

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 Mr. Fred M. Fields

7 The Honorable Joseph P. Johnson, Jr.

8 Mr. Buddy Mayhew

9 The Honorable Harrison A. Moody

10 Mr. John M. Stallard

11 Mr. Bryant L. Stith

12 The Honorable Thomas C. Wright, Jr.

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14 COMMISSION STAFF:

15 Mr. Neal Noyes, Executive Director

16 Mr. Ned Stephenson, Director of Strategic Investments

17 Mr. Timothy J. Pfohl, Grants Program Administration Manager

18 Ms. Stephanie Wass - Director of Finance

19 Ms. Britt Nelson - Grants Program Administrator, Southside Virginia

20 Ms. Sarah Griffith - Grants Program Administrator, Southwest Virginia

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22 OFFICE OF THE ATTORNEY GENERAL:

23 Mr. Francis N. Ferguson, Senior Assistant Attorney General, Counsel for
24 the Commission

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1 SENATOR RUFF: All right, I'll call the meeting
2 to order of the Education Committee.

3 Neal, would you call the roll please?

4 MR. NOYES: Mr. Banner?

5 MR. BANNER: Here.

6 MR. NOYES: Mr. Day?

7 MR. DAY: Here.

8 MR. NOYES: Mr. Fields?

9 MR. FIELDS: Here.

10 MR. NOYES: Delegate Johnson?

11 DELEGATE JOHNSON: Here.

12 MR. NOYES: Mr. Mayhew?

13 MR. MAYHEW: Here.

14 MR. NOYES: Mr. Moody?

15 MR. MOODY: Here.

16 MR. NOYES: Senator Puckett?

17 SENATOR PUCKETT: Here.

18 MR. NOYES: Senator Ruff?

19 SENATOR RUFF: Here.

20 MR. NOYES: Mr. Stallard?

21 MR. STALLARD: Here.

22 MR. NOYES: Mr. Stith?

23 MR. STITH: Here.

24 MR. NOYES: Delegate Wright?

25 DELEGATE WRIGHT: Here.

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

2 SENATOR RUFF: The first item of business is to
3 approve the Minutes of our last meeting on November 9th. Do we have a
4 motion?

5 MR. BANNER: So moved.

6 SENATOR RUFF: We have a motion and a
7 second. All those in favor say aye? (Ayes.) Opposed? (No response.)

8 At this time we'll turn it over to Tim. I see Tim isn't with us, so
9 we'll just move on until he gets here.

10 MR. NOYES: Mr. Chairman, we need a motion,
11 Southwest Virginia Higher Education Grant, these are grant numbers 1245
12 and 1246, scholarship program for Southside and Southwest. Funds have
13 been provided but not named. Southwest Higher Ed is the grantee and
14 administrator of both.

15 MR. BANNER: I so move.

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

18 MR. NOYES: Moving into the second matter, the
19 Southwest Virginia Higher Education for past due loans, and they're being
20 transferred to the Commission offices here in Richmond for evaluation and
21 recommendations concerning the next step. These are delinquent loans and
22 will be evaluated and then come before this Committee with a
23 recommendation in advance of taking any steps.

24 SENATOR RUFF: Is this for information, and no
25 action is needed?

1 MR. NOYES: No action is needed to be taken at
2 this meeting. This is simply to let the Committee know what the status is.

3 SENATOR RUFF: All right, so noted.

4 Since we're waiting for Tim, is there any public comment, or
5 anybody out in the audience that would like to say anything? Now would be
6 a good time.

7 MS. FIELDS: I'd just like to comment we're
8 turning in to the Commission a sum of money, student loans actually, that
9 we have not been able to use or accomplish on paper.

10 SENATOR RUFF: It's not paperwork or not cash?

11 MS. FIELDS: It's just the loans, we're just turning
12 that over, the 414.

13 SENATOR RUFF: Any more public comments?

14 All right, Tim is here, so we'll go into our presentation.

15 MR. PFOHL: We have three proposals that came
16 in to us December 1st from the Southern Virginia Higher Education
17 Coalition. The three institutions, New College of Martinsville, the Institute
18 at Danville, and the Southern Virginia Higher Education Center in South
19 Boston have received General Assembly funding which mandates that they
20 work together to avoid duplication of services and focus on programs and
21 new deliveries to Southside. They have approached the Commission and
22 have requested an equal amount totaling just over 4.5 million to add several
23 programs that are not currently available in the region and to initiate the
24 program. Some of the distance delivery from the existing higher education
25 facilities made available through some facilities that the Commission has

1 funded, not only at those three locations but other facilities like Advanced
2 Lake Country Center in South Hill, the Estes Center, the Crossroads Institute
3 at Galax, and other facilities of that nature.

4 There will also be some new programs that have been
5 identified, such as motorsports engineering, graphic arts design, and so forth.

6 The proposals will bring faculty in residence to the tobacco region, as well
7 as allow distance offerings from these facilities. The proposal submitted to
8 us indicated some kind of cumulative aggregate numbers. There are the 18
9 additional faculty, and by the fifth year graduating 135 additional students
10 annually from degree programs, sixty students annually participating in a
11 summer internship. These will be college students working in the so-called
12 STEM industries in the Southside, like science and technology, engineering
13 and math, as well as educational facilities. Two thousand adults will be
14 participating in a variety of technology and professional development
15 programs across the region. The applications were pulled together fairly
16 quickly, at the Staff's request. They are very similar in nature. It's missing
17 some details, and I'm hesitant to say lacking details, but in the interest of
18 time they were pulled together with the best information they could. I'll note
19 that in some cases the Staff has been working with these facilities on
20 proposals of this nature that would have come to the Special Projects
21 Committee, were this path not available to them. The summaries you have
22 in front of you list all of the area's programs that are outlined and suggested
23 here. The Staff had suggested to the Technology Committee when it met in
24 mid-December that certain details of information were provided to us,
25 detailed budget programs, a detailed breakout of anticipated outcomes by

1 program, progress reports at six-month intervals. Also that our funds not be
2 used for travel expenses or for students, which is one of the items that was
3 mentioned in some of the proposals. Also that professional development
4 and training for teachers and citizens be limited to programs that grant
5 specific employer recognized credentials, so it's not just a general training
6 and travel for what's new in education or technology. There has to be an
7 absolute certification endorsement and a degree granting program for these
8 professional development and training programs.

9 The Staff is suggesting these conditions need to be met. Those
10 are described on the last page. The sum of \$1.5 million be made available to
11 each of the institutions. That does hinge on the Executive Committee's
12 transfer of funds to make these awards possible. Right now there is a
13 substantial balance of unrestricted funds in the Special Projects Committee,
14 and I think that is anticipated as the source of funding for this.

15 Any questions?

16 SENATOR RUFF: So that everybody
17 understands, the Technology Committee has approved this and
18 recommended it to the Education Committee and recommended it to the
19 Executive Committee, and it will go through the Executive Committee, no
20 matter what we do.

21 SENATOR PUCKETT: Mr. Chairman, any reason
22 why Southwest Higher Ed is not involved in this?

23 MR. PFOHL: They're actually mentioned in the
24 proposal as being a receiving site, potential receiving site for a lot of these
25 programs. There is no reason they wouldn't be included.

1 SENATOR PUCKETT: But they're not, from
2 what I read here.

3 MR. PFOHL: They are not a direct recipient of
4 any of the funds; they could be a receiving site. Students that are interested
5 in these programs could come to the class room in Abingdon or Lebanon
6 when that facility is ready and actually be wired into the training. That
7 could be a site where students are involved. It takes a critical mass of
8 students to make a class possible, in Abingdon, let's say, and they could be
9 part of the class with students from all over the tobacco region.

10 MR. FIELDS: Tim, where does the money come
11 from?

12 MR. PFOHL: The Special Projects Committee had
13 a substantial balance of more than six million dollars of restricted funds and
14 more than six million of unrestricted funds. When the Executive Committee
15 met November 9th they voted to move four million of restricted funds to
16 Southwest for some Technology projects, which we've asked for
17 applications to come in February 1 for those. This would be a quid-pro-quo
18 to that four million going to Southwest for Technology, four million to
19 Southwest for Technology, and four or five million to Southside. That's
20 from current available balances.

21 MR. NOYES: Unrestricted funds.

22 MR. DAY: Mr. Chairman, based on Tim's report
23 and the contingencies that are listed, I recommend we approve this.

24 SENATOR RUFF: Before we do this, I want to
25 say that in the past when we've not had Education money there have been

1 Education proposals that have been approved to the Special Projects
2 Committee, particularly when they were regional in nature. This Committee
3 can do what they wish on this issue, but I believe structurally it would be
4 better for the money to be sent directly from Special Projects to these
5 projects, rather than being transferred to another committee, and then kind of
6 the flow of cash. So if that's not the motion, let me know.

7 MR. NOYES: Mr. Chairman, Special Projects will
8 not meet as a committee to vote until the 11th or the 18th of April.

9 SENATOR RUFF: I know that's true, Neal, but
10 the Executive Committee overrides any committee, so if the Executive
11 Committee directs the funds to come from Special Projects, I believe that
12 would be the activity.

13 DELEGATE WRIGHT: Mr. Chairman, I sit on
14 the Technology Committee as well, and several members of that Committee
15 had some concerns that really should have come before the Education
16 Committee. We approved the project, and I voted for it and so forth, with
17 the understanding that it would come before the Education Committee. This
18 is the Committee I think should handle it. With your permission, I'd like to
19 make a motion for this to go to the Executive Committee with a request that
20 the money be transferred from Special Projects to the Education Committee
21 or directed to the project, if you so wish, Mr. Chairman.

22 SENATOR RUFF: I'll ask Neal if he believes
23 that's a cleaner way to do it?

24 MR. NOYES: The Education Committee has this
25 opportunity to act on the three grants, and then at a meeting later today the

1 Executive Committee will meet and consider transferring the money. A
2 motion here to recommend for the Education Committee to fund the project,
3 subject to the Executive Committee transferring the money today, in my
4 judgment, is the best way to proceed.

5 DELEGATE WRIGHT: That's the motion I'll
6 make, Mr. Chairman.

7 SENATOR RUFF: Is there a second?

8 MR. DAY: I'll second it.

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

11 DELEGATE WRIGHT: One further thing, Mr.
12 Chairman, before we leave. Another thing that was discussed at the
13 Technology Committee meeting, or at the end of the meeting, there was right
14 much discussion about the fact that we have a lot to do yet in Southside, as
15 far as completing our Technology program. So in transferring funds here,
16 that should not in any way be considered to be a transfer for Technology in
17 Southside.

18 SENATOR RUFF: Since we hit the public
19 comment a little earlier, I'll assume there are no more public comments, but
20 I'll give you another opportunity. If not, this meeting is adjourned.

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22 PROCEEDINGS CONCLUDED.

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25 CERTIFICATE OF THE COURT REPORTER

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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 Monday, January 8, 2007 at 3:30 p.m. at the General Assembly Building, 4th Floor West Conference Room, 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 day of January, 2007.

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

My Commission Expires: October 31, 2010.