

1 **VIRGINIA TOBACCO INDEMNIFICATION**
2 **AND COMMUNITY REVITALIZATION COMMISSION**

3 701 E. Franklin Street, Suite 501
4 Richmond, VA 23219

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9 **Education Committee Meeting**

10 Tuesday, October 13, 2009

11 1:00 PM

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13 Hotel Roanoke
14 Roanoke, Virginia

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 Ms. Linda P. DiYorio

7 The Honorable Daniel W. Marshall, III

8 Mr. Buddy Mayhew

9 Mr. Kenneth Reynolds

10 The Honorable Harrison A. Moody

11 The Honorable Thomas C. Wright, Jr.

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13 COMMISSION STAFF:

14 Mr. Neal Noyes, Executive Director

15 Mr. Ned Stephenson, Deputy Executive Director

16 Mr. Timothy Pfohl, Grants Program Administration Manager

17 Ms. Britt Nelson – Manager of Program Assessments

18 Ms. Sara Williams – Grants Coordinator, Southwest Virginia

19 Ms. Sarah Capps – Grants Coordinator, Southside Virginia

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1 SENATOR RUFF: I'll call the meeting to
2 order and ask Neal to call the roll.

3 MR. NOYES: Mr. Banner?

4 MR. BANNER: Here.

5 MR. NOYES: Mr. Day?

6 MR. DAY: Here.

7 MR. NOYES: Ms. DiYorio?

8 MS. DIYORIO: Here.

9 MR. NOYES: Delegate Johnson?

10 DELEGATE JOHNSON: (No response.)

11 MR. NOYES: Mr. Fields?

12 MR. FIELDS: (No response.)

13 MR. NOYES: Mr. Mayhew?

14 MR. MAYHEW: Here.

15 MR. NOYES: Mr. Moody?

16 MR. MOODY: Here.

17 MR. NOYES: Mr. Reynolds?

18 MR. REYNOLDS: Here.

19 MR. NOYES: Senator Ruff?

20 SENATOR RUFF: Here.

21 MR. NOYES: Mr. Stith?

22 MR. STITH: (No response.)

23 MR. NOYES: Delegate Wright?

24 DELEGATE WRIGHT: Here.

25 MR. NOYES: Senator Puckett?

1 SENATOR PUCKET: Here.

2 MR. NOYES: You have a quorum, Mr.
3 Chairman.

4 SENATOR RUFF: Thank you. The next
5 order of business is approval of the Minutes of our last meeting. It's
6 been moved and seconded, all those in favor, say aye? (Ayes.)
7 Opposed? (No response.) The Minutes are approved. Ned, are you up?

8 MR. STEPHENSON: Mr. Chairman and
9 members of the Committee. We have a student loan borrower who has
10 asked the Commission for loan forgiveness and the Executive Director
11 has twice declined forgiveness for this person, and they have asked for
12 an appeal before this group. We invited this borrower to come to plead
13 for her appeal and she was unable to do so. I am presenting her appeal
14 to you today and will try to explain her situation and answer what
15 questions I can. Then I'll ask you for a decision on whether to grant full
16 or partial forgiveness.

17 This particular borrower received eight student loans totaling a
18 little less than \$8,000 and went to Averett College and finished her
19 education and taught school in Danville for one-half of one school year
20 and was unable to complete that school year. She is now not working
21 and looking for another teaching job. She is unable to find a teaching
22 job in Southside Virginia. For that reason, she is asking she be granted
23 some degree of forgiveness since she cannot find a job in the teaching
24 field for which she has gone to school.

25 DELEGATE WRIGHT: Is this a process that

1 this Committee is authorized to set up to consider? What manner and
2 method would we use to decide? What is the criteria?

3 SENATOR RUFF: I would not encourage
4 them to come to us, but I think that if we're the Supreme Court or maybe
5 the Appeals Court, maybe this is an Appeals Court and a Full
6 Commission as a Supreme Court.

7 MR. NOYES: This is really a matter for the
8 Executive Committee, but the policy is set and this Committee can
9 consider loan forgiveness. I'd simply add to the comments that twice
10 declined that that's consistent with the recommendations of the Staff.

11 MR. DAY: Is there any precedent for this?

12 MR. STEPHENSON: Barnie, both the
13 Scholarship Administrator, which is the Southwest Higher Ed Center,
14 and also the Commission Staff received frequent pleas for relief of
15 various kinds, and most of the time those pleas are denied and dealt with
16 by the Administrator. Some of them bubble up to the Staff and we
17 examine things and, typically, agree with the Administrator. On this
18 occasion, none of those answers were satisfactory so the person has
19 requested an appeal. This happens frequently.

20 MR. DAY: I move we uphold the Executive
21 Director's decision on this one.

22 MR. MAYHEW: I second it.

23 SENATOR RUFF: You can't make that
24 motion if there is no motion at all, then it would have the same affect.
25 Since we have a motion and second, all in favor, say aye? (Ayes.) All

1 oppose? (No response.) All right, Neal, if you want to talk about the
2 scholarships, we can move forward, I mean Ned.

3 MR. STEPHENSON: Members of the
4 Committee, you have on the table before you in your packet a single
5 sheet entitled Tobacco Scholarship Rules and I will draw your attention
6 to that please. This is a synopsis of the rules by which your 4-year
7 scholarship program operates, and we look at this each year for the
8 coming cycle. I want to give you a brief history and then ask you to
9 consider a change. When the scholarship program first began in
10 Southside, it was a loan program for persons that would go to school. It
11 would be forgiven if they returned to Southside as a school teacher.
12 Later, it was expanded to include teachers and nurses and a list of six or
13 eight particular professions. Today, it is open-ended for any
14 professional, any discipline that will return to Southside and have their
15 loan forgiven. We have in the pipeline persons who were in the teacher
16 program or the nurse program or whatever, so we have these various
17 stages of forgiveness. I want to draw your attention to the very last line
18 on the bottom of the page wherein we are recommending that you
19 consider granting forgiveness for all professions, not just teachers and
20 nurses, for all borrowers retroactive to the beginning of the Commission.
21 This would be effective January 1, 2010. What that means is any
22 borrower who has not fulfilled their contract by teaching but instead is
23 making payments would make their payments up to January 1, 2010 and
24 they're relieved if they are working in Southside Virginia in any
25 profession. It also means that any borrower who is delinquent on their

1 loan or has not paid will be required to pay as agreed up to January
2 2010. Thereafter, if they are working in Southside in any profession,
3 they will be forgiven. This is a change from a profession specific
4 forgiveness to employment in Southside. We're asking that you
5 consider this change and it's coming as a recommendation from the
6 Staff. The Administrator is here and we've talked about this, they are in
7 agreement with this, and I present this to you for your consideration.

8 DELEGATE WRIGHT: Mr. Chairman, I
9 think this is an excellent idea, and in Southside, we have a problem with,
10 these people are some of our best and brightest, and it would be one
11 more step in encouraging people to come back to find a job in Southside.
12 I think it's an excellent idea and I'd like to make a motion we except the
13 Staff's recommendation.

14 SENATOR RUFF: Is there a second?

15 MR. MAYHEW: Second.

16 SENATOR RUFF: Any further discussion?

17 All those in favor, say aye? (Ayes.) Opposed? (No response.)

18 MR. STEPHENSON: Mr. Chairman, on the
19 same sheet of paper entitled Tobacco Scholarship Rules, there is another
20 shaded block on that paper which represents a proposed change. This is
21 not new to you and you've heard it before. You will remember, in
22 Southside Virginia, scholarships are available to all our eligible students.
23 In Southwest Virginia, they are available only to tobacco families.
24 We're presenting an opportunity for you to consider removing the
25 tobacco family requirement as an eligibility requirement for scholarships

1 over and doesn't go to tobacco families, then I'm not opposed to letting
2 that go to someone who is not a tobacco family. Here is what I'm afraid
3 of. We see a lot of tobacco families that are left out here and I do not
4 support that. I want tobacco people in Southwest, I know we disagree
5 with Southside on this. I know you've heard me say this before. I don't
6 know that there is anything we've done that's been more significant and
7 more important to tobacco families than scholarships. So, Ned, I would
8 not be completely opposed to it and I'd like somebody before we go
9 down this road, I want this typed up to the point that tobacco families
10 have first shot at this money. I can see down the road if we open it up to
11 everyone, there will be tobacco people, because of the timeframe when
12 they apply for it, may be left out. I don't want to see that happen.

13 MR. MAYHEW: Mr. Chairman, someone
14 asked the question, the money is being used every year, is there any left
15 over that tobacco families applied for and there is still money left over?

16 MR. STEPHENSON: Chris, can you help us
17 out with that?

18 MS. FIELDS: Previously, there hasn't been
19 large amounts of money left, usually less than 100,000 is left in the
20 Southwest money, and all that is awarded to tobacco families.

21 MR. MAYHEW: The second point I'd like to
22 make, I think those of you who represent Southwest, your opinions carry
23 weight here. Secondly, rationalizing-wise, Southside opened it up. The
24 numbers of tobacco families, more in Southwest than in Southside,
25 because traditionally, there were much smaller allotments out there. In

1 Southside, we have large allotments, relatively fewer, and I may be
2 wrong, relatively fewer compared to Southwest. I think that accounts for
3 the changes that were made in Southside. I agree with Senator Puckett
4 that it wouldn't be fair to open it up to everyone and then some of the
5 Southwest tobacco people not be able to get the money.

6 MR. REYNOLDS: Mr. Chairman, I support
7 what Senator Puckett said. We still have a lot of tobacco families
8 involved in Southwest. They are coming along and will need to go to
9 college and they are going to need this tobacco money.

10 MS. DIYORIO: I agree also.

11 MR. BANNER: I would agree. We have a lot
12 of, I guess part of the reason for this is, when it's straight, Ned, with the
13 bookkeeping on who is tobacco families, and I know the further we get
14 from the buyout and the further we get from the quota card, if you will,
15 the harder it's going to be to track who were tobacco families and who
16 were not. I understand that, but I totally agree with Senator Puckett. If
17 we can identify those people that are tobacco families that have had
18 children in the past that have gone to school on this money, receive this
19 money, can we make an effort to do that?

20 SENATOR RUFF: My concern is this would
21 be 100,000 left on the table and then that's 20 kids that could have
22 gotten some help. In your motion, do you have a cutoff date to allow
23 something to happen after a certain date?

24 SENATOR PUCKETT: I don't think I really
25 made a motion and I don't have a cutoff date. What I would like to see

1 is the Staff work out some mechanism that probably does have a cutoff
2 date in it so we can use whatever is left. I'm not opposed to using that
3 money for anybody that needs it, my concern is that we spend all the
4 money to begin with and then we have some tobacco people left out. If
5 we make every effort to identify those and after the cutoff date,
6 somebody comes and says I didn't get here in time, I'd like to have some
7 of that tobacco money. I think if we have that policy in place, then we
8 can say you don't have to wait until next year. We'll put you in the pot
9 next year for some tobacco money. I think we have enough information
10 now in Southwest to target those families and know that when Johnny
11 comes and says, "Dad had a quota so many years ago and we are a
12 tobacco family and we raise tobacco." We have people raising tobacco
13 in Russell County right now; they don't have any quota. They are just
14 selling on the market to whoever they can contract with. Those are
15 people we ought to be looking out for in my opinion. So, Ned, I don't
16 really want to give you a task that's impossible, but if you all could
17 come up with something and put it together and give us a comfort level
18 we're doing everything we can to try to identify the tobacco people, I
19 don't have any problem with the cutoff date. You've always done real
20 good about advertising this and everything. You had people come in
21 early before. Maybe you could work with Chris and come up with
22 something that we don't have a tobacco person fall through the cracks
23 and not get any money when others are. I'm not opposed to having a
24 balance.

25 DR. FOLKES: One thing you could do, the

1 scholarship amount could be increased, and I think we made those
2 suggestions in the Southside program. At one time, it was 4,000 in order
3 to accommodate more people, then the amount went down to 3750. In
4 Southwest, the amount is 1,200. You could raise that amount if you had
5 a balance. Let's say this year, you could add that to your total amount
6 for next year and then raise the amount of the scholarship; the amount of
7 the award be at 2,500.

8 SENATOR PUCKET: My motion would be
9 the Staff work on a process and present that back to us at a later date.

10 SENATOR RUFF: I think we can try to come
11 up with something.

12 MR. STEPHENSON: I have nothing further
13 on that.

14 SENATOR RUFF: In the Southside area, we
15 had 300 odd people that did not get a scholarship that originally applied
16 for them and that concerns me. Some of us have talked about the
17 possibility of moving the advance degrees and put in the bachelors
18 degree this year. Is there any interest in doing that?

19 MR. DAY: What is the split now?

20 SENATOR RUFF: How many of the 1,100
21 odd people, how many of those were advance degrees?

22 MS. FIELDS: That was not information that
23 we brought with us today; we didn't do a breakdown of every degree.
24 We didn't know that was something you were considering so we don't
25 know at this time. We do have '08 and '09 though. Last year, we had

1 167 graduate students. So there is 237 that is still--

2 DELEGATE WRIGHT: --Mr. Chairman, I
3 spoke to Neal about the amount that we are short this year and increasing
4 it in the budget for next year. We had 300 students that could not get a
5 loan because of finances because there wasn't enough money. I think
6 that's very bad. This is one of the best programs we have and we need
7 to commit more money to it.

8 MR. NOYES: We're coming up on adopting a
9 budget for the amount that the Education Committee needs and,
10 certainly, I'll have a look at that and advise the Executive Committee
11 what it would take. We could at least cover last year, the amount that
12 would cover those that were not able to receive the loan forgiveness
13 program and the scholarship program in Southside and Southwest. We
14 can do that as part of the budget process. It may take place as early as
15 the October meeting.

16 DELEGATE WRIGHT: I'd like to see that be
17 done. I think that might solve the problem. I also think it would
18 encourage people to get as far as they can with education. I do
19 understand your suggestion as well. Hopefully, we could increase the
20 funding.

21 SENATOR RUFF: If there is no objection, I'll
22 ask the Executive Director to try to get some more money but I still have
23 concern with the master degrees competing with the bachelor degrees,
24 and I would just as well want to deal with the Southwest non-growers
25 versus the growers. I think we ought to set a protocol so that the

1 master's degree follows the demand of the undergraduate degree
2 program.

3 MR. DAY: I would agree. We've got the
4 allocation for the scholarship. Let's do it, the bachelor's degree first.

5 SENATOR RUFF: Is that the motion?

6 MR. DAY: Yes.

7 MR. MOODY: I'll second it. I'll second that
8 stipulation and when the budget comes along, we can take care of that.

9 MR. MAYHEW: If it isn't taken care of that
10 way, that's the way we can handle it.

11 MR. STEPHENSON: Mr. Chairman, before
12 the Committee acts on that, I might put the Administrator on the spot
13 and ask if that is administratively feasible with the process you used to
14 give undergraduates a first come, first serve basis.

15 MS. FIELDS: Yes, my question is, are you
16 wanting that to take effect for the current year because we've already
17 sent out the award letters to those graduates.

18 SENATOR RUFF: This year is done?

19 MS. FIELDS: Yes, and we can do that. We
20 require them to commit to us whether they are freshmen, sophomore,
21 junior, or senior, or a graduate student.

22 MR. STEPHENSON: You would fix a date, I
23 presume, after which the graduate degrees would come into play if
24 undergraduates had not taken the money.

25 MS. FIELDS: We can do that, we can

1 implement that.

2 MR. MAYHEW: Mr. Chairman, is there any
3 feel by you all who deal with this thing daily, and that is, how many of
4 these people that get scholarships, is it making a difference whether they
5 can even continue in school, or is it a nice bonus to have, or is it
6 desperately needed to the point that if they didn't have it, they wouldn't
7 go to school?

8 SENATOR RUFF: We've received calls this
9 year because we weren't able to fund students. That comes mostly from
10 parents who are telling us that their child wouldn't be able to stay in
11 school because they didn't receive the scholarship. So, yes, they do tell
12 us they need this money.

13 MR. MAYHEW: If you look at the total
14 expenditures the Tobacco Commission puts out there, and I sort of agree
15 with the point Tommy made, it's hard to find a way to spend dollars that
16 can be spent in a more positive way than getting a good education. I feel
17 like we could up our allocation there, and if we have to take a good look
18 at some of the other expenditures, I just feel like we should get some
19 more money committed because this is the best money this Commission
20 has expended and will have a lasting affect on people's lives.

21 SENATOR RUFF: We'll have to work on that
22 and we need a motion to go ahead and accept the rules and allocate the
23 dollars for the scholarship program for next year.

24 MR. MOODY: I'd like to make a statement. I
25 do have children enrolled in the program and my vote would not affect

1 my children or any other children in the program.

2 DELEGATE WRIGHT. I so move.

3 MR. DAY: I'll second it.

4 SENATOR RUFF: All in favor, say aye?

5 (Ayes.) All opposed? (No response.) The motion passes. Now, we've
6 been having some conversations about how we deal with the
7 scholarships for the community colleges. What I'm going to do is set up
8 an Advisory group that consists of, if you people agree, Mary Jane
9 Elkins, Don Sutton, Phillis Roberts, David Matlock, Rashel Folkes, Patty
10 Nelson, and either Secretary Morris or Peter Blake to sit down and see if
11 we can figure out a better way or a more efficient way of dealing with
12 community college scholarships. Does that cover all we need to do on
13 scholarships?

14 MR. STEPHENSON: Yes.

15 SENATOR RUFF: Now, we are going into the
16 grant requests. We'll go through them all and if you will give us the
17 Staff's recommendations, and if any Committee member objects and
18 wants to pull one out of the block, just tell us and we will do that. We'll
19 vote on all of those that are left in the block and deal with any that do
20 not.

21 MR. PFOHL: Mr. Chairman, would you like
22 me to start with the ones that your Staff made a positive
23 recommendation on or just move through all of them?

24 SENATOR RUFF: I guess we should just go
25 straight down the list on all of them.

1 MR. PFOHL: We received 30 proposals by
2 the August 24th application deadline, and we had one additional project
3 from the Southwest Virginia Alliance and Manufacturers that was sent
4 over to you about three weeks ago by the Southwest Economic
5 Development Committee. Altogether, we have proposals requesting
6 more than \$11,000,000. The Committee has a budget that is just shy of
7 \$8.6 million of which you just obligated 4.75 for the scholarship
8 program. That leaves us with a little over \$3.8 million dollars to deal
9 with \$11,000,000 of competitive grant proposals. That's the landscape
10 that we are dealing with today. The Staff would like to acknowledge the
11 work of Sara Williams and Sarah Capps. They've had a very intense fall
12 with both of them dealing with the economic development cycle in their
13 region as well as addressing these proposals and our reserve program.
14 We've been very busy reading and communicating with applicants and
15 ranking projects on a scoring system that we used with our own relative
16 rankings that looks at the number of individuals that will receive
17 economic credentials as a result these programs. I'd make a personal
18 note that there was not a bad proposal in the batch but there wasn't
19 enough dollars to deal with all the ones that we had.

20 With that in mind, let me start with Bluefield College. They
21 are requesting money to establish a rural healthcare education program.
22 You have some summaries in front of you. I want to elaborate on what
23 they are requesting unless you wish, otherwise, I'll just focus on the
24 Staff's comment and recommendation.

25 The Bluefield College proposal was before you last year, and

1 at that point, there was a lack of formalized agreements with educational
2 partners and since then, they are back to us with an MOU signed with
3 the community colleges in the region in Southwest primarily and have a
4 number of sites that they are looking at. The Staff is recommending an
5 award of 85,000 to fund one year of the Program Director position who
6 is going to be the person who is primarily charged with feeding the
7 program through the curriculum designed in accreditation. That's a
8 funding award that is consistent with other awards our Committee has
9 made in past years to establish nursing programs. An example is the
10 Longwood program, so that is the recommendation, Bluefield, \$85,000
11 toward the Program Director position.

12 Number two, Central Virginia Community College
13 Educational Foundation is requesting just over a quarter million for
14 culinary arts careers in Region 2000. This is a program that had a very
15 good feasibility study that was done with an industry advisor panel that
16 identified a number of job openings in the culinary field in Region 2000
17 in the area's hospitals and universities and other food institutions. The
18 Staff is recommending an award of \$230,000, contingent upon all the
19 necessary approvals being gained for the program's curriculum. We
20 paired back a little bit on some of the site development costs but I think
21 that CVCC is agreeing to the 230,000.

22 Community Foundation of the Dan River Region, a National
23 Fund for Workforce Solutions is a project that was before you last year
24 and got a \$200,000 grant to serve as a match to a national grant program.
25 The national program requires a local partnership to raise \$4.00 for

1 every national grant dollar. It is a three-year commitment through the
2 National Fund which came through last year. They are asking for
3 additional funding for the second year to provide the match that is
4 required by the National Grant Tour. The Staff is recommending this
5 project be referred over to the reserve fund because it is eligible by
6 virtue of the fact that there is a non-Commission funder that has a
7 specific match requirement. Our recommendation is to refer this to the
8 reserve fund. Please feel free to stop me at any point.

9 Next, the Crater Regional Partnership is back with us for the
10 “Skill Streams for Success”, a workforce development program which is
11 regional in scope. They have received eight previous Commission
12 grants as far back as FY01. Last year, there was an award and they are
13 spending down those funds. They’ve requested a number of activities,
14 including basic computer skills classes, allied health nursing training,
15 truck driver training, and working with local school districts to provide a
16 career readiness certificate. The Staff is obligated to point out to you
17 that our general funding policies in the strategic plan say we will not do
18 recurring operating funding and yet this is a regional prioritized proposal
19 that addresses an entire planning district. It has been supported
20 numerous times with eight previous grant awards. The Staff is
21 recommending \$35,000 for direct instructional costs only associated
22 with the nursing and truck driver training. In regard to the truck driver
23 training, you may recall that we supported truck driver training for the
24 Southside Community College in the past. The cost to attend that
25 program is approximately \$1,800 per person. The costs that are

1 proposed by the Crater Region are almost twice that. There is an
2 accessible truck driver training facility in Emporia in that Planning
3 District Commission that is operated by the Southside Community
4 College. Staff is recommending that the support for truck driver training
5 costs not exceed the \$1,800 per participant that those residents could
6 access that training in Emporia. You're going to hear about basic
7 computer skills training, and the Staff has tried to take a consistent
8 approach in dealing with all of those proposals. We're not
9 recommending that we continue to support basic computer skills training
10 that does not lead directly to employment. That's an issue that is
11 certainly up for discussion by the Commission. Staff just wants to bring
12 that to your attention that there has been several proposals asking for that
13 type of training.

14 Let's work through the hard copy in front of you. Danville
15 Community College is next (#1930), requesting money for the new and
16 emerging Technology Education Project. This is a very strong proposal
17 that would establish several programs in alternative energy and advanced
18 manufacturing technologies. Due to funding constraints, the Staff is
19 recommending an award of \$39,204 for the nanotechnology program
20 equipment that was included in this proposal. That is a piece that is very
21 well matched with federal grant money and is tied very closely to
22 existing programs.

23 The second proposal from DCC, from the Danville Community
24 College Educational Foundation, this is community college student
25 training and scholarship (#1933), requesting funds for scholarship for

1 tobacco families and tuition assistance for students in manufacturing and
2 technician certificate training, two nursing faculty positions, some
3 equipment, and professional development for faculty. The Staff is
4 recommending an award of 364,000 to support the nursing faculty and
5 transfer payments for tobacco awards and advanced manufacturing
6 students. They are requesting tutoring costs and excluding the
7 professional development and equipment. Tutoring would be the second
8 issue that I would point out to you. It is one that recurs through a
9 number of these proposals. We've tried to deal fairly consistently and
10 we recognize the value of tutoring for students that are leaving a high
11 school setting and moving into higher education. We tried to reduce the
12 awards but leave some tutoring assistance on the table for applicants that
13 have requested the assistance. That's a policy issue for you to consider
14 as we move forward.

15 Edward Via, Virginia College of Osteopathic Medicine,
16 requesting a million dollars for a medical education loan repayment and
17 placement program. This is parallel to our scholarship program and it
18 would serve students who have completed their medical education and
19 would locate in the tobacco region for three years. This would buy
20 down \$40,000 of their debt, their student loan debt. The applicant has
21 said the graduates would typically have more than \$100,000 of student
22 loan debt in exchange for a three-year commitment to work in the
23 region. They are proposing that be reduced by \$40,000 per person using
24 Tobacco Commission funds. However, the gap of needed primary care
25 physicians in the tobacco region is nearly 500, and this program would

1 serve 25 students and make a small dent in that very sizeable gap of
2 primary care physicians at a very significant cost to the Commission of
3 the million dollars requested. The Staff is recommending no award.

4 The County of Franklin. The Franklin Center for Advanced
5 Learning and Enterprise Lower Level Completion Project. Funds are
6 requested to build out the basement in the Franklin Center in downtown
7 Rocky Mount, which was built primarily with Southside Economic
8 Development money over the last several years. That was opened two
9 years ago. The facility has capacity. If they complete the build out of
10 the basement, they could add additional classrooms and double the
11 enrollment, taking in some incremental enrollment from several of the
12 educational partners that are part of the Franklin Center. There is a
13 balance of more than \$450,000 available in the Southside Economic
14 Development Program for a project in Franklin County. Southside
15 Economic Development has been the source of funding for the
16 construction of this center primarily. Your Education Committee has
17 supported the operating programs in the Franklin Center. The Staff is
18 recommending this project be referred to the Southside Economic
19 Development Committee.

20 The town of Glade Springs requesting funds for the Peery
21 Development Center (#1938) to build out the second floor of an historic
22 building in downtown Glade Spring. The facility would offer computer
23 training as well as offices for local organizations. This is the second
24 proposal that is primarily in front of you for the ability to offer basic
25 computer skills training. It's also one of two library proposals that you

1 have in front of you today. Staff has suggested that basic computer
2 skills classes should not be the highest priority for funding and is
3 recommending no award on this project.

4 Greensville County Southside Virginia Education Center –
5 Phase II is requesting a half million dollars to build a wing on the
6 existing Education Center that opened up a little over a year ago in
7 Greensville County and in Emporia. This would add additional
8 classroom space and allow them to add instructional classes for several
9 programs you see listed there. The project was also submitted to the
10 Southside Economic Development Committee and to the Commission’s
11 reserve fund. The reserve fund has made a commitment of over 1.5
12 million for the project to serve as a required match for the federal
13 proposal. Unfortunately, the federal proposal has been returned to the
14 county because their planning district does not have a currently approved
15 economic development strategic plan. That entire project in Greensville
16 is on hold until the completion of that plan and until they get an answer
17 from the EDA. Given the fact that there are delays that are outside the
18 control of the county and the size of this request, Staff is recommending
19 this project be tabled until those issues with the federal funding match
20 can be resolved.

21 The Institute for Advanced Learning and Research Proposal to
22 Improve STEM Capacity. These are activities that have all been
23 supported for the last 2 ½ years or so using a FY07 Education grant.
24 This involves basic computer skills training as well as the summer
25 educators teacher certification program and a summer internship

1 program for residents of the region that are able to return in the summer
2 and work for companies and government operations in the region. We
3 have an issue of ongoing operating funding in that the Commission has
4 supported these programs in the past. Staff is recommending that the
5 basic computer skills classes not be supported but that the Summer
6 Educators Institute be funded for direct instructional cost. They've also
7 asked for a new part-time coordinator position which we're
8 recommending not be funded but the instructional costs for the
9 Educators Institute does have the Staff support that the internship
10 program be supported on the condition that it be adjusted to a 50-50 cost
11 share arrangement with employers. As the program has operated since
12 its inception, the Commission has been paying 80% of the wages to the
13 summer interns. The sponsoring company has been paying 20%. If an
14 intern is brought back for a second year with the company, that was cost
15 shared 50-50 with the company. We're suggesting that from this point
16 forward, the entire internship program be a 50-50 cost share
17 arrangement. That comes to 125,000 for those two activities.

18 For the Institute. Institute for Teaching through Technology &
19 Innovative Practices in partnership with the Southside Virginia Regional
20 Technology Consortium is asking just over \$1.3 million for the
21 Synergize Southside Project. This is a project that would establish dual
22 enrollment as well as certificate programs in partnership with Patrick
23 Henry Community College. The request involves a substantial request
24 for hardware costs and education equipment as well as higher education
25 and local schools in Southside. The applicants have indicated that they

1 would approach the Commission over the next two years for an
2 additional 1.2 million to reach the remaining Southside school districts.
3 There is a substantial request for operating costs for current staff in those
4 organizations as well as consultants that would be brought in to get these
5 programs to full operation. Due to funding limitations and the factors
6 that we've cited in the Staff comments, Staff is recommending no award.

7 Lonesome Pine Office on Youth is requesting funds for the
8 Crooked Road's Apprenticeship and Mountain Music Camp. It's a one-
9 year program to prepare high school and middle school students with
10 international recognized master of artists in Southwest Virginia. It's
11 modeled after two programs currently operating in Southwest Virginia.
12 The Mountain Empire Community College has a mountain music school
13 for a week in the summer and then there is an Appalachian musician's
14 organization. This would involve a one-year mentorship between the
15 mentors and their apprentices, and it's a one-week music camp. Staff is
16 suggesting to work this program with Mountain Empire Community
17 College. This would be a more attractive proposal. At this point, Staff
18 is recommending no award.

19 Lynchburg College Central Virginia Regional Health Sciences
20 Simulation and Virtual Learning Center. This project was requested last
21 year and was passed by. The request would be for equipment to be
22 located in a facility in a former shopping center in the city of Lynchburg.
23 This facility is approximately 2 miles outside the tobacco region. The
24 applicants have provided enrollment data that the educational partner
25 have about 45% enrollment from the tobacco region residents. The

1 request is very well matched from the participating organizations. Staff
2 is recommending an award of 200,000 for equipment for this project.

3 The Mount Rogers Regional Adult Education Program which
4 is RACE to GED. This program has been to you several times over the
5 last few years. Grants have totaled nearly 635,000 from FY03 through
6 last year's program. There is an operating cost issue. The Commission
7 says we will not provide reoccurring operating costs for programs. We
8 are suggesting that an award of \$75,000, excluding the marketing costs
9 which we feel could be accomplished through public service
10 announcements would continue the strong increase in the provision of
11 GEDs across Southwest Virginia. The programs cover all three planning
12 districts in Southside Virginia. The recommendation is a \$75,000 award,
13 excluding marketing costs.

14 Mountain Empire Community College Scholarships for
15 Tobacco Families and AIMS Higher Scholars (#1873). This is to
16 continue funding support for the scholarship program that the
17 Commission has supported. Those are primarily geared to tobacco
18 producers and their families and tobacco workers. It would also
19 continue the AIMS scholarship program. These are last dollar awards
20 made to students that have completed the financial aid forms. The Staff
21 is recommending an award of 300,000.

22 Mountain Empire second proposal for Alternative Energy
23 Training Program (#1941). They are requesting just over \$110,000 to
24 establish programs that would partner with energy opportunities that are
25 emerging in Southwest Virginia, including Dominion and wind projects

1 that have been announced in Tazewell and Wise Counties. The solar
2 company is considering picking a Wise County site. That's the R&D
3 Center that the Commission has previously funded. The program is
4 seeking a U.S. Department of Labor grant that will make a difference
5 considering substantial enrollment. The Staff is recommending an
6 award of \$110,090 contingent upon the Department of Labor grant.

7 SENATOR RUFF: They had requested
8 \$110,091. This proposal just includes the 90 dollars. Is that one dollar a
9 problem?

10 MR. PFOHL: No, it is not. We use some
11 license to round numbers off, but certainly there is a one.

12 Patrick Henry Community College Foundation Meeting
13 Regional Workforce Needs. This is the community college proposal that
14 will address bringing in specialists to focus on math assistance for
15 students in the practical nursing program. There is a piece that would
16 establish a practical nursing certificate program at the Franklin Center in
17 Rocky Mount with the capacity to graduate 25 students annually. There
18 is certification of eight instructors. There are several pieces to this
19 proposal. Staff is recommending an award of \$435,410 which would
20 include scaling back the math specialists from the three years that were
21 requested to two years of support from the Commission. It reduces the
22 tutoring support that has been requested by Patrick Henry Community
23 College.

24 Radford University's Doctorate of Nursing Practice requesting
25 \$430,000 to establish a particular program. It's primarily an on-line

1 DNP program. There was a feasibility study attached to the proposal.
2 We received information that of the four requested positions, the
3 Program Coordinator would be based in Martinsville where Radford has
4 a nursing presence at the New College Institute. The program has a
5 target enrollment of 25 altogether in each year. That means not only the
6 tobacco region, the entire state of Virginia. By virtue of the fact that it's
7 on-line, this would go beyond Virginia. The Staff has concerns about
8 the number of tobacco region residents that would be taking some of
9 those annual 25 seats. We'd feel better if Radford came back with
10 confirmation of funding support from the folks that they cite in their
11 application. At this point, we are recommending no award.

12 The Russell County Public Library is the applicant for the
13 Honaker Community Library Computer Lab requesting \$54,870. It's the
14 second of two library projects in front of us and one of four that they are
15 proposing. The education outcomes would be completion of basic
16 computer skills. This proposal was one of the ones you looked at last
17 year and has come back with a solid construction plan and operational
18 plans for the facility. Because it is basic computer skills and because of
19 the shortfall of money, we're recommending no award at this time.

20 South Central Area Health Education Center in Altavista is an
21 organization that has been before you in the past, and they've had three
22 grants totaling more than 325,000 to roll out nursing programs. The
23 current request is for assistance to build out 6,000 square feet in a former
24 industrial facility in Altavista, Virginia, the build out that SCAHEC's
25 can be credited against their rent. So \$180,000 that is requested here to

1 skipped Southside?

2 MR. PFOHL: The Southside Community
3 College is coming up next on page 15. Southside Community College
4 Workforce Academy Preparation FY10 is requesting funds for tobacco
5 scholarships and, secondly, to establish a middle college program at the
6 Fort Pickett Occupational and Technical Center to provide equipment
7 and staff for occupational and technical programs in the construction
8 trades at the Lake Center in Clarksville, to establish one year of funding
9 for a nursing and health counselor, to help boost retention rates for allied
10 health students at the various facilities that are being operated by the
11 Southside Community College. As you may recall, they are conducting
12 nursing training at various sites in the service area. The Staff is
13 recommending an award of 450,000, excluding only the scholarship fund
14 would be designated for books. The Community College Foundation
15 has said that in the past when we have taken the books there, the students
16 are required to return the books to the Foundation so they can be reused.
17 We're suggesting we get out of the book support business for this and
18 one other community college.

19 Southwest Virginia Community College Creating Green Collar
20 Jobs in Southwest Virginia, #1875. They have requested additional
21 funding for construction trades programs at the Southwest Community
22 College and to make it a more "green" curriculum for trades including
23 plumbing, carpentry, and masonry. Last year, your Committee
24 supported the renovation of the facility for these programs with a grant
25 of \$205,000. The Southwest Virginia Community College requested a

1 total of \$985,000 with this in the next proposal. Given our past support
2 for this program through the capital grant last year, we're suggesting this
3 one be passed by this time. We're recommending no award.

4 Southwest Virginia Community College has also submitted
5 their Outreach Scholarship Program which is an annual program. These
6 are scholarships for tobacco families. That program also serves
7 dislocated, underemployed and educationally disadvantaged students.
8 They also have the AIMS scholarship program through their sister
9 institutions in Southwest Virginia. The Staff is recommending an award
10 of 350,000 for tuition and required fees only, excluding books.

11 University of Virginia Engineers PRODUCED in Virginia.
12 Funds are requested for additional support for the start-up of the
13 Engineers PRODUCED in Virginia program. The University is working
14 with the community colleges to establish a 2 + 2 mechanism that allows
15 students to do an associate degree in their home community college
16 service area and then do the third and fourth year at the University of
17 Virginia and do engineering course work to complete their degree
18 without ever having to leave their home or region. The application cites
19 there has been nearly a 10-fold increase in enrollment in the associate
20 level engineering programs. The funding request would continue to
21 establish funding for faculty positions as well as some equipment in the
22 tobacco region. Those are programs that develop curriculum and
23 transition when on-line format doing technical support for those on-line
24 offerings and so forth. The Staff is suggesting that from this point
25 forward, the positions in Charlottesville should be funded on a dollar-

1 for-dollar cost-share basis with UVA. This award comes to an amount
2 of 530,000 using that dollar-for-dollar cost share.

3 Virginia Highlands Community College Scholarships for
4 Tobacco Families and AIMS Higher Scholars requesting \$400,000. The
5 community college is expecting a 21% increase in enrollment for the
6 current semester. The Staff is recommending an award of 350,000.

7 VirginiaFIRST is a program that was funded by you in FY08
8 education round with a grant of \$76,000. This is the Virginia statewide
9 program that is using the first robotics competition format for assistance
10 to high schools in the tobacco region. I think it is acknowledged that
11 VirginiaFIRST is a longstanding and well-run and well-supported
12 program. It provides positive experience for high school youth in
13 several tobacco region school districts. It does not grant an adult
14 education credential, which is an outcome major for our education
15 program. Like the Mountain Music Scholar's program, we're suggesting
16 that if there was some success in establishing this as a dual enrollment,
17 credit earning experience, that would make any future request a better fit
18 with the Committee's grant program objectives in the future. At this
19 time, we're recommending no award.

20 Washington County Adult Skill Center for the Diesel Truck
21 Technician program. The County Skill Center is requesting funds to
22 purchase an automatic transmission tractor so that students are able to
23 train in the repair of automatic transmissions. The Staff notes that this is
24 certainly a solid proposal and would lead to employment opportunities.
25 It's a relatively small, local project and your preference in the past seems

1 to have been for larger, multi-jurisdictional projects. Other regional truck
2 driver training schools have been successful in securing donated vehicles
3 for training programs. Based on that, Staff is recommending no award.

4 Wytheville Community College Educational Foundation
5 requesting \$200,000 for their Forging Futures Scholarship program.
6 This is a program you funded in FY09 in the amount of 200,000 and
7 prior to that, Wytheville Community College had not received any
8 Commission support for scholarships. Last year's grant is being
9 successfully implemented, and you can see the number of students
10 served. The burn rate of how much money they're burning though on an
11 annual basis, I'm recommending an award of 150,000 to carry them
12 through the next year.

13 Lastly, Wytheville Community College Educational
14 Foundation Workforce Licensure Assistance Program. A request for
15 \$44,000 plus to provide testing assistance for community college
16 graduates to complete course requirements and unable to afford the cost
17 of required licensure exams. The applicants are making the case that the
18 longer a nursing program waits to take a licensure exam, once they've
19 completed their required course work and those people who have a
20 financial need, they are suggesting assistance so they can take those
21 licensure exams, not only in nursing but in a variety of programs,
22 including construction trades and so forth. Certainly, a valuable
23 objective would establish a precedent for providing assistance on
24 licensing exams, cross a wide array of career paths and across the entire
25 region. The Staff is recommending no award.

1 That concludes the list.

2 MR. DAY: Mr. Chairman, I'd like to pull
3 1938 and 1929 out of the block.

4 SENATOR RUFF: Those two are out of the
5 block. Now is the time for a proper motion to accept the block without
6 1928 and 1929. Is there a motion to accept this as a final block?

7 MR. BANNER: I'd like to pull out 1936.

8 SENATOR RUFF: All right.

9 DELEGATE WRIGHT: Mr. Chairman, I
10 move we accept the Staff's recommendation in the remaining programs.

11 SENATOR RUFF: We've got a motion and a
12 second to approve all the Staff's recommendations except for 1938,
13 1928, 1929, and 1936. Any further discussion? Hearing that, all in
14 favor say, aye? (AYES.) All oppose? (No response.)

15 SENATOR RUFF: All right. Let's go ahead
16 and start with 1928.

17 DR. GARREN: Thank you Senator Ruff. My
18 name is Kenneth Garren, and I'm in my ninth year as President of
19 Lynchburg College and in my 43rd year in higher education in the
20 Commonwealth of Virginia. I would respectfully ask for your
21 reconsideration of this proposal that's before you and I would like to talk
22 about this on five points. I'd like to focus on the impact of the 200,000
23 that's been requested. The first point is that the Tobacco Commission,
24 the full-time Staff had recommended your support of the \$200,000 based
25 on the impact of what it could mean to the residents of the Tobacco

1 Commission. These people have studied a lot of proposals in the past
2 years and have recommended support based upon that impact. The
3 second has to do with the purpose of these funds in terms of the
4 economic recovery. This proposal clearly demonstrates a significant
5 percent of the tobacco region residents that will be enabled job-wise by
6 the training that they receive in the regional simulation lab that will aid
7 in the economic recovery. History shows what has been done in the past
8 in the three institutions, Lynchburg College, Central Virginia
9 Community College, and Centra. The third point is that there are a
10 significant number of letters of support from CEOs and others of
11 agencies within the tobacco region for your support of the proposals. In
12 a previous discussion of a similar proposal, questions were raised as to
13 the possible overlap and duplication of other agencies. We now have
14 seven letters of strong support from the tobacco region agencies. Your
15 positive support of this proposal would be saying, "Yes," to the residents
16 of the tobacco region. The fourth point is to know that the request of
17 200,000 is less than one-third of the funding only for the first year, after
18 which support would go to promote the ongoing aid for people in the
19 tobacco region, less than one-third, and you heard 45% of the people
20 who are aided in the tobacco region. The final point I would go back to
21 is that the recommendation made by the Staff and that is substantial
22 leveraging of the project, the Project Partners Funds, are commensurate
23 with the enrollment of tobacco region residents and benefit to non-
24 residents linked to regional employers that are continually recruiting
25 nurses, and the Staff recommends an award of 200,000 for equipment.

1 Only for the first year, never again. Thank you Mr. Chairman.

2 MR. DAY: The only concern I have and the
3 reason I pulled this out of the block is that I understood the Staff
4 recommendation to say that about 45% , or less than half, would affect
5 the tobacco region citizens.

6 DR. GARREN: That is correct. We're only
7 asking for a third of the money that we put up for the first year, and after
8 that, there would be no more requests for funds. This would be a starter
9 amount to get this thing going.

10 MS. MCCUE: I'm Patti McCue from Centra
11 and I'm the Senior Vice President for patient care services for Centra
12 Health. One of the commitments we made was to guarantee the
13 recruitment and placement of 50% of those slots for students in our
14 healthcare sciences program at Central Virginia Community College,
15 Lynchburg College, and Centra's two schools and this is involving the
16 licensed practical nursing program as well as the registered nurses
17 program. Currently, 46% of our students are residents of the tobacco
18 counties. Centra in Lynchburg are over one-third, or 37%, are
19 employees who reside in the tobacco counties. There is a huge
20 economic impact in terms of salaries and dollars invested in their local
21 communities where they reside.

22 SENATOR RUFF: Any more questions? Is
23 there a motion on this?

24 DELEGATE WRIGHT: Mr. Chairman, I
25 move we accept the recommendation.

1 SENATOR RUFF: Is there a second?

2 MR. MOODY: I'll second it.

3 SENATOR RUFF: Any discussion? All those
4 in favor, say aye? (Ayes.) Opposed? (No response.)

5 MR. DAY: This is a nursing-related thing but
6 I wanted to hear the pitch.

7 MS. GREENBERG: Good afternoon, I'm
8 Cathy Greenberg, Vice President for Advancement at Radford
9 University. Thank you for this opportunity to pitch this one last time
10 and I appreciate that. For those of you that don't know, the doctorate of
11 nursing practice is a recommended degree above the bachelor's level by
12 the American Nursing Association for 2015. We feel very strongly that
13 this is a program that could have considerable impact in a Tobacco
14 Commission. You're not only training a clinical practitioner but you're
15 training people that can teach nursing at the community college level.
16 That's extremely important as we try to expand the level of healthcare in
17 the tobacco region. One faculty member can teach 50 community
18 college students. The other point we want to make that was not in the
19 original document is that two of those practitioner positions we've asked
20 to have funded would be in the tobacco region. We fully recognize that
21 the rural area and the background of the students require someone that's
22 on site. We have spent countless hours interviewing potential students
23 in the area, and that's one of the things that they tell us, that they need
24 someone on site to help them through the program, but we fully
25 understand that. The other point that the summary mentioned is that

1 ODU has a similar program and I'd like to point out two very critical
2 distinctions. ODU's program is a post master's degree only. Radford
3 University is a BSM degree. That means you don't have to have a
4 master's degree to enter the doctorate of nursing practice. That's a very
5 critical point for people in the tobacco region, and as we talk to them,
6 few of the nurses in the tobacco region have a master's degree at this
7 time. These programs, while on-line, also require some presence at the
8 school and that would be provided by the folks who are serving at the
9 site by the Program Coordinator.

10 SENATOR RUFF: Did you say Old
11 Dominion requires a master's degree?

12 MS. GREENBERG: Yes.

13 SENATOR RUFF: Yours does not?

14 MS. GREENBERG: Correct.

15 MS. CARTER: My name is Kim Carter and
16 I'm the Director of the School of Nursing. Our degree will be a
17 doctorate degree; it will be post master's. Our primary focus is on the
18 baccalaureate degree. The way what will happen is that the students will
19 earn both their master's degree and their doctorate degree at the same
20 time. It gives greater mobility for the students and a more seamless
21 interface for the students moving through the program so that there are
22 less stops along the way if they don't make it to completion.

23 MR. DAY: How much money would it take to
24 get the seed of this program started?

25 MS. CARTER: This program is a \$2.4 million

1 program overall for a period of three years. We're asking for 430,000
2 from the Tobacco Commission. As Tim indicated, we are in
3 conversation with the Danville Community Foundation and others, and
4 they know we are in conversation with the Tobacco Commission. We'd
5 like to see this be an integrated program involving all three of the
6 institutions.

7 SENATOR RUFF: You do not have
8 agreements?

9 MS. CARTER: We do not have an agreement.
10 We've moved passed the exploratory stages, the conversational stages.
11 We are meeting as a group with them, and we are ready to prepare the
12 proposals with their input.

13 MR. DAY: I'll rephrase the question. How
14 much money would it take?

15 MS. CARTER: If we could get 300,000 or if
16 we could start with a Site Coordinator to help us build the pipeline there
17 and focus there, that would be very helpful as we move forward. It
18 would also send a sign to the Harvest Foundation and to the Danville
19 Community Foundation that we are all together, all trying to improve
20 healthcare in that region.

21 MR. MAYHEW: 1937, I think there is
22 someone who would like to speak to that.

23 SENATOR RUFF: The 2.4 million, where
24 does that come from?

25 MS. CARTER: From the Harvest Foundation.

1 Three hundred eighty-three thousand from the federal government, the
2 Harvest Foundation and the Danville Foundation. We're also talking to
3 hospitals in the area that we serve. This is a multi-prong approach.
4 Hospitals would help provide the scholarship money for people with the
5 service component in it because it is critical that these folks continue to
6 work while they are pursuing their degrees. These are people with
7 families that need the flexibility on-line and the guarantee that someone
8 would help underwrite their education.

9 SENATOR RUFF: Is there a motion on this
10 one?

11 MR. DAY: Mr. Chairman, I don't have a
12 motion. I very much like the idea of this program, and I think if they get
13 together with Harvest and Danville and the regional hospital, together
14 with the appropriate people, then we could consider it fully at some other
15 time.

16 SENATOR RUFF: Is that agreeable to the
17 Staff?

18 MR. PFOHL: That's agreeable to the Staff.

19 SENATOR RUFF: The next one from the list
20 that was withdrawn is 1938, Town of Glade Spring.

21 MR. BOWEN: My name is Tobey Bowen.
22 Today, I'm the Town Manager of Glade Spring. Tomorrow, I may be
23 something else. This project has been in the work for Glade Spring for
24 some time. I'd like to point out that this is not just one project. The first
25 floor of the building of the Peery Development Center will be a library

1 which has been funded by Washington County, and Tom Taylor being
2 on the Board of Supervisors is here if you have any questions of him.
3 The second floor will be the Development Center. That part of the
4 building will be compatible with the library, but you're now looking for
5 options for the second floor, and this is how they decided to try to use
6 the second floor. One thing about Glade Spring, it's central to the
7 Burley production area in Southwest Virginia. Glade Spring and the
8 surrounding area has not seen a lot of financial infusion from the
9 Tobacco Commission. The fact that Glade Spring has a 31% high
10 school drop out rate which is extremely high and higher than
11 Washington County as a whole. We're trying to make it a workforce
12 skilled development center. It will not only train for GED classes and
13 computer skills and train others in the construction trade and work with
14 lead-based paints and "green" technologies, it will work with local
15 businesses and industries to provide a center where they can provide
16 training if necessary. There are a lot of important things happening in
17 Glade Spring. Not only are they looking at this building in the
18 Development Center, but the entire town. The downtown has been
19 revitalized. This project is just one cog in that gear. Twenty or thirty
20 years ago, some might even question if downtown Glade Spring would
21 survive. There it is and there are other projects like incubator buildings.
22 Some of that investment has already occurred and this is just part of that.
23 There is a lot of positive community support going on. The Mayor is
24 here with us today. Burk Moore who is the Chairman of the Community
25 Organizing Committee is here and it seems that things are coming

1 together. This is one part of it. That's the community effort that we'd
2 like your support for. Any questions?

3 MS. DIYORIO: The closest site for the GED
4 classes, where is that?

5 MR. BOWEN: There are some GED classes at
6 the Meadowview Center, I think in Abington, but this center would
7 provide services for Glade Spring and a portion of Smyth County. They
8 are close together.

9 MR. REYNOLDS: Glade Spring is just a rural
10 town, sort of isolated? You don't have accessibility for some services.
11 This building you're talking about kind of puts the puzzle together.
12 Most of the funding has been secured and we're asking for a small
13 amount of money from the Tobacco Commission to help complete the
14 puzzle. It's a community asset to Glade Spring..

15 MR. NOYES: This Committee has to consider
16 the outcome metrics that are in the strategic plan. While it certainly
17 would be a community asset, we're not getting the certificate programs,
18 the other sorts of things that other proposals offer. I think if you
19 redesign the intent so we have the outcomes that the Commission desires
20 and that at a later time it would deserve further consideration. That is
21 the Staff's reasoning.

22 MR. TAYLOR: Mr. Chairman and members
23 of the Commission and a brief response to that, one of the conditions for
24 the town to be able to build a library in this facility, it was a private
25 donation to the town that the library be in the building by January, 2011,

1 and that commitment was made by the Perry family a year ago. We've
2 been working from then until now to get the money together to build the
3 library. We don't have the luxury of the time to put all this together.
4 This Commission has put money into an industrial park that's located
5 outside the town within a mile of this library. We have industry in that
6 industrial facility. The people in the town of Glade Spring don't know
7 this, but a project was approved for the existing industry in the county to
8 expand into this industrial park. Neal, ten years ago at a meeting in
9 Philadelphia, the professor from the University of Pennsylvania gave the
10 presentation that the standard of living in this country had been going
11 down since the middle 50's and the only way we've been able to
12 maintain it is by spouses going to work. It said the only way our
13 industries are going to remain competitive is if they improve technology.
14 That's what this expansion is all about by having a training facility this
15 close. It would offer opportunity and offer training for the employees in
16 close vicinity and that's one possibility. The other thing is teaching the
17 characteristics of our workforce. This GED certification program is so
18 important and there are so many industries that take a look at our
19 educational attainment and pass us by. Every place that we can establish
20 a training facility to get GED training up and running and as close to the
21 people as we can, that helps us to reduce the number of people
22 unemployable. In the previous meeting, you approved a fiber optic line
23 to go into the industrial park. As it's been previously stated, Glade
24 Spring is a dying community. In the last ten years, it is showing signs of
25 life and this project will be another stimulus to continue that growth. So

1 we would encourage you and hope that you would approve this.

2 SENATOR RUFF: All right, do we have a
3 motion? We'll have to take money away from somewhere else.

4 UNIDENTIFIED: Mr. Noyes asked about
5 outcomes and reinforcing the GED program. The agreements we have
6 with the Virginia Highlands Community College would be to offer
7 computer courses that are credentialed that would award credits that
8 could go toward whatever degree they might choose to pursue. Thank
9 you.

10 SENATOR RUFF: Do I have a motion?

11 MR. DAY: I don't have a motion, but I'd like
12 to say for the record that getting support for these projects is easy.
13 Finding people who already have the money to give it back to you is
14 tough. Is there anybody that has received an award today, would you
15 give up a couple hundred grand and let us put it on some of these
16 projects? I don't see any hands.

17 SENATOR RUFF: That's not a motion.

18 MR. TAYLOR: Mr. Chairman and members
19 of the Committee, I'll be short. You asked about credentials and I think
20 what we're looking at today is very basic credentials. We look at the
21 things you have funded and the money that you have appropriated and a
22 lot of colleges and a lot of college educated people. I think when it
23 comes to a community like ours, which at one time was a thriving
24 tobacco community, and now it's struggling, doing whatever it can.
25 We've got a lot of folks there that don't have a GED and you could

1 provide them with an opportunity to get a job or even on-the-job
2 training. That would give an opportunity to the community and
3 especially in one of those former tobacco growing areas at one time.
4 Thank you for your time.

5 SENATOR RUFF: Is there a motion? All
6 right. The next one we'll go to is 1936, Russell County Public Library.

7 MR. BANNER: I'd like to speak to that, Mr.
8 Chairman. The Russell County Library and the Honaker Community
9 Library Computer Lab, you can see from the Staff's summary that they
10 received some funding from several sources. Honaker is a tobacco
11 community, a burley tobacco community, and those folks really need
12 this in creating some things to go into their town and in their community.
13 I know the request is meager compared to some, but I would like to
14 propose that we try to find maybe half the amount they've requested or
15 25,000 to go to the Honaker Computer Library and Computer Lab.

16 SENATOR RUFF: You're making that
17 motion, but do you have any idea where it could come from?

18 MR. BANNER: I want to do a little
19 calculating here, and let me make up my mind where I want to take it
20 from. I can't get it from Glade Spring.

21 SENATOR RUFF: All right, 1937, the South
22 Central Area Health Education Center.

23 MS. KENNEDY: I'm Regina Kennedy. I'm
24 the Director of the Health Education Center and I'd like to speak a little
25 bit to our program and what we've tried to do and what we've

1 accomplished since 2003. The Tobacco Commission helped us to get
2 our nursing program going and we've graduated a number of individuals
3 since then. We're in a building right now where we have 1,700 square
4 feet and we want to expand in order to provide a career ladder for more
5 people in our community. We have a list of over 175 individuals that are
6 waiting for us. We're working with the Virginia Board of Nursing and
7 we have gotten approval and we just submitted our curriculum for the
8 School of Practical Nursing. We're bringing education to the rural
9 sector. Where we're located is a 90-mile round trip for an individual to
10 go to Lynchburg or Danville in order to be able to get an education of
11 this caliber. I'd appreciate it if you could reconsider. What I want to
12 make clear is if we move to the new location, we would be a tenant in
13 that building and we'd be responsible for renovating and constructing
14 our part or our space in that building, the renovations and new
15 construction costs, and we'd have to have that in order to be able to
16 expand. For five years, we wouldn't have an administrative cost.

17 SENATOR RUFF: You understand that the
18 Southside Economic Development Committee did not fund that.

19 MS. KENNEDY: That's correct. The way it
20 is, we could still go into that building and renovate and have new
21 construction in that part of the building because we are non-profit.

22 SENATOR RUFF: Thank you. I think you all
23 have done a great job. Now, is there a motion on that?

24 MR. BANNER: I'm still calculating. Is there
25 somebody here from Bluefield College that would like to speak?

1 MS. BLANKENSHIP: My name is Ruth
2 Blankenship and I'm the Vice President of Bluefield College. Thank
3 you so far for the recommendation. This position is critical, as I stated.
4 In all last year and at all your Education Committee meetings, that has
5 helped for us to go forward with this program. We need a credentialed
6 individual that can prepare the curriculum and guide us through the
7 accreditation process. Our \$85,000 is based on a study and we've got
8 information on what a competitive salary is for an individual in the
9 Commonwealth of Virginia that is providing this level of credentialing
10 in nursing education.

11 SENATOR RUFF: There might have been a
12 question for you.

13 MR. BANNER: Would \$60,000 fund that
14 position?

15 MS. BLANKENSHIP: It would be very
16 difficult to be competitive.

17 MR. BANNER: These folks in Honaker really
18 need this money for the library. Could we reach a compromise if I
19 dropped to 20 and left you 65?

20 SENATOR RUFF: I don't know that she's in
21 a position to make that. The Committee has made its decision. I
22 appreciate what you are trying to do but the problem is we've had two
23 requests for a library, and if we start playing favorites, then we get into a
24 different problem.

25 MR. BANNER: Mr. Chairman, I remember a

1 meeting we had in Galax where libraries came on the grid, and I really
2 voted against getting into libraries at that time, but my good friend and
3 colleague, Joe Johnson, gave such an inspiring speech and we all ended
4 up voting for the library. Anyway, let it be known and let it be said that
5 Commissioner Banner did support the Honaker library and he removes
6 the recommendation from the table to give Bluefield 85,000.

7 SENATOR RUFF: That will be in the record
8 too.

9 MS. KENNEDY: I appreciate the work you
10 are trying to do for Honaker in Russell County.

11 SENATOR RUFF: Rashel, do you want to say
12 anything? All right. Is there anyone in the audience who wants to say
13 something?

14 MR. RAWLEY: Mr. Chairman and members
15 of the Committee. I know a number of years back, there was a movie
16 called The Perfect Storm. The community college system is going
17 through the worst perfect storm. In the last 24 months, Danville
18 Community College has lost 20% of its funding either from the state or
19 from the Virginia Community College System. That's no different from
20 any other community college. We've had a 40 plus increase in
21 enrollment in the summer and 15 plus increased enrollment in the fall. I
22 say that only because, ladies and gentlemen, without you, we couldn't
23 make it. It's as simple as that. Students are achieving their educational
24 goals because of you and I want to thank you for that.

25 MS. HODGES: My name is Cathy Hodges

1 and I'm the Executive Director for the Franklin Center in Franklin
2 County. I do want to thank the Commission and Staff for the support
3 that you've given us in the past. I want to tell you your dollars have
4 been invested wisely and we are making a difference in the lives of
5 people in the tobacco region. In the last year alone, we've had 160
6 people receive a GED, and in the past two years since we've moved into
7 our new facility, we've reached 289 GEDs. We awarded 103 college
8 degree certificates within the past fiscal year. I want to let you know
9 you are making a difference and the dollars have been invested very
10 wisely in Franklin County. I have with me today the Assistant County
11 Administrator for Franklin County.

12 UNIDENTIFIED: I just want to echo what
13 Cathy has said and we couldn't be more pleased with the Franklin
14 Center and the efforts that have gone into that facility. We have
15 leveraged Tobacco Commission dollars and private Foundation dollars
16 to make a remarkable facility. I appreciate the Staff's recommendation
17 and the Southside Economic Development grant. Previously, the
18 Economic Development allocation that went to instruct the original
19 facility, that whole project or many entities in Franklin County were
20 tobacco eligible, including Ferrum College. Each has their own
21 worthwhile economic development projects. They put those efforts
22 aside two or three years ago to come together to construct the Franklin
23 Center. We feel now it is our turn to step aside. That gives the
24 Committee a little background why we came forward under the
25 Education Committee with that application as opposed to economic

1 development. We look forward with working with the Staff in the
2 future. Thank you very much.

3 MR. CRABITS: My name is Bruce Crabits
4 and I'm the CEO of the Southwest Virginia Alliance for Manufacturing
5 which is an educational, non-profit created to enhance workforce skills
6 in advance manufacturing. We're located in the Tobacco Commission
7 Region in Washington County. The number on this list is 1984 in your
8 packet. Since we submitted this application for the grant, much
9 negotiation has gone on in the brief time since the Staff made its
10 comments. I now believe there is a better Staff understanding for the
11 need to include Southwest in the Virginia Community College program
12 to develop manufacturing, engineering, and technology career coaches to
13 guide our students toward careers in advanced manufacturing which is a
14 major driver of Virginia's economy. As you may know, career and
15 technical education has advanced to the point where many high school
16 programs are run as dual enrollment programs in the community college
17 system. This point is critical to my next two requests of this Committee
18 to modify our request to the Tobacco Commission which I believe your
19 Staff now concurs. In helping the Commission to fund as many good
20 programs as possible, we'd like to reduce our request which we now call
21 MET coaches, one MET coach for Virginia Highlands Community
22 College and the Wytheville Community College. That's a 50%
23 reduction from what we had originally asked for which would result in a
24 \$90,000 decrease in our request. This request would assure that
25 Southwest is represented in the community college system program to

1 develop MET coaches. I believe they are trying to develop a program
2 for MET coaches which is federally funded. We've sought Tobacco
3 Commission funding to help improve that and having that in the program
4 would be very useful. With the MET coaches, we fully expect the
5 program will ultimately be fully funded once the pilot program shows its
6 results with the community college system, and this will help to get them
7 going and to make sure that the Tobacco Commission Region in
8 Southwest is fully represented.

9 Secondly, because the CTE courses are dual enrollment
10 courses at the community colleges, they carry community college
11 credits. We respectfully request that the tools requested in our
12 application be allocated to the community colleges for the CTE program.
13 We did not fully understand that the Tobacco Commission did not deal
14 with the high schools. We understand now that the community colleges
15 take that on as their goal. In summary, I believe that investment in the
16 science, technology, engineering, and mathematics is essential to filling
17 the empty pipeline of candidates for advanced manufacturing careers,
18 especially once the baby boomers start retiring. We would seek your
19 concurrence in reducing our grant application from \$217,500 to 127,500
20 based on our discussion with Staff. We are fully contained within the
21 Tobacco Commission region.

22 SENATOR RUFF: Thank you. We have dealt
23 with the funding, and hopefully, we can work this out in the future and
24 maybe come up with something. Do we have a motion to reopen the
25 grants?

1 MR. CRABITS: I would like to.

2 MR. DAY: Let's take the money he's given
3 back and give it to Radford.

4 MR. CRABITS: That backfired a little bit.

5 SENATOR RUFF: I wish we could meet all
6 the wishes that everybody indicated they'd like to have. We've had so
7 many requests and so much money to fund it, and we have to make a
8 choice and the Committee has done that.

9 MR. MAYHEW: I'll just say throughout the
10 meetings we've had I'm particularly impressed with the evidence of the
11 hard work and the really good preparation, and I'd like to commend our
12 Staff for the hard work and the thoroughness that they have gone
13 through, not only in this Committee but any of the other Committees,
14 and we just have the best Staff we could possibly have.

15

16 NOTE: Mr. Noyes addresses housekeeping
17 matters.

18 SENATOR RUFF: Hearing nothing else, we
19 are adjourned.

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21 PROCEEDINGS CONCLUDED.

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1 CERTIFICATE OF THE COURT REPORTER

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5 I, Medford W. Howard, Registered
6 Professional Reporter and Notary Public for the State of Virginia at
7 Large, do hereby certify that I was the court reporter who took down and
8 transcribed the proceedings of the Education Committee Meeting when
9 held on Tuesday, October 13, 2009, at 1:00 PM at the Hotel Roanoke,
10 Roanoke, 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 December, 2009.

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

My Commission Expires: October 31, 2010.

Court Reporter #224566