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**VIRGINIA TOBACCO INDEMNIFICATION
AND COMMUNITY REVITALIZATION COMMISSION**

701 East Franklin Street, Suite 501
Richmond, Virginia 23219

Education Committee Meeting

Thursday, October 11, 2007
1:30 p.m.

Franklin Center - Lecture Hall
Rocky Mount, Virginia

CRANE-SNEAD & ASSOCIATES, INC.
4914 Fitzhugh Avenue, Suite 203
Richmond, Virginia 23230
Tel. No. (804) 355-4335

1 **APPEARANCES:**

2 The Honorable Frank M. Ruff, Chairman

3 The Honorable Phillip P. Puckett, Vice Chairman

4 Mr. Stephen S. Banner

5 The Honorable Barnie K. Day

6 The Honorable Joseph P. Johnson, Jr.

7 Mr. Buddy Mayhew

8 The Honorable Harrison A. Moody

9 The Honorable Thomas C. Wright, Jr.

10

11 COMMISSION STAFF:

12 Mr. Neal Noyes, Executive Director

13 Mr. Ned Stephenson, Deputy Director

14 Mr. Timothy Pfohl, Grants Program Administration Manager

15 Ms. Britt Nelson - Grants Coordinator, Southside Virginia

16 Ms. Sara Williams - Grants Coordinator, Southwest Virginia

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18 OFFICE OF THE ATTORNEY GENERAL:

19 Mr. Francis N. Ferguson, Deputy Attorney General - Counsel for the

20 Commission

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1 SENATOR RUFF: I'll call the meeting to order. I
2 appreciate you all coming. I'd like you to bear in mind there was just short
3 of \$20 million worth of requests, and less than half of that money is
4 available. The staff has made recommendations, and they have reviewed
5 them. Unless there is an objection we'll go through them, and then we'll
6 have the one objection rule; if one of the Commission members or any of the
7 audience disagrees with that, then we'll pull that recommendation out, and
8 then we can come back to that and discuss it, and hopefully we'll have more
9 time.

10 Neal, would you call the roll?

11 MR. NOYES: Mr. Banner?

12 MR. BANNER: Here.

13 MR. NOYES: Mr. Day?

14 MR. DAY: Here.

15 MR. NOYES: Mr. Fields?

16 MR. FIELDS: (No response.)

17 MR. NOYES: Delegate Johnson?

18 DELEGATE JOHNSON: Here.

19 MR. NOYES: Mr. Mayhew?

20 MR. MAYHEW: Here.

21 MR. NOYES: Mr. Moody?

22 MR. MOODY: Here.

23 MR. NOYES: Mr. Stallard?

24 MR. STALLARD: (No response.)

25 MR. NOYES: Mr. Stith?

1 MR. STITH: (No response.)

2 MR. NOYES: Delegate Wright?

3 DELEGATE WRIGHT: Here.

4 MR. NOYES: Vice Chairman Puckett?

5 SENATOR PUCKETT: Here.

6 MR. NOYES: Senator Ruff?

7 SENATOR RUFF: Here.

8 MR. NOYES: Mr. Chairman, you have a quorum.

9 SENATOR RUFF: Now, I assume everyone has
10 read the Minutes. Do I have a motion? So moved. It's been moved and
11 seconded that we approve the Minutes of January 8, 2007. All those in
12 favor? (Ayes.) Opposed? (No response.) All right, the Minutes are
13 approved.

14 Next, Tim, do you want to give us an overview of what you all
15 have done before we start?

16 MR. PFOHL: Thank you, and good afternoon.
17 When the budget was approved by the Commission in the springtime, there
18 was a line item for Education, as there always is, and the staff announced at
19 a certain point that we would conduct the Education grant process on our
20 normal cycle, our normal annual cycle, and that has been September 1.
21 September 1 fell on a weekend this year, so we took the applications through
22 August 31st. We had 38 proposals and just short of \$20 million.

23 A couple of things that are a little different this year about the
24 process. At the direction of the Commission leadership, staff notified the
25 community colleges that had previously received a set amount of allocation

1 money. For the last several years each of the colleges had been submitting
2 proposals, or in effect a spending plan for that level of funding. At the
3 direction of the leadership we notified the community colleges that they
4 would be competing on an equal footing with all the other applicants for the
5 grant funds. As opposed to having 2.8 million set aside for the community
6 colleges, that was combined with the competitive amount resulting in a pot
7 of about \$5.2 million.

8 Subsequently, the staff became aware that there were some
9 older grant funds that were recaptured, and we have been able to increase the
10 amount of money with those carry forward funds that are available today
11 just short of \$8.7 million. The landscape today is 38 proposals for \$19
12 million plus, and up to 8.7 million to be recommended by the Committee
13 today.

14 For the benefit of the folks here as applicants today, the
15 Committee's recommendations will go to the full Commission for action at
16 their meeting on October 25th, which will be held on the campus of the
17 Mountain Empire Community College in Big Stone Gap.

18 The staff has done the best we can with a very challenging list
19 of projects. We have received direction over the years from the Education
20 Committee about their principal interest, and we have combined that with
21 the Commission's strategic plan that was updated about a year ago this
22 month and made some recommendations to the Committee for their action
23 today. As Senator Wampler always reminds us, the staff recommends, but
24 the Commission votes. All of you are coming in here today with a zero total
25 in your column, and it will be the Committee's job today to put some

1 numbers in those columns.

2 With that, Senator Ruff, we can walk through these, and as little
3 or as much as you would like about any of these proposals.

4 SENATOR RUFF: To add on to what you said,
5 the allotment to the community colleges, if we're going to treat community
6 colleges a particular way, should we higher ed centers and give them a set
7 amount? As you guessed that probably would start eating into any of the
8 projects we did, so that's the reason I directed staff to take that up.

9 DELEGATE WRIGHT: Mr. Chairman, I would
10 recommend to make this process clean, motion is made and a vote taken on
11 the changes to the funding for the community colleges.

12 SENATOR RUFF: Delegate Wright, would you
13 like to make that motion?

14 DELEGATE WRIGHT: No, Mr. Chairman.

15 SENATOR RUFF: Is there anyone that would like
16 to make that motion?

17 MR. DAY: Mr. Chairman, I believe I will make
18 that motion.

19 SENATOR RUFF: Would you restate the motion?

20 DELEGATE WRIGHT: No, as long as the motion
21 is made that we --

22 SENATOR RUFF: -- Bernie, would you restate
23 that?

24 MR. DAY: As I understand it, the community
25 college funding was even across the board for each of the colleges.

1 SENATOR RUFF: That's correct.

2 MR. DAY: And now that is no longer the case,
3 and that money has been put into a competitive pool with the rest of the
4 projects.

5 SENATOR RUFF: The motion is all money that
6 comes to the Tobacco Commission to the Committee would be in a
7 competitive grant proposal.

8 MR. DAY: It seems to me that represents a
9 distinct policy change. I think we should either ratify or deny.

10 SENATOR RUFF: So you're making that motion?

11 MR. DAY: Yes.

12 SENATOR RUFF: Is there a second to that
13 motion? It's been moved and seconded.

14 DELEGATE JOHNSON: What we're saying, if
15 this motion passes, is that the community colleges will not have a certain
16 amount set aside for them, is that correct?

17 SENATOR RUFF: Correct.

18 DELEGATE JOHNSON: To me, in the burley
19 region, money that was set aside, was set aside, we have someone from the
20 Highlands Community College here. I think we should not have the
21 community colleges competing with the others. To me, the money spent on
22 scholarships is probably the best spent money that we spend. The other day
23 a gentleman told me, or thanked me and the Tobacco Commission. He had a
24 BA degree and enrolled in Southwest Higher Education Center. The
25 community college got the funding or the scholarships. Today he has his

1 Virginia community college system as being all for one and one for all from
2 one end of the state to the other. I think it's foolish for us to put them in a
3 posture of having to compete against each other.

4 DELEGATE JOHNSON: Mr. Chairman, I'm
5 looking at FY08 Education Staff Recommendations. Grant 1507, Mountain
6 Empire Community College, Scholarships for Tobacco Families and 08
7 Cohort of AIMS High Scholars. The requested amount is 400,000, and staff
8 recommends 120.

9 SENATOR RUFF: I'd also point out that on 1509,
10 300,000 was put in for the Workforce Preparation for Energy Jobs. So, they
11 still came up with 400,000; it's just a different way.

12 DELEGATE JOHNSON: Virginia Highlands
13 Community College requested 450 and got 450.

14 MR. MAYHEW: Mr. Chairman, I'd like to speak
15 to the other side of the issue a little bit. If my recollection is right, during the
16 years I've been on this Committee, even though there was \$400,000 allotted,
17 if you want to call it that, or allocation, it was not a three or four hundred
18 thousand that they used any way the college wanted to use it, but it was into
19 their operating expenses, or whatever they had. The Commission had
20 specific goals and recommendations on how it was used, particularly the
21 scholarship part. There were discussions on several instances, I believe,
22 where some of the members felt like if it wasn't used properly, or the way we
23 felt like it needed to be used, 400,000 may not stand. It wasn't a free and
24 open, use as you please type of thing; there were some conditions with it all
25 along. I don't think we've changed it that much; it's just opened it up where

1 now as we see today, in all except one exception, the community colleges
2 are getting more than the 400,000. I think it's very fair that it be somewhat
3 competitive and community colleges are mindful how they use this
4 particular money. So, I believe there is fairness in this.

5 SENATOR RUFF: Further comments?

6 MR. DAY: Just to be sure, Mr. Chairman, to
7 implement Delegate Johnson's views this motion requires a no vote, is that
8 correct?

9 SENATOR RUFF: The no that you would not
10 change, use the formula that was created this year. The answer is yes, the no
11 vote.

12 MR. FERGUSON: Mr. Chairman, as a point of
13 clarification for the record, and so everyone understands this going forward.
14 If the motion, and I agree, I think a no vote would be in support of Delegate
15 Johnson's position, if that were to be the will of the Committee, what would
16 be the effect on the current staff recommendation, for this year?

17 SENATOR RUFF: My belief is that we'd be back
18 to zero, each one out completely, and eliminate 30 to 40 percent of them,
19 maybe. It depends on if Southwest Virginia Community College is 400, that
20 would take care of the \$550 request that the Committee has approved or
21 suggested. We would have to debate each and every one of these.

22 DELEGATE WRIGHT: Mr. Chairman, if
23 Delegate Johnson's view is to prevail, why couldn't a motion be made to
24 accept the staff's recommendations for all community colleges
25 appropriations with, of course, the single objection rule that you mentioned?

1 Why wouldn't that be in order?

2 SENATOR RUFF: Delegate Wright, you can
3 make any motion you'd like to make and see if there are enough votes to do
4 it. There will be less money, so we'll have to figure out how to cut and chop.

5 MR. MAYHEW: Mr. Chairman, I'd like to amend
6 the motion to say that if we indeed take it back to the original 400,000 per
7 college, that it begins next year, and what we've done this year remain as it
8 is.

9 SENATOR RUFF: Are you amending that
10 motion?

11 MR. MAYHEW: I'm amending the motion.

12 SENATOR RUFF: Is there a second to that
13 amendment, opposition on the original motion?

14 MR. MAYHEW: If in fact the majority of our
15 group does not want to see us go to the system we have here today but wants
16 to go back like it's been, rather than go back and change what's already been
17 done today, and if you want to take it back like it was, let's leave this year as
18 it is and start next year and go back like we were, that's the amendment. Of
19 course, the amendment needs to be voted on before the motion and see if
20 you agree with that; if not, we're back to where we were.

21 MR. DAY: Mr. Chairman, to further compromise,
22 I'll take that as a friendly amendment.

23 SENATOR RUFF: Is there a second?

24 SENATOR PUCKETT: I'll second it.

25 DELEGATE JOHNSON: Mr. Chairman, I think

1 what we're about to do would have far-reaching effects, and I think in order
2 to really determine what is best that we need to look at this a little further,
3 and I offer a substitute motion. That the motion be tabled until the next
4 Education meeting and certainly approve what's going on today. I think
5 what we're about to do today, we really need to think on that.

6 SENATOR RUFF: Frank, I think that if Delegate
7 Johnson is opposing that, then in effect he is asking that the original motion
8 be withdrawn and we have no motion at this meeting today.

9 MR. FERGUSON: That would be the effect, as I
10 understand it, yes, sir. Table as opposed to withdrawn, but tabled for today,
11 not to be taken off the table until the next meeting.

12 Mr. Chairman, if I might, just so we understand the posture that
13 this issue is in. It's my understanding that the practice of the Committee and
14 the full Commission to make this allocation of 400,000 per community
15 college for the last several years, and that has created, I guess, the
16 expectation that it will be ongoing. However, I'm not aware of anything in
17 the by-laws or any established policy that says that on an ongoing basis it's
18 400,000 and promised each year. I think ultimately when the Committee
19 gets to this question at the next meeting, or whenever, you really need to be
20 looking at it as a recommendation for a new policy, as opposed to going
21 back to an established policy, because although it's been a practice and an
22 expectation, I'm not aware that there is anything in the Minutes or the by-
23 laws or anywhere else that there has been a determination by the full
24 Commission that this would be the expected and accepted policy of the
25 Commission on a going-forward basis.

1 SENATOR RUFF: I think you're correct, and I
2 think there's been a motion at each of the meetings in the past to allocate a
3 certain dollar amount. The question now is do you want to withdraw your
4 motion?

5 MR. DAY: I do.

6 SENATOR RUFF: Or table the motion?

7 MR. DAY: Yes, in deference to Delegate
8 Johnson's suggestion that we give this some additional thought.

9 SENATOR PUCKETT: I seconded it.

10 SENATOR RUFF: Do you withdraw your
11 second?

12 SENATOR PUCKETT: Yes.

13 SENATOR RUFF: Now, Tim, I guess we're
14 ready. I'll ask you to read the projects and the amount requested and the
15 staff recommendation. If any Commission member has an objection, or if
16 Ned sees anyone stand up in the back, we'll pull that one out. Once those are
17 done, then we'll vote for those that have not been objected to.

18 MR. PFOHL: The Commission members have
19 seen the principal pages of the applications and a summary. I won't read this
20 verbatim, because there are a lot of copies.

21 The first proposal is from the County of Appomattox for Phase
22 II Workforce Development Center. They're requesting \$250,000 this year,
23 and last year your Committee recommended an award and the Commission
24 approved it, \$250,000 for Phase II. Phase I opened this June, and classes
25 through the Central Virginia Community College are being offered there, as

1 well as some other services for residents of Appomattox County. The
2 current request would bring the Commission's role to 60 percent of the total
3 project funding. In the first two phases the staff is recommending an award
4 of \$250,000.

5 SENATOR RUFF: Moving on.

6 MR. PFOHL: Second is the Town of Bedford and
7 their 21st Century Agribusiness Initiative requesting \$75,000 to hire a
8 project manager who would develop an agribusiness and agriculture
9 curriculum that would initially be offered at CVCC's Bedford Center
10 Facility. The position is that if that program is successfully implemented, it
11 would be absorbed by CVCC, or be eliminated and cover it through other
12 providers. The staff had some conversation with not only Bedford and some
13 of the community colleges that currently offer horticulture programs based
14 on the premise that access to affordable agribusiness education is an issue
15 that probably touches every one of the counties in our footprint. We've
16 heard some initial interest from at least two of the other community colleges
17 in the footprint. The staff is recommending in print here no award, and our
18 suggestion at this point would be that it be sent over to the Agribusiness
19 Committee, which has an upcoming grant application deadline of November
20 1, and we could continue some conversation with other community colleges
21 and look at the possibility of doing this on an expanded basis, rather than
22 just one individual county.

23 MR. MAYHEW: Mr. Chairman, I'd like to see
24 that done. I don't know that it requires any specialized action and referred to
25 the Agribusiness Committee.

1 SENATOR RUFF: I'll count that as an objection,
2 and at the proper time make that motion.

3 MR. PFOHL: Central Virginia Community
4 College has requested \$302,500 for Building Workforce Infrastructure in
5 Virginia's Region 2000. There are essentially five elements of this proposal.
6 Staff reviewed the application and felt this was a very good detailed
7 breakout of anticipated equipment costs and their enrollment projections. It
8 was well prioritized. We note that it touches a number of technology
9 programs and career programs in multiple locations that CVCC has,
10 including Appomattox and Brookneal and other sites, like Altavista. The
11 staff is recommending a full request of \$302,500.

12 The Community Improvement Council, Inc. is a non-profit in
13 Danville, and it is requesting \$287,500 for a building renovation and to
14 make improvements to a former school that was donated; this building was
15 donated to the non-profit by the City of Danville. There are a number of
16 renovation activities to that building, and there'll be adult training and other
17 head start programs. The staff noted there were no specifics included
18 regarding what curriculum would be offered to adults, how frequently that
19 would be offered, projected outcomes in terms of enrollment and credentials
20 granted. It duplicates some investments the Commission has made to other
21 educational facilities for adult training in that city and county, and the staff
22 is recommending no award.

23 Next is Crater Regional Partnership, Skill Streams For Success
24 - A Workforce Development Program, request for \$100,000 by the Regional
25 Economic Development Partnership. It serves Emporia, Greenville,

1 Suffolk and Dinwiddie. This is an organization that the Commission has
2 funded five times previously, totaling just under a half million dollars from
3 fiscal year '01 through '07. Currently they're reaching four localities with
4 eight sites, and a ninth site is under construction that will serve a good
5 location and offer training for the Workforce Development. They are
6 awarding career readiness certificates. Typically it's not our form to provide
7 renewal funding for programs, and we would note this is a service area that
8 has not been part of the community college allocation since the inception of
9 the Commission. This year the skill train folks have brought two new
10 elements to their project. One is certified nursing assistant training, and the
11 second is targeting the employees that will soon be laid off by Philip Morris
12 International at their McKenney processing plant. Chaparral Steel has
13 expressed interest in training those folks so that they can move into
14 employment with Chaparral. Those are two new aspects of the program, and
15 the staff is supporting the full request of \$100,000.

16 SENATOR RUFF: Moving on.

17 MR. PFOHL: Cumberland County's Education
18 Advancement Center, Phase II. A \$500,000 request to build out the
19 remaining two-thirds of a middle school in Cumberland County, and the first
20 phase opened in the last month or two. This offers a middle college program
21 and partnership.

22 SENATOR RUFF: I'll object to that one. Then go
23 ahead and move on.

24 MR. PFOHL: Danville Community College
25 requesting \$518,875. There are several elements to this request, including

1 tobacco financial assistance, tutoring support, also a number of disciplines.
2 The staff has noticed they are targeting several high priority programs with
3 substantial outcome numbers generated, and we're recommending the full
4 award of \$518,875.

5 SENATOR RUFF: Move on.

6 MR. PFOHL: The Franklin Center Career
7 Initiative is requesting \$341,500 for the building that we're sitting in today.
8 It's just opened in the last 90 days or so. The request is for a variety of
9 equipment and instructional costs, marketing, materials and scholarships to
10 Franklin County residents. The request is well targeted to local and regional
11 employment clusters. The program is well established, and they operated at
12 another site prior to this building opening. Approximately one-half the
13 request is to fund equipment to explore program offerings and Allied Health,
14 IT, GED, all of which are priorities for the Commission. One hundred
15 thousand of the request would establish a scholarship pool or several pools
16 of scholarship money for residents of Franklin County, which is the
17 direction that you were presented with by several localities last year, in
18 which the Committee declined to support creating additional pots of
19 scholarship money over and above what we've already created through the
20 community colleges and for four-year institutions, and so forth. Staff is
21 recommending an award of \$216,721 for equipment and personnel,
22 excluding the scholarship funds, marketing expenses and personnel for the
23 leadership program. Leadership will come up a couple of times in the
24 requests today, and we feel that is a pervasive challenge in the localities in
25 our footprint, but it has not been identified in the strategic plan as a priority

1 of the Commission.

2 SENATOR RUFF: Move on.

3 MR. PFOHL: Greenville County is requesting
4 \$713,970 for their Truck Driving Training School. This is a program
5 created in partnership with Southside Community College, and classes
6 began earlier this year at abandoned runways at the Emporia/Greenville
7 Airport. They are requesting money at this time for repaving all four of the
8 truck driver training courses that are there, in addition to the entrance road,
9 which is currently gravel, and student parking areas and truck parking areas.
10 This will be a repaving project of the abandoned runways at the
11 Emporia/Greenville Airport.

12 The staff has asked the applicant, and they have replied with a
13 phased approach to the paving. Repave two of the four courses and put on
14 the back burner the paving of the student parking and the entrance road, and
15 we can see how this program performs, if the enrollment is favorable, and so
16 forth. We know that per the terms of the county's lease of the airport, the
17 Airport Commission can take back this abandoned runway with 120 days
18 notice, so we have some concern about the level of investment, and that
19 could be taken out of our hands, so to speak. We're recommending an award
20 of that repaving approach of \$225,000, with a suggested condition that the
21 county comes up with a match of 15 percent of the project cost. No current
22 funds are committed to the pavement project. All the funds the county has
23 brought forward on the application have already been spent on the site to
24 establish it. We suggest 15 percent as a parallel to the Special Projects
25 program, which has a 15 percent minimum match requirement, and which

1 Greensville and Emporia fall into the category. We're suggesting 15 percent
2 as a condition of the pavement project.

3 SENATOR RUFF: Moving on.

4 MR. PFOHL: John Tyler Community College.

5 DELEGATE WRIGHT: I'd request this item be
6 left out of the block for consideration .

7 SENATOR RUFF: John Tyler.

8 DELEGATE WRIGHT: Yes, I request that be
9 pulled out of the block.

10 SENATOR RUFF: All right, moving on.

11 MR. PFOHL: Lonesome Pine Office on Youth is
12 requesting \$262,512 for the Southwest Virginia Imagination Library and that
13 would allow them to expand their involvement to the Dolly Parton
14 Imagination Library, which is a program that provides books for children
15 from birth to the age of five. There is a \$30 annual enrollment fee. This
16 would allow them to greatly expand the number of children in the Southwest
17 Virginia counties. The request has been passed over, both by Southwest
18 Economic Development and special Projects. Staff has noted the pre-K
19 activities as not a high priority for the Commission, and we're
20 recommending no award.

21 SENATOR RUFF: Moving on.

22 MR. PFOHL: Longwood University. Longwood
23 University is requesting \$545,460 for the development of a rural Bachelor of
24 Nursing Curriculum. This would allow one year of planning and
25 accreditation to create this program. The applicant has discussed the project

1 with us and has agreed to reduce the proposal from the five requested
2 positions to the three that they consider essential to planning the curriculum
3 and get through the accreditation process next year. That cost is estimated to
4 be \$392,293 which is the staff recommendation.

5 SENATOR RUFF: Moving on.

6 MR. PFOHL: Mount Rogers Regional Adult
7 Education Program is back with us again for the fifth year of the Southwest
8 Virginia Regional RACE to GED program. It's a partnership of the regional
9 adult education program for planning districts 1, 2 and 3, which covers
10 Southwest Virginia. The funds are being requested for scholarship, GED
11 testing, for marketing of the program and tuition to community colleges for
12 folks that are graduates of GED programs. Last year the Committee
13 recommended funding for GED transition to the community college
14 program. They're asking that additional funds be obligated to cover the first-
15 year tuition for folks that come out of those GED programs and are ready to
16 transition to the Virginia Highlands Community College and Wytheville
17 Community College. The applicant has had four previous grants, totaling
18 over a half million dollars. The entire balance of the two grants you
19 awarded last year is still available. The applicant has indicated these funds
20 will carry them through June of next year. In the past, when forced to
21 because of a lack of competitive educational funds, they haven't been able to
22 stretch out their money to allow them to get through the next year grant-
23 funding cycle, and we're suggesting we'd be happy to work with Mount
24 Rogers GED to extend last year's award and get them through to next year's
25 Education grant cycle. We're recommending no additional award at this

1 time.

2 SENATOR RUFF: Move on.

3 MR. PFOHL: Mountain Empire Community
4 College is requesting \$300,000 for the Workforce Preparation for Energy
5 Jobs. This will be in large measure to support the proposed coal-fired power
6 station plant that is planned for the Virginia City area. There are three
7 elements to this request, and each is about \$100,000 each.

8 The first piece would be scholarship money for training not
9 only the workers who will be on site at the power generation plant, and
10 about a three to four year construction time frame to get the power plant up
11 and running. Some of the 90 scholarships will also be set aside for folks in
12 other energy-related companies in the service area of Mountain Empire.

13 The second piece is OJT, on the job training, will reach at least
14 33 people in the footprint to allow them to receive training on the job, and
15 will help them achieve certification and earn higher wages.

16 The third piece is a request for instructional equipment to
17 support mining certification training. Right now MECC is training over
18 1700 people a year in the mining industry. This additional equipment will
19 allow them to grant additional certifications for many of the 1700 trainees.
20 The applicant has noted in their request, if a current application to the U. S.
21 Department of Labor is successful, they would request scholarship funds be
22 redirected to match the federal grant to purchase additional training
23 equipment. There is a little twist on that one that we need you to be aware
24 of. Any questions on that?

25 SENATOR RUFF: All right, that was 1507.

1 MR. PFOHL: Mountain Empire Community
2 College request for Scholarships for Tobacco Families and 08 Cohort of
3 AIMS High Scholars is a \$400,000 proposal. Seventy percent of the funds,
4 or roughly \$280,000, are scholarships for tobacco producers, tobacco
5 workers. The remaining 30 percent, or roughly \$120,000, would be awarded
6 to students qualifying for the AIMS higher scholarships for students taking a
7 more challenging curriculum, and they're guaranteed community college
8 financial assistance through the AIMS Higher Scholarships. The money will
9 go towards community college scholarships there.

10 We had several conversations with the MECC staff. They say
11 awards from previous years are enough to carry them through on their
12 tobacco scholarship piece through the spring of 2009. They're willing to
13 come back on the 70 percent tobacco scholarships next year when their need
14 will be greater. They asked to continue the requests for the scholarships for
15 the Cohorts that will graduate from high school this coming spring, and
16 that's \$120,000. Staff is supporting that element of the request.

17 SENATOR RUFF: Moving on.

18 MR. PFOHL: Norton City Schools is requesting
19 \$5,000 for a Dual Enrollment Book & Tuition Fund for low income
20 students. They're asking for the 20 percent not always covered by Mountain
21 Empire Community College for students that qualify for the Federal Lunch
22 Program, to cover the cost of books and tuition and enable those students to
23 take dual enrollment classes at Mountain Empire Community College. We
24 felt dual enrollment is a very positive objective. We support it in several of
25 these programs, but the proposal lacks a plan for sustainability. We

1 generally steer clear of funding individual school districts in programs like
2 this, and we're recommending no award.

3 SENATOR RUFF: Moving on.

4 MR. PFOHL: Old Dominion University is
5 requesting \$376,100.

6 SENATOR RUFF: There's an objection, so pull
7 that one out.

8 MR. PFOHL: Patrick County Education
9 Foundation.

10 SENATOR RUFF: All right, there's an objection,
11 pull that out.

12 MR. PFOHL: Patrick Henry Community college
13 is requesting \$469,000 for educational attainment, diplomas, degrees and
14 GED. The community college has several elements that they request here,
15 including GED, adult basic education, dual enrollment, scholarships, testing
16 stipends and tutoring. Another piece is to accelerated college education,
17 academy in Patrick County, and providing career coaches in the five tobacco
18 region high schools.

19 Generally the staff found these to be high priorities of the
20 Commission, including GED and dual enrollment. Much like leadership, we
21 found career coaches as something we've funded in past years, and that
22 seems to be a fairly common practice now. We felt in several cases today,
23 and you'll hear about career coaches, we felt we needed to be even-handed in
24 our treatment of these. We felt like we helped in some of those positions in
25 the past, time to move on with other uses of the funds. That piece is about

1 \$35,000, and we pulled that out of the recommendation, but the staff is
2 recommending \$434,000 for Patrick Henry Community College, including
3 their career coaches.

4 SENATOR RUFF: Moving on.

5 MR. PFOHL: St. Paul's College is requesting
6 \$137,863 for the Rose Creek Park. The park will include an open classroom
7 for students to study ecology, biology, chemistry and geology, as well as a
8 campus walkway between portions of the community and the college
9 campus. No information is provided on the specific curricula and academic
10 credentials that might result from the creation of the park. It appears it's
11 primarily a campus recreation and traffic amenity, which is a low priority,
12 and the staff is recommending no award.

13 SENATOR RUFF: Let's pull that one out.

14 MR. PFOHL: Smyth-Washington Regional
15 Industrial Facilities Authority requesting \$450,000 for the Dream It Do It
16 manufacturing skills training. This is a program that Special Projects has
17 supported with \$100,000 of marketing money in the spring of this year.
18 This specific request would cover a number of hard skill and soft skill
19 training. By hard skill we mean things like electro-mechanical and
20 maintenance, general production, welding, machining. Soft skills, including
21 things like leadership development, team building, and so forth. There are a
22 couple of other pieces of the request, including a scholarship fund, \$25,000
23 for students that are coming out for career and technical programs in local
24 high schools and encourage them to pursue a secondary and manufacturing
25 and career studies. Another piece of the request is to purchase four

1 programmable logic controller systems with laptop and annual software
2 charge to be located in a community college within the Dream It Do It
3 service area.

4 The staff has noted that Dream It Do It has excellent tracking
5 systems and has a track record of providing training. The staff felt that the
6 hard skill training was a better focus on Commission funding, and we're
7 recommending an award of \$190,000 for the so-called hard skill training,
8 including soft skills, scholarship and PLC trainers.

9 SENATOR RUFF: Want to pull 1513.

10 MR. PFOHL: South Central Area Health
11 Education Center is requesting \$303,500 to establish a Licensed Practical
12 Nurse program. The Commission assisted South Central in the past with
13 grants totaling just over \$200,000 to establish a CNA program. It's been
14 successful and operating for a number of years. Based on demand and travel
15 time to get to the existing healthcare program, South Central is requesting a
16 year of accreditation and planning work so they can establish an LPN
17 program at their site. The applicant has agreed to scale back the request
18 regarding the number of positions requested and some of the operating
19 expenses that are needed to plan a curriculum to pursue accreditation.

20 The staff is recommending \$110,000 for services such as
21 personnel, contractual services and equipment.

22 SENATOR RUFF: Moving on.

23 MR. PFOHL: Southern Virginia Higher Education
24 Center has requested \$426,951 for the Center for Nursing Excellence. This
25 is a request for start-up funds for furnishings and equipment, and this is for a

1 nursing skills lab, a simulation lab, computer resource center and classrooms
2 at the Southern Virginia Higher Ed Center, and for operational funding with
3 a full-time director and full-time administrative support specialist. They
4 projected a number of nursing programs that could be added to the existing
5 programs that are operating at the Center but are restrained by the lack of
6 classrooms, nursing labs and simulation lab. This would be built off the
7 existing shell building just over 4,000 square feet of space. The owners of
8 the building have requested Special Projects funds. Last week the Special
9 Projects Committee recommended approval of the request for just over a
10 half million dollars to the Halifax Education Foundation to build out that
11 space.

12 Staff has noted that in similar projects, both USA Rural
13 Development and Department of Housing and Community Development
14 have provided some funding for equipment for nursing programs. We're
15 suggesting our role would be to assist with establishing those positions and
16 the applicants be sent, with our good will and support, to seek some
17 additional funding for equipment with other funding sources. The staff
18 recommended an award of \$158,000.

19 SENATOR RUFF: Moving on.

20 MR. PFOHL: Southside Virginia Community
21 College Foundation requesting \$814,000, and there are several elements to
22 this proposal, including a nursing success coach, establishment of a
23 construction trades program at the Lake Country Enrichment Center in
24 Clarksville, the completion of interior buildup at the interior of the
25 Occupational Technical Center, establishing a coordinator position to fill

1 unused seat capacity in the community colleges facilities, and lastly, tobacco
2 scholarship fund for tobacco-related families. This builds on an array of
3 successful programs with substantial outcomes at several locations in the
4 service area and several targeted careers. The coordinator position is
5 something that could be accomplished to a large measure through the career
6 coaches that exist at local high schools.

7 The Clarksville facility, Lake Country Enrichment Center, has
8 not yet started construction, and they're trying to wrap up paperwork on the
9 USDA loan financing. We're suggesting the position to be created to start
10 the planning and fund raising for that construction trades program, and at
11 this point it's not necessary to purchase the equipment for a facility not yet
12 under construction. So, we're recommending an award of \$640,516,
13 excluding the unused seat capacity coordinator and the equipment for the
14 Clarksville facility.

15 MR. DAY: Mr. Chairman, I'm curious why this
16 application came through the Foundation, as opposed to from the College
17 itself.

18 UNIDENTIFIED: Our applications have always
19 come through the Foundation.

20 SENATOR RUFF: Moving on.

21 MR. PFOHL: Southwest Virginia Community
22 College requesting \$550,000 for the scholarship program for tobacco
23 growers and the AIMS scholarship program. Southwest Community
24 College has done what I think the Commission would have wanted them to
25 do with their scholarship money. In recent years they've used that money in

1 the year it was awarded. It's put them out on a little bit of a thin limb.
2 They're requesting funds to basically cover three semesters, plus a summer
3 term, and that will carry them through the next Education grant cycle in the
4 fall of 2008. The staff is supportive of this request.

5 SENATOR RUFF: Moving on.

6 MR. PFOHL: Southwest Virginia Higher
7 Education Center is requesting 1.4 million for facility expansion and
8 construction project. There will be a 6200 square foot addition to the Higher
9 Ed Center in Abingdon. The Commission has approved \$918,000 for
10 expanded educational program offerings. The applicant provided very
11 thorough analysis of the current usage of their space, and they're maxxed out
12 on their space. They lack some necessary science lab facilities there. This
13 project would establish some larger classrooms. The over-supply of smaller
14 classrooms would be repurposed as science labs. Not only the 6200 square
15 foot addition, but some retro-fitting of some existing classrooms to support
16 Allied Health and engineering and other targeted career paths. Staff is
17 recommending the full award of 1 million 400 thousand, the full request.

18 SENATOR RUFF: Moving on.

19 MR. PFOHL: The Town of Saltville is requesting
20 \$255,330 to establish a dental training center or facility in the renovated T.
21 K. McKee Hospital. This would provide equipment, and they would get
22 some other funding money for renovation of the building. It would house a
23 dental facility, and it's anticipated that 100 dental assistants and dental
24 hygienists students from Wytheville Community College and the
25 Washington County Skill Center, as well as 50 dental students from Virginia

1 Commonwealth University School of Dentistry, would be able to come and
2 provide care. This facility will be a private dental practice and provide
3 affordable dental care to area residents. The staff has noted the majority of
4 the implementation funds to renovate the space are not yet committed. The
5 affordable care, private practice and low costs are priorities of the
6 Commission, and we're recommending no award at this time.

7 MR. CHAPMAN: I'd like to ask that be brought
8 back.

9 DELEGATE JOHNSON: This area is low income,
10 and health services are greatly needed. My question is, if the fundings that
11 are pending were available, would that make a difference in the staff's
12 recommendation?

13 SENATOR RUFF: To some extent.

14 MR. PFOHL: Obviously, committed money is
15 much stronger.

16 SENATOR RUFF: We'll bring it back, move on.

17 MR. PFOHL: Virginia Advanced Studies
18 Strategies --

19 SENATOR RUFF: There's an objection, so we'll
20 bring that back.

21 MR. PFOHL: Virginia First.

22 SENATOR RUFF: There's an objection to that,
23 we'll bring it back.

24 MR. PFOHL: Virginia Highlands Community
25 College has a request for \$450,000 for tobacco scholarships in the AIMS

1 Higher Programs. Their current scholarship awards will bring them through
2 the spring of '08. This request will allow them to provide scholarships
3 through the next Education cycle and into the spring of '09, as well as to
4 commit funds to the AIMS Higher Program, 2008 high school graduates.

5 Staff is recommending the full award of \$450,000, with the
6 condition that a couple of the statements be added to their program
7 guidelines. They currently say the recipients must be Virginia residents for
8 tobacco scholarships, and we're suggesting that that should be revised to
9 tobacco region residents. Secondly, the funds must be program placed in
10 order to receive tobacco scholarship funds to be consistent with what several
11 of the other community colleges have added to the program.

12 SENATOR RUFF: Moving on.

13 MR. PFOHL: Virginia Highlands Community
14 College is requesting \$63,900 to install a motorized shade system in the on-
15 campus greenhouse which was built using a half million dollars of previous
16 Commission funding. This will allow expanded use of the facility in warm
17 and cool temperature months. The staff has noted, while the motorized
18 shade is certainly an industry standard for horticultural facilities, it's difficult
19 to direct to specific outcome measures having the shade in place, and some
20 of the additional uses of the facility are not priorities for the Commission.
21 So we've recommended no award.

22 SENATOR RUFF: There's an objection, so we'll
23 pull that.

24 MR. PFOHL: Virginia Highlands Community
25 College Strengthening Orientation, there's a request for \$63,176. This is

1 primarily to improve the college's website as part of an overall plan to
2 improve student success. It's got good objectives, but again, it's very
3 difficult to attribute a specific outcome to the approved website, and the staff
4 recommended no award.

5 SENATOR RUFF: Moving on.

6 MR. PFOHL: Virginia Highlands Community
7 College requesting \$260,000 for career advancement for paramedics through
8 the Virginia Appalachian Tri-College Nursing Program, which involves
9 three Southwest Virginia community colleges. You recall that the
10 Commission assisted Virginia Appalachian Tri-College Nursing Program in
11 the past to establish a part-time evening and weekend nursing program. This
12 request would leverage that equipment funding for training sites by
13 providing additional cohorts of students across the region, certainly working
14 as paramedics and students volunteering as paramedics who wish to move
15 into a nursing career. The request is specifically for two full-time nursing
16 instructors for the first two years of the program, and then those positions
17 would be absorbed in the annual operating budget. Staff is recommending to
18 support that full request.

19 SENATOR RUFF: Moving on.

20 MR. PFOHL: Virginia Industry Foundation, a
21 non-profit arm of the Virginia Manufacturers Association, requesting
22 \$450,000 for the Rural Virginia Advanced Manufacturing Skills Project.
23 This would be an employer-led certification program for advanced
24 manufacturing trades, specifically three levels of manufacturing technician
25 training resulting in certification. This would be provided within the region,

1 and this is based on earlier phases that have been rolled out already in
2 Northern Virginia and Richmond. The proposal is targeted to the tobacco
3 region by selecting specific employers and prospective workers and
4 providing the certification program and training costs. It's built on Work
5 Keys and Career Readiness Certificates, as was mentioned earlier, and
6 provides an industry ladder of advanced industry certification. Staff is
7 recommending a partial award of \$270,000 to begin implementation and
8 target certification of 150 workers in each of the tobacco regions. The full
9 request would accomplish training and certification of 250 participants in
10 each of our two regions.

11 SENATOR RUFF: Moving on.

12 MR. PFOHL: West Piedmont Workforce
13 Investment Board requested \$3.5 million over five years to provide a variety
14 of programs, including customized training, such as industrial robotics,
15 computer integrated manufacturing training, dual enrollment and GED
16 instruction, tuition assistance, and targeting some programs K-12. There are
17 several elements of this proposal that duplicate some of your previous
18 investments and some of the pending requests. The robotics curriculum
19 would be something we thought would be a well-targeted proposal and a
20 good fit for the Commission's interests. The applicant has indicated first
21 year implementation in the robotics curriculum could be accomplished with
22 an award of \$103,000; that's what the staff is recommending.

23 Wise County Public Schools has requested \$819,250 for the
24 Rural Appalachian Learning Initiative.

25 SENATOR RUFF: Tim, because that's coming

1 from public schools, we'll pass that by.

2 MR. PFOHL: Wytheville Community College
3 requesting \$610,940 for the truck driver training program. It would be to
4 establish a new truck driver training program at Wytheville. Two sites are
5 currently under consideration in the Galax area. We don't have well-
6 developed improvement costs just yet.

7 Another part of the request is to purchase two road-ready 18-
8 wheelers, and the staff is recommending an award of \$280,000 for
9 acquisition of trucks, so that when a site is finalized in the coming weeks
10 they would have rolling stock to provide that training.

11 Wytheville Community College also requested \$78,581 for the
12 Rural Leadership Academy Program, which would provide 12 to 15 selected
13 students. The request would cover the tuition of the special course and
14 honoraria for speakers, program materials and supplies, and field trips,
15 including trips abroad. Leadership is a challenge but not a specific
16 Commission priority.

17 UNIDENTIFIED: I ask you to remove my
18 objection from 1515.

19 SENATOR RUFF: There is no objection to 1515.
20 All those that there have been an objection raised, we'll discuss those. The
21 proper action now would be the approval of all those that were not objected
22 to.

23 It's been moved.

24 DELEGATE WRIGHT: Second.

25 SENATOR RUFF: Any further discussion? All in

1 favor say aye? (Ayes.) All opposed? (No response.) All right, that takes
2 care of that.

3 Now, we'll go down the list of those that objected. The first one
4 is 1477.

5 MR. LOWRY: Good afternoon, Senator Ruff and
6 Committee members. My name is Robert Lowry, I'm the Director of the
7 Central Virginia Community College. Our location is Bedford, Virginia.
8 We joined forces with a very deserving group and advisory boards and
9 committees trying to become a facilitator of the means of solving several
10 problems, primarily which the lead group has to do with developing the
11 economic and agricultural interests in the County of Bedford. We submitted
12 to you some thorough documents that explain that the County of Bedford,
13 we're losing a considerable amount of farm land.

14 In addition, the documentation demonstrates that we are in the
15 top 15 among all counties in the state of Virginia producing agricultural
16 products, and yet we rank 34th statewide in developing revenues from those
17 products. It is the recommendation of the Economic Advisory Board for
18 Agriculture that there is a significant shortfall in education, as well as
19 migration for second- and third-generation family members.

20 SENATOR RUFF: You understand the
21 Agriculture Committee will consider this?

22 MR. LOWRY: Yes, certainly, not to offend
23 anyone. Now, going further, Mr. Pfohl's committee recommended that this
24 be considered to cover the entire footprint of the tobacco initiative, and we
25 thought that was a brilliant suggestion. However, one of the downfalls of

1 the very nature of the community college system is the autonomy of each
2 school. If, indeed, we enter into a consortium with other community
3 colleges who have already expressed an interest, we would be coming to the
4 table with nothing to barter. There is pre-existing agriculture and
5 agricultural related programs in each of the community colleges, as I have
6 spoken to Mr. Pfohl, and we do not possess any such resource. Our request
7 to this Committee is that we can enable immediately Bedford County to
8 generate in-hand resources by virtue of a very small request so that we can
9 function on equal terms with these other community colleges and function as
10 an active member of this consortium.

11 Central Virginia has experienced implementing programs. We
12 believe we could have this program up and running by the beginning of next
13 fall's academic year in conjunction with the high schools and growing your
14 own process, as well as the existing student population in Bedford County.

15 We'd like to ask you to initiate this through this Committee, and
16 next year we will come back with a result of the findings and the learnings
17 and the curriculum development and student population that we would have,
18 so that we could argue equally and function effectively with each of the
19 other programs that have been existence for some time. That is our
20 proposal, sir.

21 SENATOR RUFF: Thank you.

22 MR. LOWRY: Mr. Mayhew, we certainly
23 appreciate your moving it to another committee.

24 SENATOR RUFF: The Cumberland County
25 proposal. Tim, I didn't let you get very far on that. You had proposed

1 \$37,500 for the design and layout operation. The Board of Supervisors
2 came to me in the last 24 hours and asked could we consider \$200,000 so
3 they could go ahead and do one area that would be used for multiple
4 purposes, CNA and the construction trades, so they could get started on this
5 program.

6 The next one is John Tyler Community College, 1487.

7 DELEGATE WRIGHT: Mr. Chairman, someone
8 is here from John Tyler Community College. I ask her to come forth at this
9 time.

10 MS. MARTIN: I'm Mirta Martin. I'm the Director
11 for the John Tyler Foundation. I'm delighted to be here today.

12 SENATOR RUFF: Tim, why don't you present
13 that?

14 MR. PFOHL: This is a request for \$68,500 to
15 place career coaches in high schools in Amelia and Sussex Counties. As I
16 said, as far as career coaches, we have funded those in the past. We had
17 some conversations with Dr. Martin about sustainability, and they feel like
18 within two years they can absorb those positions into their budget. They are
19 tracking community college enrollment and counseled by the career coaches
20 they have in high schools outside of the tobacco region. We discussed
21 sustainability and measurable outcomes with them.

22 MR. MAYHEW: What is the difference between
23 these special coaches and guidance counselors?

24 MS. MARTIN: There is quite a bit of difference.
25 Career coaches are employed. We have reasonable and articuable objectives

1 vis-à-vis the outcome of the students. The counselors in the high schools,
2 their primary responsibility is to ensure that the best students end up in two-
3 and four-year educational institutions. They're not really looking at career
4 opportunities. They have tremendous burdens placed on them specifically
5 with the issues of SOLs and other responsibilities of high school. The career
6 coach is specifically geared to address the needs of the students vis-à-vis the
7 education. A career may be a brain surgeon; it can also be a welder. Those
8 counselors are not looking to place students into a program like welding or a
9 trade program, into plumbing, for instance. They're looking for them to take
10 up the brain surgery. What we're looking to do is ensure accessibility to
11 every student in the Commonwealth. Some students can't go to college to
12 get a certain degree. That's really the function of the career coach, and the
13 value of the career coach is to make sure students know about these other
14 fields and have accessibility to them.

15 We have gone forward to ensure that the citizens of certain
16 regions, and John Tyler, I believe, is the third largest service region in the
17 Commonwealth, those students are assured an affordable education to
18 achieve the dream of having an education with the career coaches. With the
19 career coaches, this is our second year where we've had career coaches in
20 one high school. We have a specific measure where we know how many
21 development plans that career coach develops, how many students that
22 career coach develops, how many parents that career coach develops. We
23 have secured grants to put four career coaches, through another foundation,
24 in the City of Petersburg. As you all know, that city is very depressed,
25 although outside of the footprint of this Commission.

1 Our request of you is to put career coaches in the other two
2 areas where you have a footprint. This is so we want to impact the future of
3 those areas. Our achievements are measurable, but if you're looking at
4 sustainability I can only tell you that within the next two years our viable
5 resources through other grants. It's my request to be able to fund these
6 positions that are so very needed and be able to make a difference in the
7 lives of these students. If you want to talk about ROI, return on investment,
8 this is the place to put it, and this is the future of the Commonwealth. One
9 day they will be our future leaders, and what we do today will serve the
10 future and is very important to our future. So I respectfully submit my
11 request that the Commission reconsider our request for funding to have
12 career coaches for these counties of Amelia and Sussex.

13 SENATOR RUFF: How do you handle
14 Chesterfield?

15 MS. MARTIN: We have one career coach in
16 Meadowbrook, which is predominantly a DSL community, and that career
17 coach we've had for one year, and we've been successful. We can track,
18 there have been 75 new students coming into trades at John Tyler. I'd be
19 less than candid if I did not tell you that John Tyler would welcome the
20 students, but that's one thing. Career coach is about talking to students
21 about careers. If they end up at ODU we'd be happy with that, if they end up
22 at UVA we're happy with that, or if they end up in a vocational center, we're
23 happy with that. The issue is to make sure we track these people into a
24 career. Chesterfield, we only have one, and that was issued to us through a
25 grant.

1 DELEGATE WRIGHT: Can I make a motion at
2 this time?

3 SENATOR RUFF: We're going to hear all of them
4 before we do that.

5 DELEGATE WRIGHT: Just an inquiry.

6 MS. MARTIN: Thank you for your time.

7 SENATOR RUFF: The next one is Old Dominion.

8 MS. JACKSON: Mr. Chairman, I'm Karen
9 Jackson. I'm here today representing Old Dominion University. In reading
10 the staff comments about Old Dominion University, it was never the intent
11 of the proposal itself, despite the fact that it says a web-based program, it
12 was never the intent to make that content available outside of the Tobacco
13 Commission footprint. That can be handled very easily by a zip code
14 bringing up-front, where the person has to register and come in and actually
15 enter a zip code, and it has to correspond to a zip code in the Tobacco
16 Commission in order to even get access to the content.

17 Today we have heard from Longwood, VACC, Southwest
18 Virginia, Southside Virginia, and South Central Virginia, who are all
19 interested in putting forth nursing programs training people to go in the
20 nursing field. I think it's interesting that the ODU proposal itself would
21 allow these very same folks to access accredited, currently being trained in
22 the field, nursing content as an augmentation to the program that they're
23 either going to be receiving or could be receiving.

24 The second part of the request is the ability to track, and part of
25 that can be address in the up-front registration. It's easy to ask are you

1 currently an RN or working toward those various designations. We can then
2 say are you in a certain program, yes or no. If that person goes on to
3 graduate, they will know they've gotten some level of additional information
4 through the Old Dominion program. The program they're trying to set up at
5 this point is giving a great look at what an accredited content looks like,
6 what it looks and needs to feel like, as they're developing their own
7 curriculum, not only is it letting the students have access to it, regardless of
8 what program they're in, or an RN already in the field and wants to brush up
9 on skills. It will only give the folks that are developing the content access to
10 Old Dominion, who already has a program like this.

11 So, I'd just like to ask the Commission, when looking at these
12 various programs, this is a program that is highly respected and accredited.
13 It's out there, and they're willing to give the content to the Tobacco
14 Commission at no cost.

15 SENATOR RUFF: I don't think the intent is to
16 keep it from people from other parts of the state. They felt if it was a
17 statewide program there should also be other elements that they would share
18 the cost. Am I correct in stating that?

19 MR. PFOHL: That's correct.

20 MS. JACKSON: At least for this pilot program,
21 the content is not currently available to any web base or to anyone. This
22 would be the pilot program. If it were to ever be taken to other parts of the
23 state, Tobacco Commission money would not be utilized to accomplish that.

24 SENATOR RUFF: The next one is Patrick County
25 Education Foundation.

1 MR. DAY: Mr. Chairman, I'd like to amend that
2 to \$42,500 and ask Jerry Hughes to speak to that.

3 MR. HUGHES: I'm Jerry Hughes, Patrick County
4 Education Foundation. Basically, our proposal was for two planning grants.
5 One to look at better transition or more effective transition of our successful
6 GED folks into the community college system and higher ed. How to use
7 the higher ed to pull more students in, and how to get more of the successful
8 GED folks through the two-year program. We think we've got some pretty
9 good ideas, and maybe not exactly the same materials, but sharing some
10 similar attributes. In the last five years we've more than doubled the average
11 GED graduate in the county. We currently have 37 percent that are at least
12 willing to take a college class. The national average for GED is around 80
13 percent, and this would give us an opportunity to build on that.

14 The entrepreneur part of it, I've had some discussions with staff,
15 we might take a look at the Economic Development Committee for that. It
16 would be a study initiative to find the best way to better develop and take
17 advantage of all opportunities. What we'd really like to take a look at is all
18 programs to transition one of those GED folks into community college.

19 SENATOR RUFF: St. Paul's College.

20 MS. COCHRAN: I'm Claudia Cochran. Thank
21 you for the opportunity to speak. This is very sensitive to me, because I was
22 born and raised in Brunswick County, Lawrenceville, Virginia, and it is a
23 low-income rural area. There are not many activities for children there, but
24 it has grown some over the years. I won't tell my age, but there is a need
25 there for all kind of growth, and I think opportunities are available. When

1 you look at the curricula, or actually the credentials that will directly result
2 from the use of the park, no matching funds are listed. May I say that we are
3 faced with a deficit at our college. We have a new president who is highly
4 qualified to get the college out of the deficit mode and try to bring funds to
5 the college. In the proposal it stated that the teachers in the surrounding
6 schools would have an opportunity and at the college to bring the children,
7 students, to the park and have a hands-on experience with science. Our
8 Science Department will oversee the project that will take place. The
9 teachers themselves have a curriculum, and the teachers at the college also
10 have a curriculum, and therefore I didn't see the necessity to put that in the
11 proposal. However, I can provide that if you feel it's necessary. We'd like to
12 offer an experience, or a hands-on experience I should say, with science,
13 biology, chemistry, ecology. It's an opportunity for the area to provide, in
14 addition to the park, providing science opportunities. Students are not using
15 the student center as they should, and recreation is an asset to learning; you
16 need recreation alongside learning. The students there are not taking full
17 advantage of our student center at St. Paul's College because they're having
18 go on the main highway or drive. If they had the bridge, they could also
19 take advantage of the student center, as well as the park for science
20 activities. I always encourage them to take part in community center there,
21 the use of the bowling alleys and the lounge there and the other activities
22 that take place at the student center. We try to encourage the students to take
23 part in these activities. Thank you, very much.

24 SENATOR RUFF: Thank you.

25 The next one is 1513 -- all right, that's withdrawn. Do we have

1 a motion to approve 1513?

2 MR. MAYHEW: So moved.

3 SENATOR RUFF: It's been moved and seconded,
4 all in favor say aye? (Ayes.) Opposed? (No response.)

5 The next one is the Town of Saltville.

6 MR. CHAPMAN: Mr. Chairman, my name is
7 Howard Chapman. I'm the Executive Director for Southwest Virginia
8 Community Health Systems. We're a federally qualified health center. We
9 have many low- and moderate-income families in our region. A couple of
10 things I'd point out that I heard in regard to a reason for not recommending
11 the project. One, private practice aspect. Typically we've got a dentist in the
12 community who has been there since 1979 and approaching retirement. To
13 be able to supervise the dental students you have to have a contract
14 agreement to do that and focusing not on services to private individuals but
15 contracting with the dentist and supervision. The \$519,000 will be secured a
16 loan with Rural Development that the board will secure and take care of that
17 private aspect of it and paying for that supervision. I think Delegate Johnson
18 pointed out the need for dental services in Southwest Virginia, especially
19 among the low- to moderate-income families. In the state of Virginia we
20 only have one dental school, and that's in Richmond. The furthest west they
21 come in providing any type of service for a training type facility would be
22 the Lynchburg area. This would be the furthest west they'd go with any type
23 of teaching or training program.

24 In healthcare we have found that providers tend to stay where
25 they're teaching and training, and we found that true in what's been funded in

1 Planning Districts 1, 2 and 3. Forty percent of the medical residents rotate
2 through that service, and 25 percent that rotate through that program actually
3 now work in Planning Districts 1, 2 and 3. Fifteen percent of the residents
4 we get from Tennessee now work in Planning Districts 1, 2 and 3. It's a good
5 recruiting tool to place that out there. Dean Hunt just noted that the
6 population density of Virginia is about 2000 to 1, and it's 4000 to 1 in
7 Southwest Virginia. So there's a huge dental shortage out there.

8 This is a model to bring to you full training segment for both
9 dentists and dental hygiene students, and they can train in the same program.
10 We think the aspect of serving a whole planning district would be a model
11 across the state of Virginia. There is really a severe need of dental programs
12 in the state.

13 Also, another aspect with regard to that is the clients that
14 actually are served will be more beneficial from an economic standpoint.
15 Good oral hygiene and dental work, because employers usually look for
16 individuals who certainly would have better dental care than those that don't
17 have it.

18 So, we'd ask that you look closely at this project. The \$519,000
19 loan is in process, and it's being secured by my organization. There are two
20 other grants that are being reviewed this week. We should have word on
21 those within the next couple of weeks. The Virginia Department of Housing
22 and Community Development loan was turned down the first time, but there
23 were good comments on our grant and project. The reason it was turned
24 down is because of the transition from a town employee that left, but we're
25 planning to resubmit that, and we're optimistic that that will be funded the

1 second time around.

2 DELEGATE JOHNSON: Mr. Chairman, I'd like
3 to ask a question to Mr. Ferguson. How can a private dental practice, can we
4 allocate money?

5 MR. FERGUSON: I take it that the training
6 facility, and I'm not a hundred percent clear on the corporate structure or the
7 business structure, but I take it that the training facility itself is set up to train
8 dental assistants and dental hygienists from the Community College and
9 Skill Center, as well as the students from VCU. I do not know that this
10 training procedure itself is a for-profit operation. Is it?

11 MR. CHAPMAN: We're not a for-profit
12 corporation.

13 MR. FERGUSON: I don't think there would be
14 any problem in that regard.

15 DELEGATE JOHNSON: You mentioned another
16 grant that you were trying to get. Mr. Chairman, it does appear to me that
17 this should be carried over and his application completed with money that
18 would be available, which may cut down this amount. I would move that we
19 carry this application over until next time.

20 SENATOR RUFF: I'll tell you the right time to
21 make a motion.

22 MR. CHAPMAN: Thank you.

23 SENATOR RUFF: The next one is the Virginia
24 Advanced Studies Strategy.

25 MR. DAY: Mr. Chairman, I'm a member of the

1 board of this outfit, as I believe you are.

2 MR. BENNETT: I'm Ted Bennett. I'm Executive
3 Director of the Southern Virginia Higher Education Center. Back in March
4 the Secretary of Education's office asked our center to enter into the
5 competition for money for advanced placement in math, science and
6 English, which is taking place across the nation and nationally. Exxon
7 Mobile put up \$125 million for up to ten states, awarded \$13.2 million each.
8 We put together a team quickly and competed in that, and we were among
9 seven that were selected for this state award in Virginia and have secured at
10 least the opportunity to bring \$13.2 million of Exxon Mobile money into
11 Virginia for advanced math, science and English. We were particularly
12 attracted to this competition, and I was in particular, after looking at the
13 Southside and Southwest standings on a number of parameters set by the
14 state. Virginia ranks as a whole in the top four states in the country in
15 students taking and scoring higher on the advanced placement than the other
16 46 states. Unfortunately that achievement is in a few deep pockets in urban
17 areas in Virginia like Northern Virginia, Tidewater, and a couple of spots
18 around Richmond. If you look on the Governor's new map of performance
19 standards website called Virginia Performs, these types of academic
20 achievements or lack thereof in our region stand out and are startling, if you
21 will. Most educational achievements of our students in Southside and
22 Southwest we rank at or near the bottom in this sort of competitive
23 environment for our kids. If you are an industrialist looking for an area to
24 locate a plant in the Commonwealth, one of the things you're going to look
25 for in this day's hunt for talent, you're going to look for the quality of your

1 workforce, the quality of the schools, the education level of those kids.
2 When you do so, that website is so stark that it makes you wonder why
3 many plants did not choose this area. In an effort to overcome that image
4 and enhance the achievement of our kids, we went after this grant. I would
5 ask you to allow me a minute or two to tell you why I'm asking you to
6 amend the award that the staff has awarded to us.

7 The agreement with the National Math and Science Initiative
8 that was administering the grants for Exxon is reflective of a contract
9 between that company, a private company, and a new corporation that we
10 had to set up, which is a 501C3. We had to get 13 to 15 people across the
11 Commonwealth to agree to serve as a Board of Directors to direct and run
12 this initiative with this money over the next six years. The grant is for six
13 years. Mr. Day, Delegate Hogan agreed to serve on that Board of Directors.
14 In the competition we have to make sure that Southside and Southwest gets
15 their proportional share of this 13 million for our region. Of the 13 members
16 from across the state who have agreed to serve on this board from our two
17 regions. Jack Reasor, CEO of Old Dominion, Ben Davenport, Barnie Day,
18 Delegate Hogan and Bryant Stith, out of 13. We have enormous influence
19 on that Board of Directors with the direction of this initiative to see that we
20 get our fair share of it. We have to arm the Board of Directors members by
21 demonstrating a commitment from Southside, a financial commitment from
22 Southside and Southwest, in order to get this money.

23 To show you how it's leveraged, this year putting local money
24 from supporting partners like Dominion Power, ODEC, Halifax Educational
25 Foundation, we're putting in \$150,000. We're getting \$500,000 from this

1 effort out of this grant. Next year, with a budget of \$250,000, if we have
2 this promise now, because we don't need the money now, we're not asking
3 you to increase the 2.5. All we're asking you to do is to say, like the contract
4 between the National Math and Science Institute and Virginia Study
5 Strategy, and say if you perform and if you produce these teachers that are
6 teaching these students and there are enhanced scores, then we'll award you
7 the second-year money. The budget for next year would be \$250,000 from
8 our share of the supporting partnership. For that we will get \$1 million, and
9 that will be split across Southside and Southwest. Unfortunately, the
10 National Math and Science Institute will be making that decision in July,
11 prior to the time the full Commission meets in December. We'll be behind
12 the curve and not get the benefit of what we might do next year or a year
13 from now at this time. It's critical that we take advantage of the success that
14 we've had, the strong support we have from the Board of Directors. If they
15 have the promises of support from this Commission, then we should be able
16 to quadruple your investment and the supportive partners' investment.
17 Equally important in terms of posturing Southside and Southwest to get the
18 benefits of this grant is that in between now and next year, if Arlington
19 decides in this state grant that they've got a million-dollar contributor, then
20 they're going to have enormous influence to take this money ahead of us.

21 SENATOR RUFF: Because of the action the
22 Commission has taken last year, I believe we cannot spend forward without
23 going to the Executive Committee and get a vote to allow us to spend
24 forward.

25 MR. BENNETT: That's probably true, and it

1 would be wonderful if this Committee asked the Executive Committee to
2 give that consideration for this initiative. We need to do all we can to push
3 Southside and Southwest forward. We've got a competitive advantage that I
4 think is rare for our region. If we don't spend the money until this staff in
5 the spring or next summer says yes, you have performed and you've done it,
6 we'll do one more year. We're not asking that; it's a performance-based
7 request, or a performance-based contract. We're simply asking this
8 Commission to do what Exxon did. They presented a facsimile of a check to
9 the Governor of Virginia last month, \$13.2 million. You don't get that
10 automatically unless you perform. That's the way we put our request to you.
11 You can say yes, we'll give you over the next six years, if you perform, \$2.5
12 million. When next year rolls around, this corporation or these officers have
13 not performed, then they don't get it. On a year-to-year basis it's not that
14 much different from what the staff has already done. It allows us to perform
15 and say these people are committed in competition across the state of
16 Virginia for this \$13.2 million. We've got to favor Southside and Southwest,
17 because they've had people step up and say they want to serve on the Board
18 of Directors and help to raise other private monies. The Tobacco
19 Commission has said we want to put the money there each year, and if you
20 do that, it will give us an enormous advantage. Thank you.

21 MR. MAYHEW: Is it math, science and English,
22 or math, science and technology?

23 MR. BENNETT: Math, science and English.

24 SENATOR RUFF: Next is Virginia First.

25 MS. COOK: Good afternoon, I'm Patty Cook,

1 Legal Director for Virginia First, a program that involves 30,000 young
2 people across the state. This impacts close to 5,000 young people who are
3 growing up and hope that they will consider careers in technology, continue
4 in the pipeline for higher education across the state, especially in Southside
5 and Southwest. I'm here basically, with my partner, to answer any questions
6 you might have. I'd like to introduce Linda Green, with Dan River Small
7 Business Development Center.

8 MS. GREEN: I'd like to take you back a little bit
9 and say that about nine years ago Virginia Manufacturing Association
10 contacted me and asked that I make trips to industries across Virginia on
11 behalf of the First program. It was a delightful experience, but what I found
12 out was that as we went around to various industries and where the industry
13 partners showed up. It was about a year later that I saw a Halifax County
14 banner at VCU and actually have a banner for students for math, science and
15 technology. It was the first time I saw that in an athletic environment. They
16 tried to make a difference. The Halifax team, and I'd like to cite one person
17 that was instrumental, Kevin Reynolds from Halifax, recognized on a
18 national level for leadership in math, science and technology. What he did
19 in our locality was to inspire fathers who had been members of the school
20 board and a younger brother who became part of the first robotics team, two
21 years later was president of the team. Now his sister is part of that team.

22 What I'm trying to say to you is that there's a change in culture
23 in our community. It's not a K-12 program; it's a year-round program that is
24 supported by the school, but not a school program. Kevin was instrumental
25 in taking the Halifax team, sharing with Pittsylvania County and sharing

1 with another program, and it just started to take off across the region. These
2 kids are doing it on a shoestring. The Chatham team formed, and one of the
3 parents was very instrumental. These kids competed. The main focus was
4 for these kids to compete. They worked with problem solving. I watched
5 the team at Galileo, and several of them went for national competition. I
6 watched Bluestone, and they didn't have a corporate partner, push hospital
7 beds for support down Main Street to raise funds for the program. It's an
8 entrepreneurial program that teaches math, science and technology and
9 problem solving, but it also teaches how to form a business. They actually
10 create a business plan. They have to learn sustainability, but they're in a
11 very negative position. Through the years I've contacted the Chair for the
12 Virginia First Program. What I'm saying is that at this point in time various
13 teams are asking for your help because of the decline in partners. They
14 came to our rescue, and they've put in program dollars. They're not asking
15 for funds from the Tobacco Commission to go outside of the region. What
16 we're asking to do is form a mentor support group that our kids across
17 Southside and Southwest in our schools accept a leadership role and support
18 other schools in this program. It starts at an elementary level, and they have
19 a test program where they build robots in middle school and high school,
20 and then major athletic type competitions in high school. What they're doing
21 is learning how to change the culture of the community. If you go into
22 Grundy, you'll see a sign when you go into town that says Welcome to
23 Grundy, Home of the Virginia First Robotics Team. Many of these kids
24 have given up basketball for this. You won't see us coming back sustaining
25 income for this proposal, but you'll see the students coming back to you in

1 regard to awards and grants so they can return to the area later on. I think
2 you'll see leaders in the community who it represents. Thank you.

3 SENATOR RUFF: Next is Virginia Highlands,
4 1517.

5 MR. MATLOCK: Good afternoon, my name is
6 David Matlock, Vice President of Institutional Advancement at Virginia
7 Highlands Community College. We have worked with Virginia Tech to
8 design a degree with agriculture in Southwest Virginia, and we appreciate
9 the support you've given us and in helping us establish a greenhouse; the
10 contribution was over a half million.

11 Many of our early students who have graduated from this
12 program have gone on to graduate from UT and Virginia Tech, and now
13 they've come back in our area to work. Without the shade system we're
14 unable to use the million-dollar greenhouse to capacity. Our request is very
15 simple. With the shade system we can do two things. We can expand our
16 first offering and expand and increase the number of students that we serve.
17 The shade system is going to cost \$71,000, and we were going to fund 10
18 percent of it, and we're asking for \$63,900. I'd like to amend that and ask if
19 you could fund \$50,000, Virginia Highlands could fund \$21,000. I'd ask
20 that you reconsider and support this request and help us continue to grow
21 our agricultural base in Southwest Virginia and expand our offerings to the
22 tobacco community.

23 Are there any questions? Thank you for your consideration.

24 SENATOR RUFF: Wise County Public Schools.

25 MR. HURT: Good afternoon, my name is Matt

1 Hurt, and I represent Wise County Public Schools and Colleges, which are
2 represented by this grant.

3 SENATOR RUFF: Before you start, let me
4 explain the reason why it was pulled out. It may shorten this. We've had a
5 policy of not getting into the K-12 range. There are a couple we rejected
6 today. We didn't approve them because of that. We felt like at least it ought
7 to be on the table for this Committee.

8 MR. HURT: I understand that. The whole point
9 of the grant is to provide dual enrollment, which increases the number of
10 students going to our community college. Currently our range, we do a
11 whole lot of dual enrollment through our high school. As of next year we
12 have a whole lot of teachers who currently teach dual enrollment and will be
13 unable to do so because of licensure requirements. If this grant is not
14 funded, I'm afraid the enrollment in some of the dual enrollment classes will
15 decline. With this grant we can increase that dual enrollment.

16 Thank you.

17 SENATOR RUFF: All right, I think that's the last
18 one. There are roughly four and a half million dollars worth of requests
19 before us, and roughly one and a half million dollars to deal with that. Let's
20 start with the one we just heard. Let me ask the staff, is this properly before
21 us coming from Wise County, or if this is a higher ed issue should it be dealt
22 with through the Southwest Higher Ed Center or in the community college?

23 MS. NELSON: The grants director has stepped
24 out for a moment.

25 SENATOR RUFF: Then we'll start with the first

1 one, Bedford County's Agribusiness Initiative.

2 MR. MAYHEW: I move that we refer this to the
3 Agribusiness Committee that will meet a little later.

4 SENATOR RUFF: Is there a second?

5 DELEGATE WRIGHT: Second.

6 SENATOR RUFF: Any discussion? All in favor
7 say aye? (Ayes.) That's unanimous.

8 The next one is Cumberland County Educational Advancement
9 Center. I would suggest that instead of \$500,000 here we approve \$200,000
10 for the one area that could be used for a multi-purpose, get in there and start
11 operating. I'll make that as a motion.

12 DELEGATE WRIGHT: Second.

13 SENATOR RUFF: Any discussion? All in favor
14 say aye? (Ayes.) Opposed? (No response.)

15 All right, the next one is John Tyler Community College for the
16 Career Coaching Program. Would you tell us, has the community college
17 taken a position on funding these things, a system at all?

18 MS. MARTIN: No, sir. Originally they were
19 funded through a grant; however, that's no longer the case. They've been
20 trying to fund the career coaches themselves.

21 MR. MAYHEW: Mr. Chairman, how much
22 money is left, how much is on the fence right now as we're looking at this?
23 Is it 400 and some --

24 SENATOR RUFF: We have not dealt with Wise
25 County.

1 MR. MAYHEW: If we're not careful, the order in
2 which something is discussed and voted on, the way we're doing it, we might
3 run out of funds before we get to the end of the list, and that wouldn't be fair.

4 SENATOR RUFF: I don't know of a different way
5 to do it, but since I asked the question and Tim was out, I'll repeat the
6 question. On the one that's under the heading of Wise County, how come
7 that was not through the Higher Ed Center or one of the community
8 colleges?

9 MR. PFOHL: There is another regional
10 partnership called the Southwest Virginia Education Technology Network
11 that had been funded by the Commission that would be hooked into the
12 system but has taken a different path in terms of equipment, as I understand
13 it.

14 DR. FOWLKES: The Tobacco Commission
15 granted or appropriated a rather large sum. The new equipment has been
16 installed, and there is some misinformation in the document. It talks about
17 only connecting four sites, and that was the old network, and this new
18 network, you can connect many sites. The organization and the change-over
19 from the old to the new, there was a splinter group that broke off and wanted
20 to do their own thing. I think that's what we're experiencing; we've got two
21 competing groups to do something similar. The network has installed its
22 equipment and has these sites all across Southwest Va. I haven't talked to
23 the groups, so I don't know what their long-range plan is. I do know the
24 network is well established and trying to serve Southwest Virginia, all the
25 community colleges in Southwest Virginia, and four-year institutions.

1 MR. HURT: I'd like to speak to that. Being the
2 Technology Director in Wise County, I oversee these, and there has not been
3 a week that has gone by since the new equipment they installed, that the
4 teachers have not complained. We have not seen full implementation of it.
5 We barely had it installed before the first day of classes, and no support
6 since that time that they installed. That's why we felt we had to go out on
7 our own to develop this program, rather than depending on someone else.

8 DR. FOWLKES: I think it would be better for the
9 region to work out the differences and have one unified network, rather than
10 have two. If you're asking for a recommendation, I would like to ask you to
11 defer that until you make a decision about this and get all the parties to come
12 together and come back to you with a unified approach, rather than
13 piecemeal.

14 SENATOR RUFF: If there is no objection and if
15 there is some time prior to the full Commission meeting, the Committee
16 could get together for a few minutes and deal with this and iron it out.

17 MR. BANNER: Mr. Chairman, do you need a
18 motion? I'll make a motion that we defer that.

19 SENATOR PUCKETT: Second.

20 SENATOR RUFF: Any further discussion? All in
21 favor say aye? (Ayes.)

22 MR. MAYHEW: Mr. Chairman, does this mean
23 the money is still off the table and can be spent for other purposes?

24 SENATOR RUFF: I wouldn't go wild.

25 SENATOR PUCKETT: Mr. Chairman, I think we

1 should leave it on the table until something is decided at the full
2 Commission meeting or before. I think you have to leave it on the table, in
3 my opinion.

4 SENATOR RUFF: That's probably a reasonable
5 position.

6 DELEGATE WRIGHT: Mr. Chairman, I'd like to
7 make a motion at this time that we approve the requested amount of
8 \$68,500. I know they need this project in Amelia, and there was a career
9 coach in Nottoway at the Technical Center. Currently, Suffolk is in need of
10 one. Therefore, I move we accept the requested amount, \$68,500 for the
11 career coach at John Tyler.

12 SENATOR RUFF: Is there a second?

13 DELEGATE JOHNSON: Second.

14 MR. BANNER: Does this provide two career
15 coaches, one for Amelia and one for the other place?

16 DELEGATE WRIGHT: It's one for each county,
17 Mr. Chairman.

18 MR. BANNER: We'll be serving more than one
19 school?

20 DELEGATE WRIGHT: Yes, sir.

21 MR. MAYHEW: I'm concerned as we move
22 through here we're going to run out of money, and I think we should take a
23 real close look at that. We're moving forward as though we've got unlimited
24 funds, and we want to help everybody that we can, and we're going to run
25 out of money if we keep doing it this way. I'd like to throw that out for the

1 Committee to think about when they vote.

2 SENATOR RUFF: We have a motion and a
3 second, unless Tommy wants to recall the motion temporarily, I'm not sure
4 how I can deal with the other ones, other than that.

5 MR. MAYHEW: Mr. Chairman, can the
6 remaining motions be voted on by raising the hand, rather than voice?

7 SENATOR RUFF: We can have a roll call
8 anytime.

9 MR. DAY: Mr. Chairman, I'd offer a substitute
10 motion on this one, \$34,250. In view of the limited amount of funds, they
11 could start with one instead of two.

12 SENATOR RUFF: That's a substitute motion, is
13 there a second to that?

14 DELEGATE WRIGHT: I'll second it, Mr.
15 Chairman; then can I speak to it?

16 SENATOR RUFF: Yes.

17 DELEGATE WRIGHT: I think in light of what's
18 been said, I think there is really a need and a desire here. Amelia is the one
19 that I think is needed first, considering the fact that there has been one there
20 and currently not, so I would support that motion in an effort to move things
21 along.

22 SENATOR RUFF: I heard Amelia and not, can
23 they work with both schools the first year?

24 MS. MARTIN: Logistically that would be very
25 hard, and with the structure in the high schools and the locality where they

1 reside, being able to direct the children, that would be difficult.

2 SENATOR RUFF: Any further discussion on
3 that? All in favor say aye? Well, let's go ahead with the roll call, 1487.

4 MR. NOYES: Mr. Banner?

5 MR. BANNER: No.

6 MR. NOYES: Mr. Day?

7 MR. DAY: Yes.

8 MR. NOYES: Delegate Johnson

9 DELEGATE JOHNSON: Yes.

10 MR. NOYES: Mr. Mayhew?

11 MR. MAYHEW: No.

12 MR. NOYES: Mr. Moody?

13 MR. MOODY: No.

14 MR. NOYES: Senator Puckett?

15 SENATOR PUCKETT: No.

16 MR. NOYES: Delegate Wright?

17 DELEGATE WRIGHT: Aye.

18 MR. NOYES: Senator Ruff?

19 SENATOR RUFF: Aye.

20 MR. NOYES: It's a tie.

21 SENATOR RUFF: Next we come to Old

22 Dominion, which is more than we have money left. Unless someone knows
23 how to do that, move on to Patrick County.

24 MS. JACKSON: We could reduce that currently
25 to \$160,000; maybe you could provide \$150,000 to get started.

1 SENATOR RUFF: I think I heard 100,000.

2 MR. BANNER: Mr. Chairman, I'll make the
3 motion for 100,000, and the reason being is I like Southwest Virginia down
4 there; they're doing a good job.

5 SENATOR RUFF: Is there a second to that?

6 SENATOR PUCKETT: Second.

7 SENATOR RUFF: Any discussion? Hearing
8 none, Neal, would you call roll?

9 MR. NOYES: Mr. Banner?

10 MR. BANNER: Aye.

11 MR. NOYES: Mr. Day?

12 MR. DAY: Yes.

13 MR. NOYES: Delegate Johnson

14 DELEGATE JOHNSON: Yes.

15 MR. NOYES: Mr. Mayhew?

16 MR. MAYHEW: Yes.

17 MR. NOYES: Mr. Moody?

18 MR. MOODY: Aye.

19 MR. NOYES: Senator Puckett?

20 SENATOR PUCKETT: Aye.

21 MR. NOYES: Delegate Wright?

22 DELEGATE WRIGHT: Yes.

23 MR. NOYES: Senator Ruff?

24 SENATOR RUFF: Yes.

25 Then, moving on to 1495, Patrick County Education

1 Foundation.

2 MR. DAY: Mr. Chairman, I move we go 50
3 percent on that request at \$42,500.

4 MR. BANNER: Mr. Chairman, could I see the
5 bottom line again?

6 SENATOR RUFF: The motion was for 1495,
7 reduce it to \$42,500.

8 SENATOR PUCKETT: Second.

9 MR. MAYHEW: Can we look at the remaining
10 ones and the amount before we vote? I'd like to see what the remaining few
11 dollars are, basically.

12 SENATOR RUFF: We're on 1495. The motion
13 was to reduce it to \$42,500. Any further discussion? All in favor say aye?
14 (Ayes.) All right.

15 The next one is St. Paul's College. Is there a motion? All right,
16 there's no motion.

17 The next one is Saltville.

18 DELEGATE JOHNSON: Mr. Chairman, I move it
19 be tabled until the next meeting.

20 DELEGATE WRIGHT: Second.

21 SENATOR RUFF: The motion is to table 1511.
22 Any further discussion? All in favor? (Ayes.)

23 Virginia First Virginia Highlands Community College
24 Motorized Shade System.

25 DELEGATE JOHNSON: Mr. Chairman, I move

1 the \$50,000 for Virginia Highlands Community College for the Motorized
2 Shade System.

3 SENATOR RUFF: Let's follow on down, Virginia
4 First.

5 MR. MAYHEW: Mr. Chairman, I move that we
6 fund Virginia First at two-thirds of the asked-for amount at \$100,000. I
7 know this is an area that we have not helped before and maybe won't again,
8 but I think the fact that there has been a real cutback in state funding it's
9 impacted quite a few education projects. I think if we could help these
10 people one time this one year get through a really tight time in their budget,
11 perhaps after this the program can move forward, realizing this is a little bit
12 out of our jurisdiction, as to what we've been funding. I would ask that the
13 Committee make an exception with this one time and fund it at \$100,000.

14 SENATOR RUFF: Is there a second?

15 MR. DAY: I have a substitute motion. If we fund
16 it in the spirit of compromise at \$75,000, which will leave us enough to do
17 something for that hot shot shade system.

18 MR. MAYHEW: I'll go along with that.

19 SENATOR RUFF: First Robotics proposal, a
20 secondary proposal is \$76,000.

21 MR. DAY: That's what I meant to say.

22 SENATOR RUFF: Any further discussion? All in
23 favor say aye? (Ayes.)

24 All right, the next one is the Motorized Shade System, and a
25 motion has been made and seconded, \$37,420. Roll call.

1 MR. NOYES: Mr. Banner?

2 MR. BANNER: Yes.

3 MR. NOYES: Mr. Day?

4 MR. DAY: Yes.

5 MR. NOYES: Delegate Johnson

6 DELEGATE JOHNSON: Yes.

7 MR. NOYES: Mr. Mayhew?

8 MR. MAYHEW: Yes.

9 MR. NOYES: Mr. Moody?

10 MR. MOODY: Yes.

11 MR. NOYES: Senator Puckett?

12 SENATOR PUCKETT: Yes.

13 MR. NOYES: Delegate Wright?

14 DELEGATE WRIGHT: Yes.

15 MR. NOYES: Senator Ruff?

16 SENATOR RUFF: No.

17 Now, the question is how do we deal with the Advanced Study
18 Strategies Program?

19 MR. DAY: I have a comment or suggestion on
20 that. That is going to be beyond the scope of this Committee, when it comes
21 right down to it. We're going to have make a separate case for changing
22 previously established policy. I think there is a strong case to be made, but I
23 don't think this is the place to make it.

24 SENATOR RUFF: I'm assuming you're saying
25 that taking the bulk of that and taking it to the Executive Committee?

1 MR. DAY: Yes.

2 SENATOR RUFF: We need to take some action
3 on the 150,000.

4 MR. DAY: Of course, we could approve that.

5 SENATOR RUFF: Is that a motion?

6 MR. DAY: Yes.

7 SENATOR PUCKETT: Second.

8 SENATOR RUFF: Any further discussion? All in
9 favor say aye? (Ayes.) We'll take it to the Executive Committee. Thank
10 you all.

11 Now, we're not through, there's another issue. We need to take
12 action on the Scholarship Program for next year.

13 Ned, you'll address that?

14 MR. STEPHENSON: Yes, sir. Mr. Chairman, for
15 six years you have approved a Scholarship Program at the level of \$3.8
16 million. I'm here before you today asking that you consider doing so again.
17 I'm seeking four things from the Committee. I'll state them all in one block,
18 and you can deal with them as you wish.

19 First, that I ask you consider a motion for the \$3.8 million,
20 being \$1 million for Southwest and \$2.8 million for Southside, in the same
21 manner you have done for the last six years.

22 Secondly, that the term of those scholarships be those that
23 appear in your information packet, the proposed terms.

24 Third, that the Executive Director be empowered to negotiate
25 the contract for the administration of these scholarships, which is currently

1 with Southwest Virginia Higher Ed Center.

2 Number four, that the rate of interest on these loans be fixed
3 and six percent from the date of disbursement.

4 I'll be happy to talk about any of those you wish.

5 MR. DAY: Why is it six percent fixed?

6 MR. STEPHENSON: We had earlier used a prime
7 plus three rate. Variable interest rates are difficult to administer and require
8 specially written notes, special software, and we're not very well set up to do
9 that. Six percent is the state rate for debts to the state of Virginia, and we're
10 doing it for ease of administration across all the programs.

11 MR. DAY: That makes sense.

12 MR. MAYHEW: Mr. Chairman, I move that we
13 accept all four recommendations just given, and with the six percent interest
14 rate that is uniform with the state.

15 SENATOR RUFF: Any further discussion?

16 MR. FERGUSON: Mr. Chairman, those activities
17 are very helpful to our office, which is going to be involved in the collection,
18 when and if they are at default. I'd like to ask you about something, and
19 hearing no objection we'll go forward. For the loans that had been
20 previously defaulted, or the old notes that existed before the changes Ned
21 referred to, the problem with those notes is they don't tell you when the
22 interest starts to run. Because of ease of administration, and because of the
23 only way we can set a date that triggers that interest to run that we think the
24 courts will find acceptable and as fair as we can make it to everyone, on
25 those notes interest will run from date of judgment forward, if we have to do

1 that. Hearing no objection, that's the procedure we'll ask the court to take.
2 Ms. Ford is here, who will be in charge of the program in our office. She'll
3 be working with Ned and Stephanie to rewrite the notes in the future and
4 incorporate the things we've heard about today. The old system is very hard
5 for us to calculate, because the trigger dates in those notes are not very clear.
6 With the leave of the Committee to do the things that they voted on and to
7 allow us to work out the new notes, we believe that we'll have a better
8 program and the ground rules will be clearer for everyone and we'll
9 discharge our fiduciary obligation and follow up on these loans.

10 SENATOR RUFF: If there is no further
11 discussion, then I'll call for a vote on the motion Mr. Mayhew proposed. All
12 in favor say aye? (Ayes.)

13 The next issue is a request to amend Grant Number 1092.

14 MR. PFOHL: Mr. Chairman, I'd like to take a
15 moment to recognize the work of our two Grant Administrators in Southside
16 and Southwest. We have three other grant cycles running, and Britt and Sara
17 have done a lot of the work, not only advising the grant applicants, but read
18 many stacks of grant applications and working with folks after the award of
19 the grant. That's what Britt would like to speak to you about today.

20 MS. NELSON: The one on your agenda is for
21 Central Virginia Community College, and they've requested to amend
22 \$250,000 of this \$400,000 allocation that was awarded last year for the
23 purchase of lab equipment starting a dental hygiene program. That program
24 will take place at the E. C. Glass High School in the City of Lynchburg.
25 They'll be in partnership with the Lynchburg Free Dental Clinic. That will

1 reduce the equipment needed for the facility, as well as other things that
2 need to take place at the site. That 250 requested will be reduced down to
3 125. The college can use the 125,000 for two other programs. That will be
4 used for equipment and lab, and there is also a partnership with UVA, and
5 without the scope of administrative duties, so we bring that before you
6 today.

7 MR. MAYHEW: I so move.

8 SENATOR RUFF: It's been moved and seconded,
9 any further discussion? All in favor say aye? (Ayes.)

10 MS. NELSON: One other amendment we need to
11 bring before you. Tech Exam Foundation, they've been an applicant before
12 the Committee before. Last year they received a grant of 131,200, in which
13 staff recommended those funds were to approve the third year funding of
14 salaries. They've recently submitted a letter to ask us to consider using some
15 funds for the very purpose that was omitted last year, to pay for some
16 personnel costs, which was about 18 percent of the award, which is about
17 24,700. This would go against the Committee's recommendation last year.
18 We bring it to you for your discussion.

19 SENATOR RUFF: Do you have a problem with
20 that?

21 MS. NELSON: It was submitted last year because
22 it was the third year, and that's why we brought it to you.

23 SENATOR RUFF: Is there a motion on that?
24 Hearing none, that is off the table.

25 Any further comments from the public?

1 MR. STEPHENSON: Mr. Chairman, does the
2 Committee wish to schedule another meeting before the Commission
3 meeting on October 25th? I wasn't clear if you needed another meeting.

4 SENATOR RUFF: I think the details between the,
5 I think they can work those out, and if not, then we'll have to set another
6 meeting.

7 Any further business? We're adjourned.

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9 PROCEEDINGS CONCLUDED.

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16 CERTIFICATE OF THE COURT REPORTER

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19 I, Medford W. Howard, Registered Professional
20 Reporter and Notary Public for the State of Virginia at large, do hereby
21 certify that I was the court reporter who took down and transcribed the
22 proceedings of the **Virginia Tobacco Indemnification and Community**
23 **Revitalization Commission Education Committee Meeting when held on**
24 **Thursday, October 11, 2007 at 1:30 p.m. in the Franklin Center –**
25 **Lecture Hall, Rocky Mount, Virginia.**

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

Given under my hand this _____ day of
_____, 2007.

Medford W. Howard
Registered Professional Reporter
Notary Public for the State of Virginia at Large

My Commission Expires: October 31, 2010.
Notary Registration Number: 224566