

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

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

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9 **Education Committee Meeting**

10 Tuesday, January 7, 2014

11 9:00 A.M.

12
13 Hilton Richmond Hotel & Spa/Short Pump
14 12042 West Broad Street
15 Richmond, Virginia 23233

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SENATOR RUFF: Good morning, thank you all for coming together. Before we call roll, I want to mention some new folks on the Committee. Before we get started, I want to welcome Dale Moore to the Committee and we look forward to working with you. Tim, will you call roll?

MR. PFOHL: Ms. Barts?

MS. BARTS: Here.

MR. PFOHL: Mr. Hamlett?

MR. HAMLETT: Here.

MR. PFOHL: Delegate Merricks?

DELEGATE MERRICKS: Here.

MR. PFOHL: Mr. Moore?

MR. MOORE: Here.

MR. PFOHL: Mr. Reynolds?

MR. REYNOLDS: Here.

MR. PFOHL: Senator Ruff?

SENATOR RUFF: Here.

MR. PFOHL: Senator Stanley?

SENATOR STANLEY: Here.

MR. PFOHL: Ms. Thomas?

MS. THOMAS: Here.

MR. PFOHL: Mr. Walker?

MR. WALKER: Here.

MR. PFOHL: Delegate Wright?

1 DELEGATE WRIGHT: Present.

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

4 SENATOR RUFF: The minutes have been
5 published on the website for the September meeting. Is there
6 a motion to approve those?

7 MS. BARTS: So moved.

8 SENATOR RUFF: We have a motion and
9 a second to approve the minutes. All those in favor say aye.
10 (Ayes.) Opposed? (No response.) The minutes are approved.
11 Tim, do you want to go through the report?

12 MR. PFOHL: Yes, I'll ask you to turn to
13 page 29 of your Commission meeting packet and you're
14 provided a brief summary of the efforts to date to act on the
15 Boston Consulting Group's report and recommendation to
16 create three Centers of Excellence of workforce training across
17 the Tobacco Region. The Boston Consulting Group report you
18 recall calls for three working groups to help us toward
19 establishing the Centers of Excellence, which have
20 curriculum, marketing and resources workgroups. These
21 groups include Commission members and appointees
22 representing the private sector industries and educational
23 institutions. These meetings were held in August, October
24 and November timeframe. There was some very important
25 information gleaned from those meetings. That's also

1 and gentlemen and members of the Committee. I'm very
2 pleased to be here today and I do have some slides I wanted to
3 show you from my prior employment. As Tim mentioned, I
4 had a great start jumping off from the Boston Consulting
5 Group report and I'll talk about that a little bit.

6 This project is very extensive and we're
7 working hard to get it up and running and I've done a lot of
8 traveling in the state of Virginia in the three months I've been
9 here. This is all about advanced manufacturing. We have a
10 governing model that we have in place here. Of course, it's
11 governed by the Tobacco Commission.

12 We do have the CCAM board involved
13 and my role as the Director of Workforce Development through
14 CCAM is to help the process and the implementation of the
15 R&D process.

16 We do have three committees set up and
17 showing here you can see the breakdown. We have resources,
18 marketing and curriculum. Those committees have all met
19 several times.

20 Today what we need to get started on
21 right away is the major objective in this Boston Consulting
22 Group report and that is the establishment of three separate
23 Centers of Excellence and that mission is to provide real
24 hands on training at the mid-skill level. The mid-skill levels
25 include machinists, welding and industrial machinery

1 Now, there's a lot of data here. As I
2 mentioned before data turns opinions into fact. Now this is
3 out of the 2012 report and this is by state how many
4 credentials and you can see from this that Virginia is ranked
5 20th. When you think about the 270 to 300 new certifications
6 we will get from the Centers of Excellence, you will see that
7 has the potential to take us from 20th to about 7th. This
8 makes it much easier for CCAM and government agencies
9 here to approach manufacturers with real hard evidence.

10 Today I'd love to talk about this and we're
11 working on that by issuing an RFP. I think it's the right thing
12 to do given that region down there and get people involved in
13 proposing how the Centers of Excellence will run. We're
14 working and putting together the framework for success.
15 What I mean is doing this regionally and working in
16 collaboration, I think there's a lot of value in that. We have
17 about thirteen different sections that we want to review. That
18 involves the curriculum and instructors and student
19 recruitment, which is a big point about this and how we go
20 about doing that and getting people interested.

21 In this formula, we kind of broke it down
22 into the three major areas of certification. We have the lower
23 level certification as a prerequisite so to speak. We expect to
24 come into the Centers of Excellence with these basic level
25 certifications. To get things started, the Centers of Excellence

1 probably will have to offer these lower level certifications to
2 create a pipeline, if you will. But the good news is, it's the
3 same equipment and really gives them a chance to build up to
4 the higher level.

5 My role in this is to be a consultant
6 through the RFP process and make sure that resources are
7 out there and the information they need is there and I think
8 there's an opportunity to consolidate the power equipment
9 and software. I will be with this all the way through
10 implementation. CCAM and myself will play a role in
11 sustainability. Now, another thing you're going to hear me
12 talk about and I'm a big fan of the Boston Consulting Group
13 report but there's one major thing missing and that is what I
14 call the instructor gap. We've identified the skills needed and
15 of course, this is not an easy process setting this up. Myself
16 and many others feel that we can do that. We can put
17 together the equipment but it's going to take a lot of due
18 diligence to get the instructors lined up and to find them. Of
19 course, they're a key factor. We've started those efforts to do
20 that. We're already doing the best practices and looking at
21 some of the better programs in the area and trying to map out
22 a model that we can introduce across the region.

23 So, with that, I would invite any
24 questions.

25 SENATOR RUFF: Are there any

1 questions from the Committee members? All right. I think
2 you said the next step would be getting the request for
3 proposals or the RFPs, when do you anticipate doing that?

4 MR. SOBCZAK: We're working on
5 drafting one up and Tim and I have, I'd like to get it out by
6 January 10th.

7 MR. PFOHL: On page 30, the second
8 page on the updated report, you can see the proposed timeline
9 we envision. We'll try to issue the RFP this week if possible
10 and we're aiming to get responses back within about ninety
11 days to put together proposals. We feel like that's about the
12 minimum we can provide in order to allow a thirty day review
13 process prior to the May Commission meeting. The budget for
14 this year is at \$10 million that's been set aside for this effort
15 assigned to the Education Committee and the Education
16 Committee will make recommendations on which proposals to
17 move forward with and before the full Commission for funding
18 in May. That's what we're hoping to accomplish over the next
19 several months. That's a very tough schedule and it's not only
20 for the applicants putting together solid proposals with a three
21 month window and also for the review of the staff and CCAM
22 who are the experts in this. We'll be looking at proposals
23 provided to us. We intend to have face to face meetings with
24 the applicants and bring you recommendations in May.

25 SENATOR RUFF: In addition to what you

1 say are the experts in the field, who do you anticipate bringing
2 in for that?

3 MR. PFOHL: Obviously, we'll have to find
4 someone that doesn't have a vested interest in any of the
5 Centers. Independent reviewers from the public and private
6 sector as well as Commissioners and staff.

7 SENATOR RUFF: Is this outside the
8 footprint? Are we going to bring people in?

9 MR. SOBCZAK: A lot of membership
10 from CCAM, I suggest we have a cross section between
11 industry and academia and workforce development and get a
12 perspective across the board.

13 SENATOR RUFF: Any questions? All
14 right. Bruce, thank you and welcome officially and we look
15 forward to seeing the progress on this project. Ned?

16 MR. STEPHENSON: Very briefly, Mr.
17 Chairman. In September of 2012, your Committee
18 recommended scholarship rules to the Commission which
19 were approved and are in use today. Inadvertently a set of
20 rules that got into the Board Book in September of '12 was an
21 earlier version and I'm simply asking that we correct the
22 record by admitting page 36 to the record as the correct
23 version of the scholarship rules, which were approved by this
24 Committee in September of '12.

25 SENATOR RUFF: So this is just a

1 technical issue?

2 MR. STEPHENSON: It's just to make the
3 record correct so if anybody examines the record it will be
4 correct. We just picked it up a couple of weeks ago and
5 realized what happened.

6 SENATOR RUFF: This is what the
7 Committee voted on last year but we put it to the full
8 Commission wrong?

9 MR. STEPHENSON: Correct.

10 SENATOR RUFF: So no action needs to
11 be taken by this Committee or we don't need to take any
12 action?

13 MR. STEPHENSON: Yes, sir, just
14 correcting the record.

15 SENATOR RUFF: All right, is there
16 anybody from the public that would like to comment? If not,
17 then that concludes our meeting. Thank you for coming.

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19 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 Tuesday, January 7, 2014 at 9:00 a.m. at the Hilton Richmond Hotel & Spa/Short Pump in Richmond, 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 22nd day of January, 2014.

Medford W. Howard

Registered Professional Reporter

Notary Public for the State of Virginia at Large

My Commission Expires: October 31, 2014.

Notary Registration Number: 224566