

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

3 701 East Franklin Street, Suite 501
4 Richmond, Virginia 23219

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8 **Education Committee Meeting**

9 Thursday, September 13, 2012

10 1:00 o'clock p.m.

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14 Hotel Roanoke & Conference Center
15 Roanoke, Virginia

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CRANE-SNEAD & ASSOCIATES, INC.
4914 Fitzhugh Avenue, Suite 203
Richmond, Virginia 23230
Tel. No. (804) 355-4335
Fax No. (804) 355-7922

1 APPEARANCES:

2 The Honorable Frank M. Ruff, Chairman

3 Ms. Linda P. DiYorio, Vice Chairman

4 Ms. Gayle F. Barts

5 Mr. Burgess "Butch" H. Hamlet, III

6 The Honorable Donald W. Merricks

7 Mr. Kenneth O. Reynolds

8 The Honorable William M. Stanley, Jr.

9 Ms. Cindy M. Thomas

10 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 S. Pfohl, Grants Program Administration Director

17 Ms. Sarah K. Capps, Grants Program Administrator -

18 Southside Virginia

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1 September 13, 2012

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3 SENATOR RUFF: Good afternoon. I'll call the
4 Education Meeting to order.

5 Neal, would you call the roll.

6 MR. NOYES: Yes, sir. Ms. Barts.

7 MS. BARTS: Here.

8 MR. NOYES: Ms. DiYorio.

9 MS. DiYORIO: Here.

10 MR. NOYES: Mr. Hamlet.

11 MR. HAMLET: Here.

12 MR. NOYES: Mr. Harwood and Delegate Johnson
13 won't be with us today.

14 Delegate Merricks.

15 DELEGATE MERRICKS: Here.

16 MR. NOYES: Mr. Reynolds.

17 MR. REYNOLDS: Here.

18 MR. NOYES: Senator Ruff.

19 SENATOR RUFF: Here.

20 MR. NOYES: Senator Stanley.

21 SENATOR STANLEY: Here.

22 MR. NOYES: Ms. Thomas.

23 MS. THOMAS: Here.

24 MR. NOYES: Mr. Walker.

25 MR. WALKER: (No response).

1 MR. NOYES: Delegate Wright.

2 DELEGATE WRIGHT: Here.

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

4 SENATOR RUFF: Thank you, Neal.

5 Earlier, the minutes from the last meeting were on the
6 website. Does anyone have any questions about those? If not,
7 do we have a motion to approve them as submitted? All right,
8 we have a motion and a second. All those in favor, say aye.
9 (Ayes). Opposed? (No response). The minutes are approved.

10 All right, Ned, are you going to tell us about the
11 Scholarship Program?

12 MR. STEPHENSON: Yes. Mr. Chairman, I have the
13 numbers posted here on the board and the monies that you're
14 dealing with today, and this kind of sets the framework. The first
15 column of numbers is what happened last year, and that's for
16 comparison only.

17 I invite your attention to the second column of
18 numbers. The budget you have for this new fiscal year is
19 \$12 million, and 1.7 carry forward, so the first red number of
20 13.7 is what you are starting with that is available to you today.

21 The first piece of business that I would like to ask of
22 the Committee is that you consider a motion to approve the
23 four-year scholarships for Southside and Southwest at the
24 four-and-a-half million and 2.0 million level that you had already
25 set forth in your May meeting. If you were to approve those as

1 previously suggested, the next thing you will have before you
2 today will be community college scholarships, and the total ask
3 on those is about 3.3 million. So at the end of the day today,
4 potentially, you could have 9.8 million of your 13.7 in
5 scholarships and leaving a balance after today of about 3.9
6 million.

7 Mr. Chairman, the exact amount for the Southside and
8 Southwest scholarships that we had originally set forth were for
9 Southside 4,312,500, and for Southwest 1,937,500. The
10 Committee had decided earlier on, I think at the suggestion of
11 the executive director, that those would be indexed or increased
12 according to the cost of tuition increases in the state.

13 Neal, you might be able to help me with the origin of
14 those numbers. I think it was 4.1.

15 MR. NOYES: 4.1 percent for four-year schools the
16 agreed upon that was published. And the new numbers reflect
17 that indexing, which is something we've been doing for the last
18 at least two years or two previous years and maybe three
19 previous years.

20 MR. PFOHL: The State Council of Higher Education,
21 the source of that.

22 SENATOR RUFF: Ned, in your total dollar amount, are
23 we getting into the issue of how much per student or any details
24 such as that, or can that be put off until the next meeting?

25 MR. STEPHENSON: Mr. Chairman, earlier this year,

1 the Committee worked through what we call the Scholarship
2 Rules, which are how much for each student and who is eligible
3 and priority of the eligibility and that was all voted upon by the
4 Committee and the Commission and your Committee's
5 recommendation at your, that all happened in January. So that's
6 all set for the 2012 and 2013 school years. So I'm not asking
7 you to consider any of those rules today, only to approve the
8 monies to fund them.

9 SENATOR RUFF: Does anyone have any questions
10 about that?

11 MR. REYNOLDS: I'll make a motion that we approve
12 the money.

13 DELEGATE WRIGHT: I'll second that motion.

14 SENATOR RUFF: We have a motion and a second.
15 Any further discussion? Hearing none, all in favor, say aye.
16 (Ayes). Opposed? (No response).

17 At this point, I would ask the question, how much
18 discussion was there through irate parents or whatever? Do we
19 have to think about it?

20 MR. STEPHENSON: I may need to ask Rachel Fowlkes
21 if she's willing to speak to that and help us. It may be too early
22 to tell on that, but I'm not aware of that as much as Rachel
23 would be.

24 DR. FOWLKES: We've had very few people upset.
25 Actually, most of our scholarships here have gone to seniors and

1 juniors. We weren't able to fund or we didn't have enough
2 money to expend scholarship opportunities to sophomores and
3 freshmen. The thinking was you're funding the Community
4 College Scholarship Program and we would put more dollars into
5 the Bachelor's degree completion, we would fund returning
6 students, and then we would fund new students that were
7 seniors and college juniors. The sophomores that were funded
8 this year are returning students, so we didn't cut them out of the
9 program, but we were not able to fund anyone that was a new
10 student or a freshman or sophomore at that level. The monies,
11 we had already disbursed the money out.

12 SENATOR RUFF: I know I heard some comments, and
13 when I went through and explained to them that they possibly
14 had to pay it back if they moved out of the area, but the way we
15 changed it, they wouldn't have to pay it back. They understood
16 it, and even if they could get it for two years, were better off
17 than four years of having to pay the whole thing back. There
18 were a lot of those conversations.

19 DR. FOWLKES: You probably received more than we
20 did. We actually received fewer calls from parents this year than
21 we've ever had before. I think maybe that's because we gave
22 them your number.

23 SENATOR RUFF: Any further questions on that?

24 MR. STEPHENSON: Mr. Chairman, for clarity purposes
25 for the Commission and for the staff, the exact amount of the 4.1

1 increase for Southwest brings that grant to 2,016,937, and the
2 amount for Southside 4,489,313 are the numbers you have on
3 the board rounded off.

4 SENATOR RUFF: Thank you. That takes us to the
5 Stale Grants Report, Neal.

6 MR. NOYES: Thank you, Mr. Chairman. I'll tell you
7 what, those of us that remember back three years ago or four
8 years ago before the instruction was given to staff to
9 progressively close out grants, the difference is remarkable. At
10 this time, there are no grants recommended from this Committee
11 where there is not a time extension or someone is actively
12 wrapping up the final request for disbursement. I congratulate
13 our partners, community colleges, and others and their work,
14 note the hard work that Sarah Capps and Sara Williams and Tim
15 have done to clean up this problem. Three years ago, there were
16 two dozen or three dozen of these things that were out there, so
17 thank you very much.

18 SENATOR RUFF: Any questions about that?

19 Next is Grant Proposals, Tim, you're up.

20 MR. PFOHL: Thank you. We shared by email with
21 you, and you have a copy, a legal-sized spreadsheet, and these
22 are the community college financial aid proposals that were
23 submitted to us in July. These proposals will cover the 2013 and
24 2014 school years. What we've done a year ago with our
25 partners, the community colleges, is align annual financial aid to

1 a specific school year much the same way the four-year
2 scholarships are aligned. As much as we've done with the four-
3 year scholarships, we have indexed the amount based on the
4 tuition and mandatory fee levels that are set by the community
5 colleges, the Virginia Community College System Board.

6 Last year, you provided \$380,000 as the maximum
7 available amount per community college in the tobacco region.
8 This year, we indexed that up based on the VTCS tuition increase
9 400,000 per college. We asked the colleges to describe the
10 distinct programs they were going to award our money for, so
11 you've got under each one of the colleges anywhere from two to
12 five different programs. For example, Central Virginia
13 Community College has five programs, which are Tobacco Family
14 Scholarships, Early College, Finish Line, STEM-H, and Veterans.

15 We asked the colleges to break out the amount of
16 money they anticipate going to each of these programs and the
17 number of students they anticipate serving. And, of course,
18 these are just estimates because we're talking about a school
19 year that won't start for another 15 months or so, or a little less
20 than 12 months, sorry.

21 We asked them to break out the number of diplomas
22 or certificates, degrees, and transfers they anticipate with this
23 funding, so you'll have some estimates of those there. We did a
24 little rough calculations of costs per student, and then we asked
25 them to provide information on the matching sources which are

1 federal, state, and private. And you see all of that information in
2 front of you, the voluminous staff report and multiple pages
3 going on and on, and we gave it all in one page this time, which I
4 think is a remarkable green effort.

5 To walk through the list, Central Virginia Community
6 College, 400,000; Danville Community College, \$400,000;
7 Mountain Empire, 400; Patrick Henry, 400; Southside, 400;
8 Southwest Community College, 400, and Virginia Highlands
9 Community College. Virginia Western Community College is
10 requesting \$75,000 for a program that serves only Franklin
11 County, and that's entirely in the Tobacco footprint. Lastly,
12 Wytheville Community College is requesting 400,000.

13 We have total recommendations of \$3,275,000. Total
14 estimated students served, nearly 2,500. Total matching dollars,
15 nearly \$7 million. And you can see the rest of the summary
16 there for each of those colleges.

17 Staff supports all of these requests and, in effect, this
18 is an amount that the colleges are invited to apply for by right.

19 We would point out a couple of new programs that
20 you may want to consider and discuss to some extent. CVCC is
21 asking us for funds what they want to call Early College Program.
22 This is a program we have not been involved with before and the
23 college has been operating. The program brings high school
24 students to CVCC facilities where they're taught by CVCC
25 instructors, and this is different than Dual Enrollment, which is

1 community college credit offered at the high school and taught
2 by high school instructors who are certified to teach college level
3 courses.

4 SENATOR RUFF: The advantage, all the kids are, tell
5 us the advantage rather than Dual Enrollment.

6 MR. PFOHL: I suppose there are various schools of
7 thought on that. Certainly one would be that it brings the
8 students to the college setting and brings them in front of college
9 instructors, so it helps the transition to the college experience a
10 little more so than being taught in their own high school setting.
11 I think there's probably also, as I'll get into in a second, a little
12 financial incentive, as well.

13 The Early College tuition has been paid to some extent
14 by the local school district that have raised money to varying
15 degrees and provided some of the tuition and fee costs for some
16 of these students. As you can imagine in the last couple of
17 years, the stress on local budgets has increased because of the
18 recession. Some of the local school districts have cut back their
19 support for Early College. So you've got a situation here where
20 we're being asked to come in and perhaps step into a spot being
21 vacated by the school districts. That is a nuance that I think we
22 need to be aware of because that's something that's a little bit
23 contrary to our funding policies.

24 CVCC, and we can invite their representative to come
25 up and address this program, are suggesting that our funds

1 would be based on financial needs so students that are only
2 eligible for Free or Reduced Lunch Programs would be recipients
3 of Tobacco Commission funding. We want to point that out to
4 you in case you want to drill into this a little bit and consider
5 some parameters for perhaps how our money would be offered
6 the Early College.

7 The second one we picked up on was the Veterans
8 Assistance. This is a program that both CVCC and Danville
9 Community College has suggested beginning with our funds. In
10 some cases, some of these return Veterans have not yet been
11 approved for veteran's benefits covered tuition. In order to
12 enroll immediately at the community college, colleges are
13 suggesting using our funds until the veteran benefits kick in and
14 are able to support the veterans' tuition payments.

15 We are suggesting in cases where the VA or whoever
16 comes back and provides the reimbursement or something where
17 we have up-fronted the tuition, that that money be credited back
18 to the grant and not turned over to the Community College
19 Foundation, which is what they were proposing, I believe, in the
20 application. We want to see that money come back and get
21 credited toward the grant rather than just being put into the
22 Endowment Program, annual programs of the Foundation.

23 Those are the two distinctions I bring up. Otherwise,
24 the staff fully supports all of these, and we'll be happy to try to
25 describe the projects as needed.

1 MR. NOYES: I've got a question, Tim. I should have
2 asked you this in the office. There is tremendous variation in
3 numbers of students served the same amounts of money. Did
4 you have an opportunity to talk to the folks about that? And how
5 are some of these other categories used?

6 MR. PFOHL: Let me preface this by saying that I
7 should have pointed out, we've always said to the community
8 colleges we want our financial aid to be the last dollar resource
9 so that federal funds and state grants, private foundation money
10 are exhausted and that we are the last dollar filling that gap to
11 cover the tuition costs, I mean the students' tuition costs.

12 We've also said we don't want our funds used for
13 books or other expenses that are not mandatory fees. The
14 priority should be on full-time students by program placed. In
15 other words, they're on a degree track or certificate track rather
16 than just taking classes randomly. The colleges have been
17 tremendous about meeting our expectations in that regard.

18 Now, I would suggest that the distinction with the
19 three Southwest colleges to some extent have higher costs per
20 student, and I think that's largely attributable to the AIMS Higher
21 Program where students who take a more challenging high
22 school curriculum are guaranteed full coverage of their
23 community college experience for two to three years, and maybe
24 some of our representatives can speak to that. That may be a
25 slightly more expensive program.

1 If you look at some of the colleges, for instance,
2 Virginia Highlands, the cost for an AIMS student is \$2,500, plus
3 the cost for the Tobacco recipient is under \$1,500, and that may
4 be a partial explanation. You've got some other colleges in this
5 spreadsheet who, like Danville Community College, is a little
6 more aggressive about applying for federal funds, and that may
7 be a distinction of their service area, how they handle their
8 programs. And we have what appears to be the lowest cost per
9 student, again, because we're the last dollar resource.

10 SENATOR RUFF: Are there any questions?

11 MR. HAMLET: I need a couple of explanations on
12 these acronyms. What is CCC?

13 MR. PFOHL: Anybody from Patrick Henry, Challenging
14 Curriculum, but, in effect, it's very similar to the AIMS Higher
15 Program that's out in Southwest Virginia, as is the GAMA
16 Program that Southside Virginia Community College had,
17 Guaranteed Academic Merit Award. All of these are challenging
18 students to take college prep curriculum in high school. And if
19 they succeed with a certain grade point average, then they're
20 guaranteed tuition for their community college time.

21 MR. NOYES: Still last dollar.

22 MR. PFOHL: Yes.

23 MS. THOMAS: Tim, could you talk a little more about
24 the Early College. Are these students that are working towards a
25 degree?

1 MR. PFOHL: Yes. I may have to ask Catherine to
2 stand up, someone, Catherine, can you talk to us a little bit
3 about Early College and what students you're serving.

4 MS. RICE: Good afternoon, the Early College Program
5 is where high school students take college courses at CVCC, and
6 when they graduate with their high school diploma, they also
7 graduate with a two-year Associate's degree.

8 MS. THOMAS: How is that different from Dual
9 Enrollment?

10 MS. RICE: Dual Enrollment, credit goes towards their
11 college wherever they decide to go, but with CVCC, automatic
12 transfer to our, ours is an automatic transfer to our colleges.
13 They would have a two-year degree.

14 Dual Enrollment, they may not take all the classes
15 that they need to get. Dual Enrollment also uses high school
16 teachers who have the credentials to teach Dual Enrollment, and
17 at the Early College level, they are taught by CVCC instructors
18 and paid for by CVCC.

19 SENATOR RUFF: Why do other colleges believe that
20 do it one way and you all believe you do it a different way? My
21 understanding is that the other colleges are giving two-year
22 degrees when you meet certain necessary requirements, so why
23 are they over here and you're over here? What are you doing
24 better than they're doing?

25 MS. RICE: I'm not sure what they're doing, but I

1 know what we're doing. The curriculum they do at CVCC is the
2 same curriculum we would do if you were a high school graduate
3 and took full-time classes and you have the same curriculum in
4 both places, so it would have to match. It also gives them a
5 heads-up to go ahead and when they graduate high school, they
6 can go straight to a four-year college.

7 Now, I'm not sure I answered your question.

8 SENATOR RUFF: Am I reading between the lines that
9 you're saying because you teach them on campus, you're
10 teaching them to a higher standard than Dual Enrollment?

11 MS. RICE: From my understanding with the Dual
12 Enrollment, having a high school teacher, they may have
13 different credentials than what is required for community college
14 instruction. I know some of them do have that.

15 SENATOR RUFF: I think you'll find that's not the case.
16 The requirement is that they have to have an advanced degree.
17 Whether the advanced degree is good or bad, I'm not making a
18 judgment, but that is the case.

19 Anyone else want to think through this?

20 MS. THOMAS: It seems like the Dual Enrollment on
21 this information here, is this program only going to be offered to
22 students that are on Free or Reduced Lunches?

23 MS. RICE: Yes, ma'am. What we are seeing is that
24 because students' parents have to pay their portion of tuition, it's
25 only going to be for children that can't afford to pay, whereas if

1 we offer scholarships for Free and Reduced Lunch, it gives the
2 opportunity for every student to be able to do it.

3 SENATOR RUFF: Not to change the subject, you're
4 saying that you're setting aside \$50,000 for 25 Veterans, and
5 Danville believes that's a worthy program and they're setting
6 aside \$75,000 for 25 Veterans. You're talking about 2,000, and
7 they're talking about 1,000. It seems like a big difference, two
8 community colleges fairly close to each other. Before you even
9 answer that, are you willing to live with a stipulation included,
10 you all have to pay that back when they get the GI bill?

11 MS. RICE: Yes.

12 SENATOR RUFF: Now, why is there such a difference
13 between the two?

14 MS. RICE: I don't know about their figures. Ours are
15 based on 15 credit hours, which is \$1,942.60, and that would be
16 if they enrolled full-time. I've had a lot of Veterans come to my
17 office and they cannot afford to pay the tuition out of their
18 pocket. They've just gotten home from wherever they were, and
19 it's very hard to see that. That's why if they want to go to full-
20 time, we will pay, and they will reimburse us when they get
21 benefits.

22 SENATOR RUFF: I might call you up again. Let's get
23 some thoughts from Danville as to how they reached the
24 numbers they did. Are you all picking on Veterans and not giving
25 them anything?

1 MR. HAIR: Thanks for letting me speak. I'm Shannon
2 Hair, Executive Director of the Educational Foundation, and we
3 have over 250 Veterans. There was a pre-9/11 GI bill, and
4 there's a post-9/11 GI bill. The post-9/11 GI bill students, they
5 will get those dollars, and the Tobacco Commission dollars will
6 not be used for those students, because they're going to get the
7 aid anyway. The pre-9/11 students are the ones that are
8 receiving no aid, we're giving the last dollar to those people.
9 We're looking at somewhere between \$1,000 or \$1,500 per
10 student. That equates to \$7,500.

11 We have 250 students, and the majority of those are
12 pre-9/11 Veterans.

13 SENATOR RUFF: Should you receive any money back,
14 are you willing to live with Tim's proposal?

15 MR. HAIR: Yes, sure. We talked about it before. We
16 can't touch the amount of Veterans that we say we should.
17 Those dollars will come back to you. I would agree to that.

18 SENATOR RUFF: Does anyone or the community
19 colleges want to speak or weigh in on Early College, Dual
20 Enrollment?

21 DELEGATE WRIGHT: Mr. Chairman, I know
22 sometimes people may not want to speak in opposition to each
23 other or want to try to place one program above the other, I'd
24 like Dr. Cavan, I know he spoke very highly on the
25 successfulness of the Dual Enrollment Program in his college,

1 also Workforce Training, and that's something I'm very interested
2 in, particularly in our areas of high unemployment.

3 DR. CAVAN: I didn't hear your question.

4 DELEGATE WRIGHT: I would like for you to give us
5 your opinion of the successfulness of the Dual Enrollment
6 Program as you see it and also Workforce Training. That's two
7 things Southside has really pushed, and without being critical of
8 anyone else, nobody else has been, but just give us your
9 viewpoint on that. I appreciate it.

10 DR. CAVAN: I'm a very, very strong proponent of the
11 Dual Enrollment Program. I think it's great for the
12 Commonwealth of Virginia and great for, especially great for
13 Southwest and Southside Virginia. It's giving students a real
14 head start on their higher education. I can just quote the
15 Southside statistics, and we've had over 300 graduates this year
16 who have graduated from the community college before they
17 graduated from high school, saved their families, and if they go
18 to Virginia state colleges, about 50,000. Beyond that, it gives
19 them the confidence to know that they can compete against
20 some of the strongest students from all over the United States
21 because they not only come to Virginia community colleges, but
22 Virginia four-year schools, they go out of state. So it's a real
23 plus.

24 The Southside Virginia and Southwest Virginia are
25 economically deprived areas. Virginia, and this is free to the

1 families, so those families have, they have discretionary money
2 that they can spend in the community. It's even economic
3 development.

4 Now, just from Halifax County, three percent of
5 African-American males graduate from high school with some
6 college credit. And I don't think any place in the United States
7 can say that from a school division.

8 It's a great program, plus it's not only for transfer
9 students outside for students, and in Southside, we have
10 Vocational Programs, Career Programs. We have students bused
11 to some of our centers for Advanced Manufacturing, and they
12 come on campus or come to one of our centers for technology
13 and they come on campus for welding. It's comprehensive, and
14 as I say, it's a great program for the Commonwealth of Virginia.
15 It's free to those areas of Virginia, free to all Virginians, all our
16 faculty, whether in high school or on campus, are SACS-
17 accredited, and they meet all the requirements for SACS
18 accreditation. When they come to us, we really look at that very,
19 very carefully. Did I answer your questions?

20 MR. NOYES: This is for any of the community
21 colleges. The four-year program supported by the Commission
22 has placed emphasis on the STEM-H curriculum, and students
23 receive a priority for four-year funds and rolling in the STEM-H
24 Program. I'm assuming that Veterans and Early College, that
25 Finish Line Tobacco family, those people could also be involved in

1 STEM-H. Setting aside a portion and not limiting how many folks
2 could be in STEM-H. It would be my hope that the support for
3 community college financial aid would also migrate over time to
4 STEM-H.

5 DR. CAVAN: Yes.

6 MR. NOYES: If we don't do that, we're going to wind
7 up in the soup.

8 DR. CAVAN: Allied Health Programs, Nursing,
9 Respiratory Therapy, we have a large Nursing Program, and
10 Respiratory Therapy. We partner with other colleges.

11 MR. NOYES: Your GAMA students, some of that would
12 be in STEM-H.

13 DR. CAVAN: Yes. Advanced Manufacturing.

14 MR. NOYES: We can get data from the community
15 college to tell us how our dollars were spent in relation to
16 enrollment in STEM-H Programs, not by category called Veterans
17 or something.

18 DR. CAVAN: Yes, we can give you that.

19 MR. NOYES: All of the community colleges could do
20 that.

21 DR. CAVAN: Yes.

22 MR. NOYES: What I'm seeing is that there appears to
23 be a flavor of the day, we want to deal with this particular
24 population or we want to do this type of program. This
25 Committee's concern is to migrate financial aid at the community

1 college level in support of STEM-H and Advanced Manufacturing
2 curriculum, we can still do it with Veterans or something like
3 that.

4 DR. CAVAN: In terms of Dual Enrollment, we have a
5 government school on both of our campuses and we put in Pre-
6 Engineering Programs at STEM. And we have a number of high
7 school students going through Pre-Engineering, so there's a lot
8 of STEM Programs at the community college, and so articulate
9 four-year programs, graduates from our Pre-Engineering
10 Programs at Virginia Tech or UVA and VCU Engineering
11 Programs. That's it.

12 MR. NOYES: I understand that. There are two
13 community colleges that list as a category, STEM-H, on this
14 sheet. If we're not doing STEM-H with the Financial Aid
15 Programs that we have for the two-year schools, we're not
16 getting it done, we're getting it done through other categories of
17 students. As long as we can get that data from the community
18 colleges.

19 DR. CAVAN: It's comprehensive, STEM-H, what we do
20 in Southside, and when we use Tobacco money or Tobacco
21 scholarships, that money is last resort. We have the students fill
22 out a financial aid form if they're eligible for the PELL grant, other
23 grants, they get that first. And then we fill in those that are
24 eligible for the Tobacco Commission money after that. We use
25 Federal monies first and then come in with Tobacco money.

1 Does that answer your question?

2 MR. NOYES: No. It's not about that. It's about how
3 many students are benefitting from financial aid provided by the
4 Tobacco Commission are involved in the STEM-H education.

5 DR. CAVAN: We can give you that information. I
6 don't have it at my fingertips now.

7 MR. NOYES: I didn't expect you to.

8 DR. CAVAN: We have large programs like Nursing
9 and STEM Advanced Manufacturing, Pre-Engineering, we can give
10 you that information.

11 SENATOR RUFF: I think all the community colleges
12 should be prepared to expect that request.

13 DR. CAVAN: That's not a problem. We know that's
14 top on everybody's priority list. The Governor had a conference
15 call with all the colleges, was the STEM and the Entrepreneurial
16 Programs, and that's not new because it's been around for years,
17 the STEM Programs. I know all the community colleges are very
18 sensitive, but we can give you that information.

19 SENATOR RUFF: Let me go back to the Dual
20 Enrollment. How are you paying for that program, the Dual
21 Enrollment? How much is the school system paying? How much
22 is the community college?

23 DR. CAVAN: Okay. If we sent full-time faculty
24 members to the high schools, the high school pays the tuition. If
25 they use their faculty, it's free, it's a wash, because they're using

1 their facilities. It's always free to the family. In other words, if
2 the school division doesn't have qualified teachers to teach a
3 certain course, we send our faculty there, and they will pay the
4 tuition, the school division will pay the tuition.

5 SENATOR RUFF: Have you ever tried to figure out
6 what the average cost is in your service area for Dual
7 Enrollment?

8 DR. CAVAN: I don't have that at my fingertips, but it
9 could be figured out. In Southside, it's large, because 25 percent
10 of all our students are Dual Enrollment.

11 DELEGATE MERRICKS: If the student takes Dual
12 Enrollment in the Southside, can they when they graduate from
13 high school have an Associate degree just like a student would at
14 the Early College, at Central Virginia Community College? Would
15 they have an Associate degree and have enough credits to get an
16 Associate degree through the Dual Enrollment Program? I'm
17 trying to get the difference between Dual Enrollment and Early
18 College? Early College, they actually go to the campus?

19 SENATOR RUFF: Let me ask Joyce French to come up
20 and join John at the podium because she is a living example of
21 how it works.

22 DR. CAVAN: She was an early example of how it
23 works.

24 MS. FRENCH: Dual Enrollment, my daughter who is
25 now 27 years old.

1 DR. CAVAN: Her daughter graduated from the
2 community college. I had to teach a course in psychology for
3 both Joyce and her daughter.

4 MS. FRENCH: There were actually three students in
5 the class, two from the planning, my planning district, and my
6 daughter. Dr. Cavan was our instructor. How the Dual
7 Enrollment works is that they have built up so you can get more
8 and more Dual Enrollment classes. So you take the Dual
9 Enrollment throughout high school, and she even participated in
10 several programs just for her own enrichment.

11 She graduated from Southside Community College in
12 May and then got her diploma from high school in June. She
13 entered the University of Virginia as a junior. She went into UVA
14 as a junior, and she graduated from UVA with a degree in
15 Engineering.

16 I am an extremely strong supporter of Dual
17 Enrollment. The teachers have to have the same credentials you
18 have to have at a community college. You just can't decide
19 you're going to be a history Dual Enrollment teacher at high
20 school, you have to have the Master's in history and have the
21 same credentials that you would have to teach on a community
22 college campus. So all the teachers are either certified they
23 could or have the qualifications to teach on campus. If you don't
24 have one of those teachers, then they will put the teacher over,
25 but mostly in Mecklenburg County, which is my county and

1 Senator Ruff's county, teachers are employees of the school
2 system.

3 The Mecklenburg County School System covers the
4 cost for Dual Enrollment for the students that want to be
5 enrolled. So it's very economical because your local tax dollars
6 are supporting the program instead of him having to collect
7 tuition from every possible student that's enrolled. It's your local
8 tax dollars and what comes from the State of Virginia, also.

9 The program does work and you do graduate with an
10 Associate and you can automatically transfer that to the proper
11 grade point average. If you take Dual Enrollment and get Ds and
12 Fs, obviously you're not going to be transferring. Each
13 curriculum has its own grade point average that's required and if
14 you have that grade point average, then whoever they have
15 these agreements with can automatically transfer.

16 DR. CAVAN: We test every student coming into the
17 program, there's no developmental studies for Dual Enrollment,
18 so they're all qualified college-bound students.

19 DELEGATE WRIGHT: Can you briefly explain the
20 Workforce Training, because I think you touched on it some, but
21 would you expand on Workforce Training? I think that's
22 extremely important.

23 DR. CAVAN: We're prepared to do whatever we have
24 to do for an industry coming into the area. For Workforce
25 Training, we have three truck-driving facilities where a truck

1 driver can get a job for \$40,000-plus with benefits. Truck drivers
2 are needed. The STEM Program, the Nursing Program, and the
3 Workforce Development, and it's nurses for all hospitals across
4 Southside Virginia, and Richmond steals some of them. We also
5 have Diesel Technicians and other Workforce Programs, and
6 Advanced Manufacturing is a Workforce Program. We have an IT
7 Program that is a Workforce Program and Career Programs.

8 Southside is not unique because every community in
9 Virginia, community college in Virginia, especially community
10 colleges in Southside and Southwest are very, very aggressive
11 and very sensitive to provide whatever the communities need,
12 the businesses in their community need. We're not a unique
13 college. You've got the southern tier of Virginia and up through
14 the mountains and those community colleges that really attend
15 to and are attuned to serving their communities. When I first
16 came to Virginia, I had to go to Southwest to learn what was
17 happening, and Mountain Empire, Southwest Virginia, and they
18 were doing things that no other community college was doing or
19 even thinking of doing.

20 You need to feel very proud of those community
21 colleges you serve with Tobacco Commission money. I think all
22 the presidents couldn't thank you enough, and it really helps our
23 communities and helps us. We talk about that all the time. If we
24 didn't have Tobacco Commission money, what would we do? And
25 the seed money to start those programs, so important, because

1 we really don't have enough money to do that, the other
2 resources to do that. Once we get it started and generating
3 students, it's a winner. Can I sit down now?

4 SENATOR RUFF: Any questions from anyone?

5 DR. CAVAN: Since you've got me up here, let me
6 thank you for the Tobacco colleges because you don't know or
7 can't imagine how much you mean to us and what you do for us
8 is just great. So thank you very, very much.

9 SENATOR RUFF: Anybody have any questions on any
10 of those programs?

11 I think it's going to be automatic in that his
12 understanding that he's going to receive some kind of percentage
13 or some kind of numbers on STEM-H students are satisfied
14 through Tobacco Commission dollars, and Veterans' money will
15 be reimbursed when it comes back if it comes back. I hope you
16 all heard this discussion because it's not an effort to change that
17 today. I feel very confident you're going to have problems next
18 year on that Early College. I think it's great you serve 25
19 students, but I can tell you that some other community colleges
20 are serving far more young people than that, and the cost to that
21 program is \$1,900 per student versus practically nothing, or I
22 won't say nothing, but certainly a far, far cheaper amount than
23 the other community colleges.

24 Anybody have any comments?

25 MR. NOYES: I think the staff is going to have to look

1 carefully and report back to the Committee the discrepancies in
2 the amounts per student and the amounts per category when we
3 are means testing. I need to understand better why they are so
4 traumatic, I don't, so I'm going to have to work with Carolyn on
5 that and get some closure on why it is, maybe a staff
6 recommendation that we limit the top end of some of these
7 programs so that we can serve more students. That may be
8 something we'll be hearing more about in the future.

9 MS. BARTS: I just wonder if there's going to be a
10 problem next year when other community colleges come back for
11 the Early College category under the 400,000, same amount of
12 money provided, and I don't understand --

13 MR. NOYES: It's not up to them, it's up to you to
14 decide.

15 MS. BARTS: True.

16 MR. NOYES: What you accept.

17 SENATOR RUFF: We can tell they can't spend it and
18 they have to come up with an alternative proposal, and that's up
19 to the Committee.

20 MS. BARTS: Some of the other community colleges
21 may be considering that if they want to get or maybe they would
22 want --

23 SENATOR RUFF: I saw a few heads shake when I said
24 what I said, but I don't anticipate anyone making that effort.
25 We're only talking about 100,000 Central, I still think it's not

1 proper. If you've got the Dual Enrollment Program going --

2 MS. THOMAS: I'm just concerned that through really
3 limiting the number or the type of students that will be served
4 because you've got students that would be on the Reduced
5 Lunches or Free and you have students that have the
6 wherewithal to get a scholarship, but then you've got that whole
7 block of students that are in the crack there and do not qualify
8 for any kind of financial aid because of their parents' income or
9 assets. They're not going to be served anyway. Those are the
10 students that need to come to the community college. I'm
11 concerned about limiting it to those with the Early College
12 Program, a big chunk of the request, 25 percent going to that.
13 I'm really concerned about that.

14 DELEGATE WRIGHT: I feel the same way. That's one
15 reason I asked Dr. Cavan to tell us about the Dual Enrollment
16 Program. For those that watched the President's State of the
17 Union message, he spoke very highly of the community colleges
18 and that system, also Workforce Training. But I have the same
19 concerns that Ms. Thomas does.

20 SENATOR RUFF: If you all have any suggestions on
21 how to change that, feel free.

22 MR. PFOHL: I wish I had a great solution for you, but
23 one of the things we talked about was maybe the Early College
24 could be offered dollar for dollar match for local funding to
25 support the students. That's a suggestion off the top of my

1 head.

2 MS. THOMAS: Where is local funding coming from?

3 MR. PFOHL: My understanding it's from the local
4 school districts. They're raising the money and budgeting it from
5 public and private sources. Catherine can correct me, and she's
6 nodding yes.

7 I want to say first off that Central Virginia has been
8 very forthcoming in addressing our questions to help us
9 understand and some information they provided to us.
10 Appomattox County three years ago provided 79,000 towards
11 Early College tuition, fees, and books. This year, they increased
12 it to 140,000. Contrast with Bedford three years ago, provided
13 138,000 toward that, toward the Early College, and they paid
14 that out entirely. Campbell County has gone from zero support
15 Early College to 108,000 this year.

16 One of the things we want to avoid is those localities
17 that have so many financial pressures on them for supporting
18 Early College. Maybe we could structure this with some sort of
19 incentive dollar for dollar or whatever the will of the Committee
20 is, and that might be a way to try to leverage our money.

21 SENATOR RUFF: Central is not doing any Dual
22 Enrollment?

23 MR. PFOHL: No, I didn't say that.

24 SENATOR RUFF: I'm asking the question. Are they
25 doing Dual Enrollment?

1 MR. PFOHL: Catherine is nodding yes.

2 MR. MERRICKS: That would be my question. If you
3 have Dual Enrollment, same thing without putting the money in
4 it, that would be my question.

5 SENATOR RUFF: Catherine, do you want to try to
6 enlighten us anymore? If you don't want to, I can understand.

7 MS. RICE: One of the things I made note of back
8 there, and I was enjoying listening to Dr. Cavan speaking, but
9 Dual Enrollment can graduate with an Associate's degree. When
10 these children go to Early College, every one of them will
11 graduate with an Associate's degree. It's not an/or, they will. I
12 can't recall the years, but we've had students, 25 or more
13 students every year, CVCC graduations, walk across the stage,
14 and I've never seen a child more proud when they receive that
15 degree from Dr. Cavan.

16 SENATOR RUFF: What are you all doing?

17 MS. RICE: I don't handle that, I'm sorry. You all
18 have beaten me up.

19 SENATOR RUFF: We're not trying to, we're trying to
20 beat the college up.

21 MS. RICE: I do know that Dual Enrollment, as far as
22 we're concerned, we are just like this year, next fall, 2013, we
23 will have a new Early College Program in Lynchburg City Schools.
24 Now, Tobacco will fund that, but they will have an option to take
25 those classes and graduate. They can intermingle college

1 students on campus, but most of them are at our center, in the
2 Appomattox Center in Hampton. I know when they create that
3 atmosphere, it's like you're being at CVCC and walking through a
4 college classroom. It's no different. We try to make it as smooth
5 and just like going to college. They're not treated any differently
6 than they would if I had them in my class to teach.

7 MS. THOMAS: Are all of those students, would they
8 qualify for Early College and the Free or Reduced Lunch?

9 MS. RICE: About 75 percent of them do.

10 MS. THOMAS: Would they not qualify for other
11 programs if you had them on a general scholarship, would they
12 qualify for those, as well?

13 MS. RICE: Only if you let, they are not eligible for any
14 Federal or State aid. They're right there in that middle, and they
15 do get lost because they can't have Federal financial aid because
16 they're still high school students, and we can't give them any
17 scholarships because, one, you don't have it, and, secondly,
18 people think they're high school students. I don't know how to
19 make it distinguishable, they are and they are not. It's just like
20 Appomattox County, the director of that center goes out and
21 raises money because the majority of his students are on Free or
22 Reduced Lunches when they come to that center. It's not giving
23 an opportunity, they may not ever be able to go to a four-year
24 college, I don't know, but they're getting it through us.

25 MS. THOMAS: Let me restate my question. If the

1 amount you have allowed for that program and if it were lumped
2 in with your Tobacco Family Scholarship or the Finish Line or
3 STEM-H, couldn't these students fall under that category?

4 MS. RICE: If you tell me they can, I thought they
5 wouldn't be able to. I'd love for them to be able to put them
6 under that category. You have to remember this is the first time
7 we've ever asked for it, too.

8 MR. PFOHL: To give a little context, a few years ago,
9 some of the colleges asked us, some of the financial aid, not Dual
10 Enrollment. What we found was that when that Dual Enrollment
11 is being taught in the high schools by high school teachers, many
12 of the community colleges are largely waiving tuition costs
13 because they don't have the expense and it's not their college
14 facilities and not their college instructors. And these are high
15 school instructors who are certified to teach college-level
16 courses. We have not to date supported high school students.
17 We declined to do that Dual Enrollment a few years ago. To
18 date, we have not, or the Commission through its Financial Aid
19 Program has not supported high school aged students until they
20 got out of high school and enrolled in college. That's what we're
21 talking about, a change of course here.

22 MS. THOMAS: They aren't enrolled in college. It's my
23 opinion we should remain with that standard.

24 SENATOR RUFF: Are you offering a motion to allow
25 staff to accept a modification of Central's proposal 30 days if they

1 can come up with a different use of that money?

2 MS. THOMAS: Yes, I so move.

3 MR. NOYES: Consistent with current policy.

4 MS. THOMAS: I think we're opening up some
5 problems in the future if we go to allowing scholarships for high
6 school students because you're also going to have other students
7 from private schools where they may not fall under the Dual
8 Enrollment, and they'll be coming in and asking for scholarships
9 and we'll be funding scholarships for high school students.

10 SENATOR RUFF: The essence of that motion is that
11 we give Central time to come back to the staff in 30 days and let
12 the staff approve that change without coming back to this
13 Committee. Is that reasonable and fair? If so, all in favor, say
14 aye. (Ayes). Opposed? (No response). All right. Sorry that
15 went on for so long.

16 Tim, you're up.

17 MR. PFOHL: We've covered everything I wanted to
18 bring before you today in terms of community college financial
19 aid. Aside from that, a motion to fund these proposals.

20 SENATOR RUFF: The motion will be accepted with the
21 two stipulations that we just made, the Veterans and Central.

22 DELEGATE WRIGHT: So moved.

23 MS. THOMAS: Second.

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

1 MR. NOYES: Next year, how about when we get these
2 proposals, two lines, and one says STEM-H and one that says
3 Workforce Training. Then we have the baseline that we can put
4 in the computer without having to go back to the folks.

5 SENATOR RUFF: Anybody on the Committee have any
6 objection to that?

7 MS. BARTS: You would not provide any scholarships
8 for students who are taking the prep classes for other, if you do
9 STEM-H and Workforce Training --

10 MR. NOYES: For other four-year degrees. Maybe
11 there's another category. With limited funds and the emphasis
12 on STEM-H and Workforce Training, we have to begin to migrate
13 the use of our funds in that direction.

14 MS. BARTS: I'm thinking about Virginia Tech. They
15 have a large Agricultural Program. So if you were going to go to
16 the community college and take your preparatory classes and
17 plan to transfer to Virginia Tech into agricultural science or
18 economics, then that doesn't fall under STEM, they would not
19 have a chance at the Tobacco Commission money?

20 SENATOR RUFF: Rather than saying that --

21 MR. NOYES: Not if it's STEM-H or Workforce Training.

22 SENATOR RUFF: Rather than saying that, maybe if
23 the direction is that you will commit a high percentage of your
24 dollars to those two things, to give a legal look --

25 MS. BARTS: A hundred and fifty thousand for Tobacco

1 Commission family scholarships and if they're all not going into
2 STEM-H, that would eliminate a lot of the students then.

3 MR. NOYES: It could.

4 MS. BARTS: It could, that was just a thought of mine.

5 SENATOR RUFF: Between now and sometime in the
6 next six or eight months, if you can get the community college to
7 tell us the thoughts of how to direct more money to those two
8 directions without putting you in a straitjacket.

9 MR. PFOHL: Mr. Chairman and members of the
10 Committee, if you could jump to the bottom of the second page
11 of the legal handout under the New Business category, then we
12 can move pretty quickly through that.

13 A year ago, your Committee recommended funding in
14 the competitive education cycle for Emory and Henry College.
15 That was Grant Number 2370 to establish a Doctor of Physical
16 Therapy Program in Southwest Virginia. There are some
17 conditions on that grant that the program must be accredited
18 prior to the use of the grant funds. The college is underway with
19 that project, but they alerted us that the accreditation process
20 for Physical Therapy requires that you don't receive full
21 accreditation until your first students graduate and moves into
22 the third year of the Program.

23 They shared with us guidelines from the Commission
24 on accreditation in Physical Therapy Education, and CAPTE
25 verifies that. Emory and Henry is asking for relief from that

1 condition that they can't use our funds until they receive
2 accreditation because that will stymie them. There's no change
3 in the request for use of funds, and they're underway with this
4 and they're seeking reimbursement from funds that have already
5 been approved. The staff is supportive of removing that
6 condition for Emory and Henry on Grant 2370.

7 MS. DiYORIO: I move that we grant the relief with
8 those conditions.

9 DELGATE MERRICKS: Second.

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

12 MR. PFOHL: Lastly, we have a new request for
13 funding from the New College Institute, Grant Proposal 2597,
14 requesting \$5 million for construction of a facility in Uptown
15 Martinsville, and you've received the one-page summary of that
16 material, which is in front of you.

17 The New College is proposing construction of a 50,000
18 square foot Workforce Training Center, 5.2 acres, in Uptown
19 Martinsville. Your committee assisted this project with \$200,000
20 in an education grant last year who designed the facility. We've
21 also previously supported the New College Institute with an
22 operating grant of \$1.5 million in 2007. That grant is ongoing
23 and continuing to support programs.

24 There are some budget changes and shifting of
25 money, and I'll let Neal handle that, but you do have a summary

1 of the project in front of you and what would occur in that
2 facility. We have representatives here from New College, and
3 I'm sure they'll be happy to explain all that to you.

4 SENATOR RUFF: William, do you want to come up
5 and give us an overview of what you're doing.

6 SENATOR WAMPLER: Mr. Chairman and members of
7 the Committee, I thank you for not adjourning, I thought you
8 were about ready to do that. On that side of the table, I can
9 recognize the look in your eye, so I will try to be as brief as I
10 can. I'd ask the Committee to ask any questions that are
11 necessary, I'll be happy to answer that and explain the proposal
12 before you.

13 Mr. Chairman, members of the Committee, I would
14 like to start by saying that because of previous discussions, let
15 me try to say in 90 seconds or less who the New College is. By
16 name, we are the newest college in Virginia. We've been around
17 for six years, and when all else fails, read instructions.

18 The Code of Virginia is very clear that the New College
19 for both undergraduate, there's one through four, and graduate
20 level courses for credit and noncredit. Paragraph B-5 and under
21 5 where it says you shall, it says the New College shall offer
22 Workforce Training. That's what we are about in Martinsville. I
23 would remind everyone here that Martinsville once again has the
24 distinction of having 16.2 percent unemployment, and
25 unfortunately, that is the highest in the state. And I would

1 observe, Mr. Chairman, that since the 1990s, we have lost over
2 19,000 jobs.

3 So why do we come to you today? It is as a result of
4 the investment you've made in the New College about a year and
5 a half ago and asking us to plan for what we thought the
6 community needed and what we needed to train the Workforce.
7 We took your \$200,000 and matched it and hired Dewberry to
8 perform their preliminary engineering, and what we will
9 demonstrate to you today is what we think will be necessary to
10 provide the courses that will match the jobs that we believe will
11 employ the next generation of leaders.

12 Mr. Chairman, being mindful of the discussion you just
13 had, I would say that one of our successes starting this past
14 semester some three weeks ago was to take 33 high school
15 students and dual enroll them through Virginia State in an
16 Engineering course and an Engineering course that's recognized
17 nationally and an Engineering course that will have those credits
18 transferred by a national accreditation. We would offer that over
19 a two-year period and we'd have those students through their
20 junior and senior years and we would also give them a certificate
21 that is stackable. And the skill sets that come from that
22 certificate are exactly what the two employers need in our
23 community.

24 The two employers are RPI, a titanium manufacturer,
25 and whenever the Commission wants to get into a discussion

1 about what Advanced Manufacturing is, I would suggest a profile
2 of a company that invests \$135 million in CAPX and will employ
3 125 people in starting wages of \$18 to \$25 an hour and
4 somebody we ought to recruit throughout Southern Virginia.
5 That's why we're asking you to give us some help as we pursue
6 what we believe is something around a \$15 million project and
7 we're asking for your \$5 million to help us specifically in the
8 component of the Advanced Manufacturing base that we will add
9 to this building.

10 I can normally take an hour to show you all the
11 schematics from Dewberry. I promise you I will not, but as you
12 look on the lower left side, you will see what we call the "High
13 Bay" areas. We designed it to have 30-foot ceilings with
14 concrete floors, reinforced steel that will be an image of what you
15 find both at CCAM and also in the United Kingdom as the
16 Advanced Manufacturing center, what you would find in the UK.

17 We will rotate students through the Advanced
18 Manufacturing "High Bay" area, and we have an equipment list
19 and we have other funding sources to help us duplicate. You all
20 are familiar with some of the Advanced Manufacturing equipment
21 that you will find.

22 Mr. Chairman, looking at your eyes, I need to say it's
23 not just with Dual Enrollment of high school students. As the
24 New College is working in a collaborative fashion with our
25 community college system, we're trying to find the right touch to

1 launch the 2013 semesters with a blend of students that are not
2 only Engineers, also the Operators. I would say the advantage of
3 having that blend of Engineering students and Operators is what
4 we believe populate the Advanced Manufacturing base and meet
5 the needs within our region.

6 Some of you have asked the question what will you do
7 with the graduates? Well, we hope and we know in the City of
8 Martinsville and County of Henry that we have 300 immediate
9 jobs that must be filled between RTI and Commonwealth
10 Laminating. What that really means is film that you put on a
11 window, whether it's in a car or a home. So we have that
12 immediate need, and that's why there is a sense of urgency to do
13 that.

14 I'm also under a self-imposed deadline to raise this
15 money because the City of Martinsville donated a city block in
16 Uptown, that is green space, and we hope we're able to turn dirt
17 on this project the first of November. Here, Mr. Chairman,
18 without getting into other details, I'll fast forward at least at this
19 point for you all.

20 We ask that you all focus on that Advanced
21 Manufacturing component because we've traveled to Washington
22 and asked our Economic Development Administration at the
23 Federal level to recognize the value of what the Tobacco
24 Commission could invest in the Advanced Manufacturing base. I
25 want to tell you we're also pursuing many other grant sources,

1 both public and private. So we're asking you all to help us
2 leverage up other dollars.

3 Another program that we would offer in there, and I'm
4 very excited about this one, is that we're in a position very soon
5 to announce a grant where we will train 250 next generation
6 health care workers. And what does that mean? Well, what
7 we're doing is to show these workers, and that would be
8 everyone from a first responder to a medical doctor on how to
9 deploy diagnostic equipment in a home to remotely monitor a
10 patient, so hopefully the patient will have a better outcome so
11 that we avoid the unnecessary admission of that patient to a
12 hospital within 30 days. If you talk to any of your hospital
13 administrators, they will tell you that that's the one single largest
14 item on the profit and loss statement where they're bleeding red
15 ink. So we think that is very much needed, we think that's
16 applicable to all of Southern Virginia.

17 Yes, we will export any of the best practices that we
18 are able to design and we're able to deploy through partners and
19 other faculty that we are able to gather.

20 So, Mr. Chairman, I don't know how much more you
21 want and there are plenty of other opportunities in another part
22 of the building, is an opportunity to have a grand hall for
23 conferences, lectures, and other things. I would observe that
24 within that immediate region, there is no place to actually host
25 the Tobacco Commission. If you all blow the whistle and

1 everybody shows up, we don't have the space necessary to
2 host a multi-day conference, and we think this would be a good
3 one.

4 MR. NOYES: Senator, are you going to charge us?

5 SENATOR WAMPLER: I would have to answer there is
6 a market yet to be determined.

7 MR. NOYES: Let me get back and answer Tim's
8 question real quick. We approved the two-year and four-year
9 program. This project, which I'm in favor of very, very much,
10 New College Institute. This will require action by the Executive
11 Committee when it meets in two weeks to transfer unbudgeted
12 funds to the Education Committee. That will leave intact, and I
13 believe it's explained in the staff recommendations, roughly the
14 same amount of money available and the competitive round that
15 would have been available otherwise, so we want to do this very
16 large project, and I'm confident the Executive Committee will
17 agree to that.

18 SENATOR WAMPLER: There is one thing. There's
19 something called Federal Sequestration. I think it's all of us and
20 all of our communities wonder how we're going to put together
21 projects. No matter how meritorious you may be, that's the
22 biggest risk to the model if you're assuming any Federal grant
23 would be forthcoming.

24 The encouraging point was that I think we were able
25 to shed new light on very expensive equipment that you have in

1 place at the Advanced Manufacturing base. There is a sweet
2 spot, as we all know, in Federal grants, regardless of what the
3 application maximum is, so I thought that we did a good job of
4 describing of what we're trying to do throughout all of Southern
5 Virginia. I must report, and this is not necessarily about New
6 College's project, but the Federal agencies are very much aware
7 of CCAM and of Rolls Royce's manufacturing facility and equally
8 excited about the opportunity to bring downstream supply chain
9 throughout all of Southern Virginia. That's what we walked away
10 from yesterday. They really didn't need to read the briefing
11 package and they were well aware of it and I think we have
12 made a big mark. I'd also say that higher education has been a
13 very big benchmark that we are very interested in. I think that
14 was quite exciting.

15 SENATOR RUFF: If there is no EDA money coming
16 into the equation, certainly it would make it work better. But
17 does it do damage to your proposal?

18 SENATOR WAMPLER: I'm learning on this side of the
19 political curtain that fundraising is part of the job. I thought that
20 chapter of my life might be behind me, but we have an
21 aggressive fundraising schedule, and I promise you I'm out
22 working every day to get private funds and other public funds,
23 but I'm confident we will find our construction budget, but the
24 EDA pieces do not appear. That means we have to go at it in a
25 different way, but the building will not be built because the

1 equipment list is not funded.

2 MR. HAMLET: Mr. Chairman, I move for approval of
3 this grant request.

4 SENATOR RUFF: It's been moved and properly
5 seconded. Any further discussion?

6 DELEGATE WRIGHT: Did I understand you to say this
7 would be your last request?

8 SENATOR WAMPLER: I don't think so, and I'd ask the
9 record not to reflect that. I would say that time is of the
10 essence, and that's why we're here, and we think we can have
11 ready by January, weather permitting, we can start construction
12 very early.

13 SENATOR STANLEY: Senator, are you looking at other
14 revenue streams, naming rights to the building, endowments, or
15 trusts, or commercial? Are you looking at every single revenue
16 stream other than grant money and government money?

17 SENATOR WAMPLER: Senator, I would also tell you in
18 all seriousness --

19 SENATOR STANLEY: How much does that cost?

20 SENATOR WAMPLER: We were able to reclaim 19,000
21 bricks from the old Bassett Furniture facility, manufacturing
22 facility there on the ground. We have those on pallets. We also
23 have the wood timbers that you find throughout the building, are
24 also reclaimed timbers from some of the old furniture factories.
25 We thought that was a proper reflection of the past and building

1 the future to train the workforce. Yes, there will be naming
2 opportunities.

3 SENATOR STANLEY: So you're anticipating other
4 sources of revenue streams perhaps even from naming rights?

5 SENATOR WAMPLER: In meeting with my
6 development officers, he tells me that she told me what her goal
7 was originally. We're in our quiet phase. Hopefully, we will
8 announce that October 15th, and pledge cards are at least in the
9 out box.

10 SENATOR RUFF: Any further discussion? All in favor,
11 say aye. (Ayes). Opposed? (No response).

12 I guess that motion means that we are officially, we
13 have committed --

14 MR. PFOHL: \$4.135.

15 SENATOR RUFF: Any further business? Is there any
16 public comment?

17 MR. WHITE: Thank you for having me. On behalf of
18 our students, faculty, and staff, and the parents of those
19 students, and I think I'm probably speaking for all the presidents
20 in the Tobacco region, we really thank you for what you're doing
21 to help our students get an education. We're serving with your
22 money a lot of students that just couldn't come to college without
23 it. There are a lot of students that leave that could probably
24 come to college, but all in all, we are extremely appreciative
25 what you have brought forward for our community and students.

1 Thank you very much.

2 SENATOR RUFF: Thank you, Charlie, appreciate it.

3 The deadline for competitive applications will be
4 February 28th, and we hope we get some good and exciting
5 ones. The next meeting date will be decided, but it'll certainly be
6 publicized. Anything else? If not, we're adjourned.

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9 **PROCEEDINGS CONCLUDED.**

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CERTIFICATE OF THE COURT REPORTER

I, Medford W. Howard, Registered Professional Reporter and Notary Public for the State of Virginia at Large, do hereby certify that I was the Court Reporter who took down and transcribed the proceedings of the **Virginia Tobacco Indemnification and Community Revitalization Commission, Education Committee Meeting**, when held on Thursday, September 13, 2012, at 1:00 o'clock p.m. at the Hotel Roanoke & Conference Center, Roanoke, Virginia.

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 September, 2012.

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

MY COMMISSION EXPIRES: October 31, 2014.