the development of this proposal.

3 SENATOR RUFF: You said you were approved to offer degrees in nursing?

4 MR. THOMAS: Yes.

5 SENATOR RUFF: Is any money coming from the state?

6 MR. THOMAS: At this point the state has provided no funding for this program,
7 and we've proposed it to them. Subsequently the General Assembly considered legislation that would
8 provide funding to programs that increased their enrollment capacity. Even though we were a new
9 program, they did not take our initial enrollment that we proposed as an increase in capacity. We had to
10 add an additional number beyond that. There will be some state funding but only for the additional
11 enrollment growth that we planned beyond what was contained in our initial proposal.

12 SENATOR RUFF: But no start-up money at all?

13 MR. THOMAS: No. I'd like to add one additional point is that when we requested,
14 part of what we requested in here is clearly start-up funding in the life of the grant, essentially one year.
15 The program of recruiting students from this area and trying to place them back in this area would go
16 beyond the one-year life of that grant. That is something we will continue on with so it would provide
17 long-term service in terms of the nursing capacity in the tobacco region.

18 SENATOR RUFF: We've been through all of these. In this section we have 1.4
19 million dollars. The Staff has made suggested recommendations for that 1.4, except for \$754.00. We're
20 going to take a break here, and when we come back, if anybody wants to add to or include a program
21 that is not on here, it's how much you want to add to that program and where we are going to find the
22 other money. Be back in ten minutes.

23
24 NOTE: A recess is had, whereupon the hearing continues, viz:

25
26 SENATOR RUFF: All right, we're back in session. Does anybody have a motion
27 or a proposal on the second batch?

28 MR. DAY: Mr. Chairman, I appreciate the job that this Staff does in putting
29 together recommendations, and I take them very seriously. I also understand that our role and not just
30 the recommendations, but certainly to have input into them. It seems to me we should not be bashful
31 about making some changes to the recommendations from time to time.

32 In that vein I would like to make a motion as follows. That we add \$50,000.00 to the Central
33 Virginia Community College Education Foundation, that was number two on the list. That we add
34 \$100,000.00 to People, Incorporated, Southwest Virginia, and that is second from the bottom. That we
35 add \$123,926.00 to Virginia State, and that we table the UVA request. I think the math works out.

36 SENATOR RUFF: \$273,926.00.

37 MR. DAY: I would add, Mr. Chairman, I don't make this recommendation with any
38 prejudice at all towards UVA or what they are doing. I cannot get past the fact that I think some of these
39 programs that will put the most people on the ground in some kind of nursing career the fastest would be
40 the most beneficial to us.

41 SENATOR RUFF: You prefaced that with nothing against UVA, your Master's
42 degree is where?

43 MR. DAY: I went to a little two-year trade school down in Durham.

44 MR. FIELDS: Can we have those figures again?

1 SENATOR RUFF: Under number two, Central Virginia Community College,
2 \$50,000.00. \$65,000.00 they requested. Then the second one from the bottom, People, Incorporated,
3 \$100,000.00 of \$192,000.00 that they requested. The last one is Virginia State University, \$123,926.00,
4 where they requested \$390,000.00. Under UVA we reduce that from \$273,000.00 to zero.

5 MR. DAY: Mr. Chairman, I would prefer the phrase "table."

6 SENATOR RUFF: I appreciate that, but since there is no more money other than
7 \$754.00, I just want to make sure everybody understands that.

8 MR. DAY: I'd like to comment on the first one, Central Virginia, \$50,000.00. It
9 seems to me we can buy a lot of impact for \$50,000.00, at least ten or twelve to one.

10 MR. SUTTON: This is Don Sutton. During the break I talked with my colleague
11 and leveraged \$15,000.00 out of him, so we'd be most acceptable to that offer be able to put that
12 program forward. We were able to determine that Bedford is a tobacco county and provides seven
13 schools, as opposed to four that we mentioned before.

14 SENATOR RUFF: Thank you. Barnie, are you finished at that point?

15 MR. DAY: Yes.

16 SENATOR RUFF: Let me propose this, that we have a motion for the Staff's
17 recommendation, then we amend that motion. Would somebody be willing to make the motion that the
18 Staff recommendations, including any requirement such as matching funds, stipulations, such as that,
19 would somebody make that motion?

20 DELEGATE WRIGHT: I so move.

21 MR. TAYLOR: I'll second it.

22 SENATOR RUFF: Now, Barnie --

23 MR. DAY: I would offer my amendment to that motion.

24 SENATOR RUFF: Yours is an amendment to that motion, is there a second to the
25 amendment?

26 MR. MAYHEW: Second.

27 SENATOR RUFF: Are there any further amendments that are proposed?

28 DELEGATE WRIGHT: Mr. Chairman, to be sure I understand this correctly, if the
29 motion is approved, then will the changes be made, or are we voting on that separate?

30 SENATOR RUFF: We'll make the vote on the amendment to the motion and then
31 make the vote on the full motion of all of them together.

32 DELEGATE WRIGHT: I just wondered if it would be wise to vote on each one
33 separately, rather than voting as a block.

34 SENATOR RUFF: Since there is a request for them to be done separately, we'll
35 vote for them separately. Any other proposals that anyone would like to make?

36 MR. BANNER: Mr. Chairman, I do have a question. I still can't understand the
37 middle college concept. Maybe Brian needs to address that. Is this not a duplication of your regular
38 ADE and GED services in the counties or do the regular GED and ADE services not serve these people
39 or the young people that you are targeting?

40 MR. STITH: It is a broader concept. Those counties are Brunswick, Mecklenburg,
41 Lunenburg, Nottoway.

42 MR. BANNER: This is a broader range than what the normal GED program
43 covers?

44 MR. STITH: Yes, sir.

1 MR. BANNER: What makes it broader?

2 MR. CAVAN: It includes not only GED preparation, but it includes training for job
3 skills also, and at the same time taking some college level courses. It's much broader than your normal
4 GED program preparing them for the test. That's one aspect. Then, there's a strong support system for
5 follow-up, following the students for a number of years in terms of employment and so forth.

6 MR. BANNER: Is it open to all students, any student that has dropped out of high
7 school between the ages of 18 and 24? Is this open to anyone, or are these selected individuals?

8 MR. CAVAN: We pre-test them, and if they show the ability to benefit from the
9 program, then they are in. In the GED program they make a distinction between AD and GED.

10 MR. PFOHL: I think specifically on your question one of the added-value items on
11 this would be similar to what the Skills Stream Program is doing as far as using the work testing system.
12 That looks at workforce readiness skills and provides training and certification. One of the aspects of
13 this is that when you use a consistent tool for workforce readiness training in a portion of the state that
14 that is not being provided to, to our knowledge.

15 MR. BANNER: It is located at the Southside Community College campus?

16 MR. CAVAN: That's part of the concept, bringing students to the college campus
17 and giving that experience, and they haven't had that experience before. That is an important part of the
18 program, as we see it.

19 MR. BANNER: I can understand that, and not being from the Southside I had
20 trouble with the concept. Having had some background in ADE and GED, I know the local school
21 divisions in Southwest run those particular programs locally and address the needs of any of these
22 students. I was wanting to know what the criteria was or how you select these young people, how they
23 differ from your regular GED folks.

24 MR. CAVAN: There will be three programs in Southwest in the coming year.

25 MR. BANNER: Three like the SCORE Program?

26 MR. CAVAN: SCORE is a partnership, and they are helping us fund these
27 programs as a partnership. These programs are funded by the Virginia Community College System, the
28 middle college concept at the Southwest Community College.

29 MR. BANNER: My question here is that, with some background in GED and
30 ADE, there has been a long battle between the public schools and the community colleges. Who
31 provides these services?

32 MR. CAVAN: Southside Virginia has the best partnership with the public school
33 system that you will find anywhere in the United States. It's the largest school enrollment program of
34 any community college in Virginia. We are partners, and we agree on everything, and we have full
35 support for the middle college program.

36 SENATOR RUFF: Does that answer your question?

37 MR. BANNER: Yes.

38 SENATOR RUFF: Delegate Wright told me he did not mean to vote on every
39 individual item, but he felt like the items in the amended proposal should be voted on separately. Is that
40 correct?

41 DELEGATE WRIGHT: I'm opposed to the motion, if it does pass, I'd like to vote
42 on it separately. I'll give my reasons at the appropriate time.

43 SENATOR RUFF: You would like to have a vote on the entire amendment as it
44 was first?

1 MR. MAYHEW: What is that?

2 SENATOR RUFF: It's on these four items.

3 MR. MAYHEW: I wonder if Tim could maybe recap some on the UVA project. Is
4 there also an effort being made at the Institute for Advanced Learning and Research to be able to give
5 nurses additional training or advanced training in the Danville area, or within driving distance, that is
6 similar to what you proposed here, or is this separate?

7 MR. PFOHL: We became aware yesterday about 5:00 that the UVA proposal is
8 consistent with the initial concepts that are being discussed by a nursing training facility in Southside
9 centered around the Institute. As of late yesterday we were aware that this is consistent with that.

10 SENATOR RUFF: Nancy, do you want to comment on that?

11 MS. FRANKLIN: I'm Nancy Franklin. I want you to understand that we're trying
12 to coordinate to bring the Bachelor's and Master's degrees in nursing to Southside Virginia. In the fall
13 we convened a group of interested personnel in Southside, and the consensus of that group was to work
14 with VCU and UVA in bringing the program there. It's based on a broader base of education in the
15 health care field. They're interested in bringing those programs forward. Many would be disappointed
16 if that opportunity were not available.

17 MR. ARNO: Thank you, Mr. Chairman, I didn't mean to prejudice this application
18 by speaking for it a while ago so, I'm a little reluctant to get up now. I do want to point out a couple of
19 things. This is not a UVA proposal, this is a UVA/VCU proposal. The VCU part will bring an on-site
20 Bachelor's nursing program to Southside. The UVA part will bring the on-line Master's degree nursing
21 program to Southside. Both those programs will be offered at the Institute for Southside residents who
22 are employed, working and living in Southside Virginia and want to continue their nursing education.
23 There is a huge demand nationwide and in Virginia for advanced, educated, qualified nurses, for
24 teaching purposes as well as clinical studies and research. It's a tremendous wide-open field, and it is
25 also going to be offered in Southwest. It's not just a UVA program, it's a UVA/VCU program, Bernie,
26 and it will serve the Southside residents in Southside. The beauty of this project is that. If residents of
27 Southside want to pursue the Bachelor's, it is accessible through ODU's program. There was a survey
28 done in Southside about the ODU program, and it was not being utilized to the extent that the nursing
29 profession is interested in being done. That is why there is interest in the UVA/VCU program.

30 MR. MAYHEW: There is a tie-in with the Institute?

31 MR. ARNO: The program will be offered at the Institute, the staff will be located
32 at the Institute.

33 MR. CAVAN: I'm John Cavan, Southside Virginia Community College. Will this
34 articulate the RN's that go to the community college program?

35 MR. ARNO: Yes.

36 MR. CAVAN: You really won't be training RN's for the first two years. You will
37 pick up graduates from the community college?

38 MR. ARNO: Yes.

39 MR. DAY: What is the anticipated annual budget of this program?

40 MR. ARNO: I didn't come here to speak to that, I came to see my good friend. I'm
41 not intimately knowledgeable about the program. I have had experience in this project in the past in
42 Southside and hopefully in the future. I know that this is an implementation of a federal grant that was
43 received by UVA. I don't know the answer.

44 MR. DAY: Mr. Chairman, could anyone answer that question?

1 DR. FOWLKES: I don't know.

2 MR. ARNO: My impression is that this is seed money for the program. After the
3 program gets established and the demand gets determined, then the program will feed itself and pay for
4 itself in the future, and that will come from the tuition the students pay.

5 MR. CURRIN: Who did the survey?

6 MR. ARNO: The survey, VCU and UVA.

7 DELEGATE WRIGHT: Mr. Chairman, I've got a substitute amendment.

8 MR. TAYLOR: Let's get these others off and start all over.

9 MR. MAYHEW: Mr. Chairman, I'd like to call for the question on Barnie's
10 substitute motion.

11 SENATOR RUFF: I recognized Tommy, and he was trying to amend that motion.
12 He'll have to withdraw, or something.

13 DELEGATE WRIGHT: Let me say this before I make the motion, if I may. I think
14 we're getting in dangerous territory when we start rearranging the Staff's recommendations to the extent
15 that we are considering to do it now. Since there are some questions about the UVA proposal, and since
16 Tim has said there may be some information recently available that might make that proposal
17 duplicative, I would make a motion, substitute amendment that Barnie made, I substitute that the only
18 change we would make is that we would put the UVA proposal on hold for further study, and the rest of
19 the proposals would be following Staff's recommendations. That's my substitute.

20 SENATOR RUFF: Is there a second to that?

21 MR. TAYLOR: I'll second it to get it on the floor.

22 SENATOR RUFF: Okay. We'll open this for discussion after I make sure that I
23 fully understand. The underlying motion is that we accept the recommendations of Staff and the
24 amendment that Barnie had dealing with those four entities that we talked about; the substitute motion
25 that Tommy has proposed is that we take those four off the table by simply taking out the UVA proposal,
26 which eliminates that money, if I have said that correctly. I'll now open it up for discussion.

27 MR. MAYHEW: Mr. Chairman, I think we need to make our decisions today.
28 There may be something to be gained by postponing and talking about it later, but I think we understand
29 the basis involved here, the fact that the Institute is going to be a major player in this and this has been
30 discussed and the details can still be worked out to everybody's satisfaction. My personal view is that
31 we need to go on and make a decision today. So that's my two cents worth.

32 MR. FIELDS: I notice in these applications they use the name Southside and
33 Southwest. All I have heard in these discussions we're going to do in Southside, and I'm not against
34 that. These programs, if they're going to go to Southside, just say Southside and don't say Southwest if
35 you're not coming out there. It's a long way out there, because John and I drove it this morning. I
36 haven't heard a word mentioned about this program coming and what it is going to do to the Southwest
37 people. It is easy to get intimidated with this gang of folks out there.

38 MR. DAY: Mr. Chairman, can I make one last and final point? My sense is that
39 the UVA proposal is a mult-million and probably multi-tens of millions dollars proposal. This two or
40 three hundred thousand in seed money is not a deal breaker for UVA. It is a deal breaker for some of
41 these other folks, and it is the end of their deal if they don't get this money. It's not the end of the deal if
42 UVA doesn't get it. And that's the only point I wanted to make.

43 MR. BANNER: Mr. Chairman, I'd be very curious for Ms. Fowlkes to give us her
44 take on this University of Virginia Nursing Program. Would you run that at your facility?

1 DR. FOWLKES: We wouldn't house it, but if it is an on-line program there is no
2 physical location for it, other than where the faculty are located to teach the program. In this case I
3 assume that the faculty would be at the University of Virginia. The program would benefit people in
4 Southwest Virginia, a training program for college faculty, both for the community college at Wise and
5 also our hospitals to provide supervisory staff. The program you're talking about funding for People,
6 Incorporated, the LPN program is a great program, and I'm not trying to say that that is not a good
7 program. One thing to consider is that there is no other Master's degree program. Old Dominion did
8 offer it, but they're not offering a Master's degree at the Higher Education Center or any community
9 colleges in Southwest; maybe they are in Southside, but not in Southwest. There is no existing Master's
10 degree program right now for nursing in our region. This would be a wonderful addition to the
11 curriculum that is available for nursing all over the state where the LPN and some of the other RN
12 programs are available through our technical locations, community colleges in some other areas. While
13 I support the People, Incorporated program wholeheartedly, I do know there are other programs
14 available for LPN training, but for the Master's degree there are no other opportunities in Southwest
15 Virginia.

16 MR. FIELDS: Is it on-site, or not?

17 DR. FOWLKES: No, it's on-line. We have assisted students on the on-line
18 programs. Students who don't have the high band of if they don't have it in their workplace are always
19 welcome to come to us, and we've had students do that.

20 MR. FIELDS: Randy, is it on-site or on-line?

21 MR. ARNO: There are two pieces. The VCU program, there are two components.
22 There is a VCU component on-site in Southside, Bachelor's degree. The Master's degree is on-line,
23 although there will be folks representing that program on-site in Southside. It is an on-line program.

24 MR. PFOHL: Part of the request from UVA is to hire a faculty coordinator, do
25 recruiting trips in Southside and Southwest for that on-line UVA Master's program. Part of what UVA is
26 asking us for is a body to go out and visit sites, hospitals, schools in Southside and Southwest. Also, to
27 recruit applicants for the on-line Master's program.

28 MR. ARNO: A question was asked, and I can only answer it from the survey
29 results. That survey indicated that what the students wanted was face-to-face interaction, not video
30 interaction instruction. They wanted on-site, person-to-person interaction with the instructors. They can
31 get that through the VCU program, not on the Master's, but there will be a UVA person, there will be
32 somebody representing UVA, not an instructor, but someone at UVA to serve as a facilitator with the
33 student eyeball-to-eyeball.

34 DELEGATE WRIGHT: Mr. Chairman, I'd call for the question.

35 SENATOR RUFF: I appreciate that as much as everybody else does, but Rachel
36 had a response.

37 DR. FOWLKES: The on-line face-to-face, one response on-line versus face-to-
38 face or the teletelnet. I think in the nursing profession, particularly, the flexibility is so critical,
39 because the nursing profession works seven days a week, twenty-four hours a day. At some of our
40 colleges we seem to pigeonhole when we're going to teach according to when the faculty and classrooms
41 are available. With the on-line program it provides access for the nursing profession that no other
42 program does. I think one of the difficulties with the teletelnet, as wonderful as it is, is that there
43 might not be the flexibility with it. Flexibility is very important.

44 SENATOR RUFF: Unless somebody has a dying question they want answered, the

1 question is called for.

2 DELEGATE WRIGHT: Mr. Chairman, may I say that my motion would affect an
3 up-and-down vote on the UVA proposal and leave everything else as it is.

4 SENATOR RUFF: I'm going to restate it. It's a substitute motion we're voting on
5 that would accept the Staff proposals except for the UVA proposal, is that correct?

6 DELEGATE WRIGHT: Yes.

7 SENATOR RUFF: All in favor say aye? (Ayes.) All opposed? (No response.)

8 That passes.

9 Now before us we have the original motion, which was to accept the Staff recommendation
10 without the UVA proposal at this time. Is there any further discussion on that?

11 MR. DAY: Mr. Chairman, I offer an amendment, that we add the \$50,000.00 to the
12 Central Virginia Community College and \$123,926.00 to Virginia State.

13 SENATOR RUFF: That's the original motion you made?

14 MR. DAY: The original motion was that we cut the UVA part out of that.

15 SENATOR RUFF: What did you say?

16 MR. DAY: That we add to Central Virginia Community College \$100,000.00 and
17 \$123,926.00 to Virginia State. It's my understanding after we had that last motion that that money is
18 sitting there unallocated at the moment.

19 SENATOR RUFF: Is there a second to the motion?

20 MR. MOODY: I'll second it.

21 SENATOR RUFF: Is there any discussion?

22 DELEGATE WRIGHT: Mr. Chairman, we just voted on my motion. In essence
23 my motion was to accept the Staff recommendations with the exception of the UVA proposal, so it seems
24 to me that has already passed. That was voted on by the Committee. This vote, are we voting to accept
25 --

26 SENATOR RUFF: No, the motion was, you were substituting a motion that Bernie
27 made. We have not had a full vote on the entire package yet.

28 MR. TAYLOR: I don't believe that is the way he stated it.

29 MS. CUSHMAC: My understanding is that the motion that was passed was to
30 accept the Staff's recommendations, including the table for the UVA piece offered as an amendment to
31 Mr. Day's motion. The original motion was never voted on; you're still on the amendment part of it.

32 MR. DAY: I have offered this amendment to the original motion.

33 MS. CUSHMAC: You're back on the original motion.

34 MR. MAYHEW: The question now seems to be, are we going to leave the original
35 University of Virginia application Staff recommendation as it is, or are we going to wipe that out and put
36 in the three additional amounts that Mr. Day recommended?

37 SENATOR RUFF: That is correct.

38 DELEGATE WRIGHT: The UVA proposal has already been taken off. That
39 motion has got to mean something. The motion I made was to strike it out.

40 MR. DAY: I would agree with Mr. Wright on that. The UVA allocation is out of
41 the package, that's what Tommy's amendment did. If we vote on the original motion, we're voting on
42 everything but UVA. I'd offer an amendment that we allocate that money that is sitting there into these
43 three programs.

44 MR. MAYHEW: Which in effect will take away the UVA money.

1 MR. DAY: That's right.

2 SENATOR RUFF: I'm going to assume that we have two options. We can take this
3 money and put it between those three programs, or we can revert back to your original question in the
4 beginning of what are we doing and why are we doing it, are we coordinating it. If we vote your
5 amendment we have spent the money, we'll have that debate next year. But if we reject your amendment
6 we can instruct Staff to go back and look at this in the coming months and maybe come up with a
7 coordinated proposal, the best way to spend the money.

8 MR. DAY: I think that is well stated, I think that is exactly the issue in front of us.

9 DELEGATE WRIGHT: Well, Barnie, in that case, do you withdraw your motion,
10 do you agree with this? You say, let Staff take a look at this money rather than this Committee and
11 decide what to do with it and let Staff come back with a recommendation? If you withdraw your motion
12 that's where we'll be.

13 MR. MAYHEW: The third option would be passing the Staff recommendation,
14 isn't that an option also?

15 SENATOR RUFF: We've already taken the UVA piece off, so that's off the table.

16 MR. DAY: I would be perfectly willing to withdraw the amendment, with the
17 understanding that this will go back to the Staff and let's have some more discussion involving all of
18 these programs and see if we can't all get on the same sheet of music about the nurses.

19 SENATOR RUFF: Who seconded that?

20 MR. FIELDS: It wasn't me.

21 MR. MOODY: I did.

22 SENATOR RUFF: The amendment has been withdrawn, and the second has been
23 withdrawn, so now before us is the Staff recommendation, minus the UVA piece that we've already
24 taken out.

25 DELEGATE WRIGHT: I so move.

26 MR. DAY: Just a second, the Staff recommendation includes denying the award to
27 these three programs. My understanding of what we just agreed to was to put them into some
28 discussion.

29 SENATOR RUFF: I don't mean to disagree with that at all, but generally what we
30 have done in the past is that we have either funded it or left it on the table. If you want to make a
31 motion that those proposals be looked at with the balance for the next --

32 MR. DAY: That is certainly my desire.

33 SENATOR RUFF: We can either have that as a motion or as a gentleman's
34 agreement among us.

35 MR. DAY: I'll take your word to the bank, Frank.

36 SENATOR RUFF: As Chairman, I'll instruct the Staff to look at those proposals
37 and see how we can best do that. Now, that takes us back to the original proposal, minus the UVA
38 component. Is there any further discussion? All in favor say aye? (Ayes.) All opposed? (No
39 response.) Then that passes. Thank you all for that.

40 MS. SMITH: I want to thank you all for meeting here at Patrick Henry.

41 SENATOR RUFF: Our meeting is not over, but you can thank us anyway.

42 MS. SMITH: People are leaving, and I wanted to get this in before they left. I
43 want you to know we appreciate the continued support to Patrick Henry and to the other community
44 colleges. While you are here, if any of you have a spare moment, I'd be happy to show you the fruits of

1 your money at work and what projects we're using the money for. I especially want to thank you for
2 approving the beginning of our new programs, and we'll be sending you some information as soon as it's
3 available.

4 MR. CURRIN: The community colleges have offered an invitation that when we
5 have our meetings we meet on the campuses of both regions. Without objection from the Committee, I'll
6 move in that direction.

7 SENATOR RUFF: Without objection that will be fine.

8 Next is a proposal on the Scholarship Program. I believe you have a copy of the proposed
9 amendments. The dilemma we have is that if we go by the normal time frame of the Tobacco
10 Commission and we approve the budget in June or in the summer for those people seeking scholarships,
11 it puts them in an awkward situation. What we're going to do is propose that we move the date of the
12 funding of the scholarships forward. The money won't actually go out until later, but it will give the
13 students an opportunity to know there is some money available.

14 DELEGATE WRIGHT: Mr. Chairman, I have a proposed motion.

15 SENATOR RUFF: All right.

16 DELEGATE WRIGHT: Whereas, the Tobacco Commission Scholarship
17 Program has been funded in the amount of \$3.8 million for each of the years ending June 30,
18 2003, 2004, and 2005, and

19
20 Whereas, the Scholarship Program Administrator has advised Commission Staff that
21 applications for Fall 2005 scholarships must be taken in early Spring 2005, and

22
23 Whereas, the Commission budget process for Fall 2005 will not be completed until after
24 Spring 2005 (i.e., too late for Fall Scholarships),

25
26 Now, therefore, the Committee hereby recommends to the Commission a FY 2006
27 Education budget appropriation of at least \$3.8 million for the express purpose of enabling the
28 Scholarship Program Administrator to accept applications for Fall 2005.

29
30 MR. TAYLOR: Second.

31 SENATOR RUFF: Ned, do you need to add anything to that?

32 MR. STEPHENSON: I'd like to add a couple of words of caution. One of those is
33 that what our Committee is about to do this afternoon is asking the Commission in some respects to pre-
34 empt its budget process, which has not yet even begun. We're asking them to make a budget allocation
35 ahead of their process. I think the Scholarship Program is one of the Commission's flagship programs,
36 and I think there is broad support for it. I think it is the right thing to do, but we are asking them to step
37 ahead in the budget process.

38 The second thing is that, to the extent that we do this, we are perhaps displacing the
39 Education Committee's ability to fund other programs, because we are reaching into the future a little bit
40 and making progress, and that is a trade-off we face when we do this.

41 With those two words of caution, I think it is the right thing to do.

42 SENATOR RUFF: There was a motion seconded. You heard the warning about
43 what we're doing, is there any discussion? Hearing none, all in favor say aye? (Ayes.) All opposed?
44 (No response.)

1 MR. DAY: Mr. Chairman, in that vein, I would ask and propose that we instruct
2 the Staff to come up with some program whereby we may from time to time audit our scholarship
3 program.

4 MR. TAYLOR: I'll second it.

5 SENATOR RUFF: Ned, does that give you enough to prepare something, enough
6 guidance to prepare something?

7 MR. STEPHENSON: Yes, it does.

8 SENATOR RUFF: Any discussion on that? All in favor say aye? (Ayes.)
9 Opposed? (No response.) Has anybody felt they haven't had a chance to say what they wanted to say?
10 Hearing no other public comments, then I'll declare this meeting adjourned.

11 MR. STEPHENSON: We have the scholarship recommendations to go over.

12 SENATOR RUFF: I'm sorry, we're not adjourned.

13 MR. STEPHENSON: In your package there is a sheet that has some red ink on it.
14 Every year about this time we try to set some rules for the Scholarship Program going forward. I placed
15 in each Commissioner's package a condensed version of the Scholarship rules under which our
16 Administrator, Rachel Fowlkes and her staff, administers our scholarships. We have placed on this sheet
17 in red ink the changes that are recommended in the Scholarship Program. These changes are the
18 collective judgment of Rachel Fowlkes and her staff, your Commission Staff, some from the Chairman
19 and the Executive Director. There is no magic solution in any of them, and they are all subject to pros
20 and cons. In the interest of improving this program we do have some recommended changes, and I'd
21 like to quickly go through them for the benefit of the audience. At any time I might have to lean on
22 Rachel to help me with the details.

23 In Line Item 1 there is a box at the top of the page and in the middle column the last phrase,
24 "new rules every year, all applicants." One of the difficulties we have had in this program is that the
25 rules do change a little bit from time to time as the years go by. Whenever a rule change leaves an
26 applicant disadvantaged, that applicant calls and wants us to include them under the rules that were in
27 existence at the time of their application. You can imagine the tracking problem that that presents when
28 we attempt to grandfather everyone that is in the program based on the rules that were in effect as they
29 entered the program. I'm pointing out to the Committee this is what we're trying to do. We're trying to
30 make your rules each year effective for all applicants. We can stop and discuss these, or we can do those
31 as you may wish.

32 Line Item 2 sets forth the amount of the scholarships for Southside and Southwest. There is a
33 definition of full-time before you. It was thought that the \$4,000.00 scholarship for Southside was
34 perhaps a little too generous in view of the total cost and in view of the demand for these scholarships.
35 It's been suggested that be reduced from \$4,000.00 to \$3,000.00. The corresponding amount in
36 Southwest at \$1500.00 remains the same. In like manner the part-time students in Line 3, it has been
37 suggested that that remain, I'm sorry, Southside, that be reduced to \$1500.00, \$2,000.00, and that in
38 Southwest where there is no provision for part-time students, that be reduced from \$1500.00 to
39 \$1,000.00 as you see before you.

40 MR. DAY: Is that so more people can participate, or is it because the money is
41 low?

42 SENATOR RUFF: I think we're trying to spread it out. We identified up-front that
43 teachers were in short supply, and we started looking in other areas and getting ourselves wrapped up in
44 wills and that type of thing, so the goal was to open it up a little more.

1 MR. STEPHENSON: That is correct. The demand is very strong, so this makes it
2 go a little further. In Line Item 4, if you will remember, last May the Committee spent a lot of time on
3 this. This is the section whereby we define students who are eligible for scholarships based on their
4 curriculum. On the reverse of this piece of paper you will find the curriculum requirements that you
5 have approved for entry into the Scholarship Program, everything from teachers, Allied Health,
6 engineering, veterinary and so forth. If you will remember, it took us a couple of hours to work through
7 that to get it work out. We're wanting to suggest that the Southside program be open to all curricula, just
8 as the Southwest program is. The only determination for entry into the program is that students will be
9 accepted in the order of their GPA score first. In other words, the highest GPA's, regardless of their
10 choice of curriculum, win the scholarships until the money runs out. The thinking is that we have a lot
11 of students, as those of you who have college students may know, that will sign up for a certain major
12 and that may change a number of times during the course of the school year. Sometimes they sign up
13 for the major, and that becomes their minor and something else becomes their major, and we're trying to
14 track these through the system where these students are changing, and it is difficult to do that.

15 I'm also advised by Rachel that if we open it up to all curriculum it makes it more feasible for
16 her, excuse me, more flexible for her if you qualify the students based on their GPA and they make their
17 curriculum of choice and they are awarded the scholarship. We're making that recommendation which
18 only affects the Southside program. Currently the Southwest program is open to all curriculum.

19 MR. DAY: The GPA's have been determined to be matters of strict privacy; how
20 are you going to tell Frank's is higher than mine or mine is higher than his if only one applies?

21 MR. STEPHENSON: I believe, and maybe Rachel can explain it better than me,
22 on the Scholarship application the student is asked to record their GPA.

23 DR. FOWLKES: The official transcript of the college.

24 MR. STEPHENSON: On Line 5, you'll notice in Southwest on the right hand side
25 of the page, those scholarships are restricted only to tobacco families, no change there. Southside is not
26 restricted to tobacco families; no change is being recommended.

27 Line 6 is just cleaning up some housekeeping matters. The maximum award in Southside is
28 for four years, one degree. Somehow that got by us in Southwest. It was set for only one degree, and
29 we'd like to also limit that to only four years' scholarship awards for any given student.

30 Line 7, in Southwest Virginia all applicants are required to attend a workshop which Rachel
31 and her staff conducts, and she has recommended to us this is very helpful. She would like to do if for
32 Southside, that there be a workshop required for scholarship applicants.

33 In Line 8 there are payment terms. Inasmuch as the Southside program is a loan program
34 unless you come back to work in Southside Virginia. The interest rate has been four percent so far, but
35 we are recommending an increase in the interest rate to prime plus three, primarily to curb any abuse
36 that may occur in the program, people who accept the deal and then they know all along they are leaving
37 town when they are finished. That's fine if they do, but we want our money back. That's a
38 recommendation.

39 Mr. Chairman, I bring these recommendations to you all at one time, and we can do this any
40 way you'd like to handle it. You can approve all of them, or one at a time.

41 MR. MAYHEW: Mr. Chairman, I move we accept all of the Staff's
42 recommendations today as they are before us.

43 MS. CUSHMAC: Under maximum award, in one place three --

44 MR. STEPHENSON: You're a good lawyer, Anne Marie, it should be four years or

1 one degree in the Southwest column.

2 MS. CUSHMAC: On the repayment terms you're specifying they need to come
3 back to work or there be a repayment, but you've taken out all the criteria for eligible students. It should
4 be clear that somewhere in there that there is still a requirement that they return.

5 MR. STEPHENSON: If you look in the middle column, line 4 at the bottom, the
6 work pledge remains. They must pledge they will come back or repay the loan, whether they be a
7 school teacher or an accountant, or whatever they choose to do. They have to come back.

8 MS. CUSHMAC: I just wanted to make sure you're making that clear.

9 SENATOR RUFF: Any further questions or discussion? We have a motion, and I
10 believe we have a second, to accept these proposals as they are presented, or as printed. All in favor say
11 aye? (Ayes.) Opposed? (No response.)

12 All right. Any further comment? Then we are adjourned.

13
14 PROCEEDINGS CONCLUDED.

15
16 CERTIFICATE OF THE COURT REPORTER

17
18
19 I, Medford W. Howard, Registered Professional Reporter and Notary Public for the
20 State of Virginia at large, do hereby certify that I was the court reporter who took down and transcribed
21 the proceedings of the **Education0 Committee Meeting when held on Tuesday, January 4, 2005 at**
22 **1:00 p.m. at the Patrick Henry Community College, West Hall - Room B-1.**

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

25 Given under my hand this 24th day of January, 2005.

26
27
28
29
30 _____
31 Medford W. Howard
32 Registered Professional Reporter
33 Notary Public for the State of Virginia at Large

34
35
36
37
38 My Commission Expires: October 31, 2006.