Board Members/Desigees Present: Chairman Senator Phillip Puckett, Vice-Chairman Delegate Joe Johnson, Senator William Wampler, Delegate Bill Carrico, Delegate David Nutter, Jackson Barker, Deborah Icenhour, Sean McMurray, Susie Ellis, Ron Jessee, Rebecca Scott, Lorraine Turner, Dan LaVista (SCHEV), Marcia Gilliam (Virginia Community College System), Mark Halsey (ODU), Wil Stanton (Radford), Sondra Stallard (UVA), David Prior (UVa-Wise), David Wilkin (VHCC), Michael Puglisi (VA Intermont), Ralph Byers (VT), and Tom Morris (Emory & Henry)

Others Present: Dr. Rachel Fowlkes, Gil Blackburn, Scott Bevins, Gerald Blankenship, Deborah Bourne, Christine Fields, Blue Gotham, Jacob King, John Dooley, Connie Estep, Sim Ewing, Penny McCallum, Mary Quillen, Eddie Sproles; Chris Chmura, and Xiaobing Shuai.

Welcome and Introductions
Delegate Joe Johnson, Vice-Chairman, called the meeting to order.

Members and guests in attendance, including those participating by videoconferencing, introduced themselves. Vice-Chairman Johnson introduced the Chairman, Senator Phillip Puckett, and turned the meeting over to him. Chairman Puckett welcomed everyone to the meeting.

Public Comments
There were no public comments.

Approval of Minutes
Minutes for the June 27, 2005 meeting were approved as written.

Nominating Committee Report
Senator William Wampler, chairman of the nominating committee, reported that the committee had met and recommended Senator Puckett as Chair, Delegate Johnson as Vice-Chair, and Dr. Wilkin as Secretary. The Board voted unanimously to accept the slate of officers as recommended by the nominating committee.
Financial Report
Christine Fields, Budget Director, referred the Board to the Financial Report for mid-year that was included in their packet. She mentioned that Dr. Fowlkes' would highlight several budget matters during the Executive Director's report.

Career Ladders
Rachel Fowlkes introduced Chris Chmura of Chmura Economics & Analytics. Dr. Chmura had undertaken a study commissioned by the Board to determine the demand for degree programs in southwest Virginia based on the job availability of graduates in those particular professions. Dr. Chmura gave a PowerPoint presentation of the report, *Projecting Demand for Degree Programs at Southwest Virginia Higher Education Center*. She said that the two goals of the project were to: 1) project program demand for 4-year degrees in the SVHEC's service region, and 2) evaluate potential gaps between current education capacity and needs in the next few years.

In summary, major findings of Chmura's report concluded that:

- A large number of students participating in SVHEC 2+2 programs are older students who do not transfer immediately after completing community college, but continue their education at the SVHEC several years after graduating from community college.
- There will be between 375-575 students seeking a bachelor’s degree from the 2+2 program in the area.
- Based on current industry structure of the region, those students will likely enroll in programs related to business, computer science and education.
- There will be greater demand for the following occupations than the region can supply if current economic trends continue: management analysts and computer systems analysts.
- Continued changes in the region’s industry mix will create demand for programs such as computer and information science and several health care related programs.
- A high projected demand for specific occupations does not automatically justify adding additional programs at SVHEC, especially if those demands have been met by other education institutions in the area.
- After comparing future degree demand with current program offerings, several unmet needs were identified as potential areas of program growth for the SVHEC: finance, accounting, computer and information science, computer engineering, and pharmacy.
- The following programs are graduating more students than the labor market can absorb: human resource management, criminal justice, general business administration, general social science, and history.
As part of the research project, Dr. Chmura developed a career ladder training map. Using the career ladder map, individuals can progress from one career to another as they complete appropriate education and training.

In light of the job announcements by CGI-AMS and Northrop Grumman, Senator Wampler stressed the critical importance of securing funding for the programs to produce the workforce with the skill sets needed for these employers as quickly as possible. Senator Wampler prevailed upon everyone, saying that it will require all of the college presidents, faculty and staff to pull together and make it work.

**Long-Range Planning Committee Report**

Vice-Chairman Joe Johnson reported that the long-range planning committee met at the HEC on September 7th, and is still in the process of finalizing its report. However, he did state that the Higher Education Center is in dire need of more space, and that the report of the committee would include a recommendation in that regard. David Wilkin advised the Board that the long-range planning committee also discussed expanding the role of the HEC to include opportunities for faculty research to support businesses and industry in the region, which will also require additional specialized facilities.

**Executive Director’s Report**

Dr. Rachel Fowlkes informed the Board that the past six months has truly been a time of planning for the Higher Education Center, and that many major regional initiatives had come to fruition, in particular the Virginia Works project. Included in Virginia Works is a new Artisan Center to promote asset based development. Governor Warner announced that one of the two new Centers would be located on the campus. Dr. Fowlkes asked Dr. David Wilkin to make a few remarks about it.

Dr. Wilkin said that Virginia Highlands Community College would provide land on campus for the Artisan Center. He described it as an outlet for arts and crafts of the region, as well as a hub for the tourism industry in southwest Virginia. Preliminary plans include demonstrations by the craftsmen, classes, a retail store, food service, and a plant conservatory.

Dr. Fowlkes continued with her report, talking about the Center’s work with CGI-AMS throughout the summer and fall. The SVHEC hosted CGI’s first job fair, which attracted approximately 550 people from the region and beyond. All of the region’s community colleges and colleges are working together to prepare graduates for careers in software development and testing.

Dr. Fowlkes reported that in tandem with the CGI project, Russell County had purchased a shopping center in Lebanon to temporarily house CGI and to provide space for a learning
center. The Cumberland Plateau Planning District asked the Higher Education Center to manage and operate the learning center. Because the SVHEC does not have sufficient funds to operate a satellite facility, a budget request was submitted to Governor Warner for inclusion in his FY 2008 budget. Unfortunately, no funds were allocated in his budget for the project. The SVHEC will submit budget amendments to the General Assembly for General Funds to operate and manage the new learning center. The Center must have new sustainable revenue for staffing and operating expenses in order to accept this project.

Throughout the summer months, the SVHEC negotiated with the Virginia Department of Planning and Budget on its Long-Range Strategic Plan, copies of which were included in the Board package. As part of the long range planning process, the biennium budget package was prepared and submitted in October. The SVHEC requested $1.71 million in additional operating support for staff and programs and $7.9 million for capital construction. The Governor included only $353,000 in his budget. As a result, the Center’s expansion project, the Lebanon Learning Center, and new program offerings are “on hold” until funds are available.

Dr. Fowlkes announced that MerchantPoint, the Center’s website development project, would end in March. Bob Martin, project director, was ready to launch his own e-commerce business at the Virginia Highlands Small Business Incubator. She encouraged those present to congratulate Bob Martin for designing over 100 websites for businesses across southwest Virginia.

The Center renegotiated lease agreements with five of the college partners at $49,000 plus 100% of the CPI over the next three years. This is the first increase in 8 years. Dr. Fowlkes said that the additional revenue will be used to enhance instructional support services at night and on weekends when classes are in session.

Dr. Fowlkes called the Board’s attention to George Hiller’s Business and International Education report, saying that the U.S. Department of Education BIE grant project has been especially beneficial for Emory & Henry, UVa-Wise, Virginia Intermont and Virginia Highlands. The BIE grant will continue through 2006. A second faculty/student trip to Mexico is planned for May 2006.

Dr. Fowlkes reported that Nancy Breeding, the Virginia Tobacco Scholarship Administrator, had totally revamped the scholarship program for approximately 600 southside students and 686 southwest recipients. This past summer all of the scholarship applicants were required to complete an online career workshop. The workshop for freshmen, sophomores, and juniors focused on career assessments to help them determine what careers or majors are best suited for them. The workshop for seniors and graduate students titled, “From Backpack to Briefcase,” presented information to assist in the transition from college to the workplace.
Lastly, Dr. Fowlkes asked the Board to review the Enrollment Report in their packet. The report itemizes the number of courses, students, and credit hours taught by each institution. She also called their attention to the report from the College of Older Adults.

Chairman Phillip Puckett commented on the Center’s opportunity to manage a satellite facility in Lebanon saying that since general fund dollars were not included in Governor Warner’s budget for the project, other ways to provide the education and training that is needed in Russell County would be explored.

**College Reports**

Tom Morris, President of Emory and Henry College, referred to Jack Roper’s report contained in the Board packet. He said that Emory and Henry has three cohorts of Master’s programs currently in progress, including a Master’s of Education Reading, composed of 50 teachers that plan to graduate in May of next year, and a cohort of 22 American History teachers who are also scheduled to graduate in May. President Morris was pleased to announce that Professor Roper had just been selected by the Carnegie Foundation as Virginia Professor of the Year, and went on to say that Dr. Roper is the fifth Emory and Henry faculty member to receive that award in recent years.

Speaking on behalf of Old Dominion University, Mark Halsey was pleased to tell the Board that ODU was celebrating its 75th anniversary, having begun as a two-year program from William and Mary. He said that they graduated 31 students this past year, 14 of whom are from the HEC. In highlighting ODU’s continued emphasis on teacher education, Mark announced that this year ODU was one of two schools nationally to receive the Christa McAuliffe Award for Outstanding Excellence in Teacher Education from the American Association of State Colleges and Universities. Mr. Halsey further noted that in the nursing education program, while ODU’s RN to BSN program continues to be a live video class, students can now participate completely online. He said the online program is especially convenient for nurses, whose work schedules change frequently. In closing, Mark announced that Connie Estep is Old Dominion’s new site director at the Higher Ed Center, replacing Penny McCallum, who is now working for Virginia Tech.

Dr. Wil Stanton, representing Radford University, referred Board members to Gerald Blankenship’s report contained in their packet. He said that President Penny Kyle was focusing the University’s efforts on serving southwest Virginia, and as such they are excited about developing new opportunities at the HEC.

Sondra Stallard spoke on behalf of the University of Virginia, commending Mary Quillen for the good work that she has done as interim site director at the Higher Education Center, and reported to the Board that Dr. Quillen has joined UVA as the onsite permanent director of
their program at the Center. Dr. Stallard expressed the University’s appreciation of Mary’s commitment to the University and to Outreach, as well as her deep commitment to the southwest region and to providing educational opportunities for people at all levels.

Dr. Stallard said that Dr. Quillen has been very active in working with the College of Arts and Sciences to bring the master’s degree in mathematics program to the HEC, and is also working in the critical area of earth sciences. Although not included in the Board materials, Dr. Stallard reported that UVA is planning a post-baccalaureate pre-med preparation program at the Higher Ed Center in partnership with UVa-Wise. She said there is a need for a nontraditional model to accommodate the interests of career switchers who lack essential prerequisite courses to go to medical school. The pre-med program is made possible by a generous donation from the estate of Dr. Paul Dishner. The program is being launched in Charlottesville this summer, and is designed to help people who are interested in the medical field, ultimately pre-pharmacy, pre-dentistry, pre-veterinary medicine or other areas.

Senator Wampler expressed appreciation to the University of Virginia for assisting UVa-Wise with its new software engineering degree program. He said that this type of collaboration is what the legislature expected when it approved the restructuring and performance agreements with the University.

David Prior, Chancellor of the University of Virginia’s College at Wise, called the Board’s attention to Scott Bevins’ report in the Board packet and referred any questions to Provost Gil Blackburn. Chancellor Prior said that he was pleased to be at his first meeting with the Board. He reaffirmed UVa-Wise’s commitment to the Center, as evidenced by the amount of time Scott Bevins, the Director of Institutional Research and External Programs, spends onsite, and by the work Gil Blackburn is doing with the faculty, including distance learning and work at distance sites as part of their recruiting process. He also pledged the college’s support of the proposed education and training initiatives with regard to potential CGI-AMS and Northrop Grumman employees, and said that the proposed software engineering program has been in the pipeline for about a year and has garnered tremendous support from many of those present. Partial funding was included in the Governor’s budget for UVa Wise’s software engineering baccalaureate program. Gene Block, Provost at the University of Virginia, has pledged the University’s full support to anything needed to get the program ramped up quickly, including delivering a couple of UVA courses at Wise.

Dr. David Wilkin, President, gave the report for Virginia Highlands Community College, saying that enrollment was up nearly 6% for the fall—one of the largest increases for all community colleges in the state. He attributed the enrollment growth in large measure to the college’s close relationship with the Higher Education Center, saying that it gives them more visibility and helps with recruiting. Dr. Wilkin said that the bookstore, which is located in the HEC, has made the transition from being operated by the college to a contract
bookstore with Follett. In closing, he said that VHCC has scrutinized its IT program to ensure that it can meet the needs of the community; that the college has some great articulation agreements in place with the senior institutions; and that Virginia Highlands will continue to work with them and local business and industry to meet their needs.

Dr. Michael Puglisi, President of Virginia Intermont College, referred the Board to the report in their packet. He said that VI continues to offer their culinary arts program at the Center, as well as undergraduate social work programs. He reiterated the College’s belief that the Center’s geographic location serves as an advantage to them in attracting students from Russell County and other areas outside the immediate area of Bristol. Virginia Intermont is excited about the opportunities generated with Northrop Grumman and CGI, has met with representatives, and is looking at tailoring some of their existing courses in the Computer Information Management program to meet specific program requirements. He said that, although finding instructors to teach onsite or at alternate sites at the times and in the format that they plan to offer is proving to be a challenge, VI is excited by the opportunity and is poised and ready to meet that need in workforce training.

Dr. Fowlkes complimented VI, its chefs, and students for their exceptional job with the Bistro Class. Students prepared and served delicious and affordable lunches in Le Café on Tuesdays and Thursdays.

Dr. John Dooley, speaking on behalf of Virginia Tech, announced that Penny McCallum was the new site director at the HEC for Virginia Tech. Addressing CGI’s and Northrop Grumman’s presence in the region, Dr. Dooley said that Virginia Tech is already actively engaged in supporting that effort through their online Master’s in Information Technology program and professional development courses. Through Penny McCallum’s leadership, he said, Virginia Tech has become a partner with Russell County Schools in a major grant that will enhance the quality of science, technology, engineering and mathematics course offering in the Russell County school system. He restated the University’s commitment to advancing their program efforts at the Higher Ed Center.

Phillip Puckett expressed his appreciation for the support from all the institutions in responding to the opportunities presented by the presence of CGI-AMS and Northrop Grumman. He acknowledged the challenges, but said that he has been overwhelmed by the response to help meet the need, and went on to say that he believes that the two companies are extremely pleased with the response they have observed thus far. Senator Puckett remarked that about 30% of those who attended the CGI job fair at the HEC were people who had left the area because of lack of work, but who wanted to return home to live and work. He was optimistic that the opportunities created by these companies would mean that more college graduates would return to the area to live and work after obtaining their degrees.
**College for Older Adults Report**
Blue Gotham, Director of the College for Older Adults, reported that to date 161 students had registered for the winter term. Additional registrations are expected before classes resume in mid-January. Ms. Gotham referred the Board members to the schedule of classes contained in the Board packets.

**Conference Services & Marketing Report**
No oral report was given for Conference Services; however, Dr. Fowlkes referred the Board to the report Deborah Bourne, the department’s Director, had prepared for their packets. Between June and December 2005, the Center hosted 627 events that served over 32,000 people from 164 organizations.

**Tobacco Scholarship Report**
No oral report was given for the Tobacco Scholarship program. Nancy Breeding, the Scholarship Administrator, referred the members of the Board to the report she had prepared for their packets.

Senator Puckett commented on the Tobacco Scholarship program, saying that he believes it is one of the best things the legislature has done with Tobacco Commission money in the southwest, and thanked the Higher Ed Center for administering the scholarship funds.

David Prior congratulated the legislators for sustaining the intent of the tobacco settlement, getting it in the hands of needy families and doing the kind of work that was intended. Stating that he is from Wisconsin, Mr. Prior said that Wisconsin sold its tobacco credit to solve a one-time budget problem; as a result, there is no similar programming going on in Wisconsin.

Senator Puckett responded by noting how thankful he is to have had the tobacco money, how it has begun to revitalize the communities. In illustrating his point, he cited how tobacco funds had enabled Bristol Virginia Utilities to be involved in the broadband initiative in the region, without which CGI-AMS and Northrop Grumman would not be locating here. He said that six or sevens years ago leaders visualized how the money could be used to help our communities revitalize themselves, and that we are seeing the results of that vision now.

**Other Business**
Having no further business, the meeting was adjourned, and the members moved to the upstairs lobby for a reception.