



**Southwest Virginia Higher Education Center
Board of Trustees
Minutes
June 8, 2017**

Call to Order

Chairman Bill Carrico welcomed everyone and called the meeting to order. Roll call was held. A quorum was present.

Board Members/Designees Present:

Senator Bill Carrico, Chairman
Cheryl Carrico
Andy Casiello (ODU) (telephonically)
Steve Cochran
Gene Couch (VHCC)
Danny Dixon
Cecil Drain (VCU)
Sim Ewing (UVA-Wise)
Aviva Shapiro Frye
Mark Graham (Emory & Henry)
Brian Hemphill (Radford University) (telephonically)
Delegate Joe Johnson (Emeritus)
David Olive (Bluefield) (Ex-Officio)
Delegate Israel O'Quinn
Monica Osei (SCHEV)
Susan Short (Virginia Tech)

Board Members/Designees Absent:

Senator Ben Chafin
Marcia Gilliam (Virginia Community College System)
Saul Hernandez
Delegate Terry Kilgore
Christine Kinser
Steve Laymon (UVa)
Delegate Will Morefield
Lindy White
Delegate Joseph Yost

Others Present:

Joyce Brooks
Duffy Carmack
Courtney Conner
Angela Cvetkovski
Deri Draper (telephonically)
Rana Duncan-Daston
Terry Frye
Elizabeth Griffin (telephonically)
Ashley Hartless
Kathy Hietala
Brenda Justus
David Matlock
Penny McCallum
Joe Mitchell
Mona Salyer
Michael Smith
Deborah Sproles
Adam Tolbert
Janet Williams
Alicia Young

Approval of Minutes

The Chairman called for approval of the Minutes for the December 8, 2016, meeting. **They were unanimously approved upon motion by Israel O'Quinn, seconded by Aviva Frye.**

Executive Director's Report

David Matlock welcomed everyone to the meeting and expressed appreciation to the Center's academic partners, commending their representatives at the Center for their work and referring Board members to site representatives' reports contained in the board folders.

The Director's report included the following notable matters:

- **Deficit Provision Acknowledgment Form contained in Trustee's folders**

Matlock provided a synopsis of the form, which he said prohibits state agencies from obligating or spending General Funds in excess of their appropriations. The Governor is required to bring the deficit provision to the attention of board members of the governing board of each state agency, and the Agency Head is directed to acknowledge receipt of such notification by completing the Form and providing board members with a copy.

- **Financial Report**

Matlock reviewed highlights, trends and issues of the Center's budget in depth. After thorough discussion of all budget-related matters, the Chairman called for a motion to adopt the proposed FY18 budget. **Gene Couch made the motion for adoption; the motion was seconded by Sim Ewing, the proposed FY2018 budget was unanimously approved.**

- **Updates**

Matlock updated the Trustees about several notable matters:

Personnel

- Hiring of Donna Stinson part-time, to help with inside plant care, landscaping, mulching, and outside work to maintain and enhance the grounds;
- Interviews have been conducted and a candidate identified to fill the Facility Manager's position left vacant by Eddie Sproles' retirement, although a contract has yet to be signed.

New Initiatives

- ETSU's new Master of Social Work program;
- King University's second Family Nurse Practitioner cohort is up and running;
- ODU and the Center received recent grant approval from the Tobacco Commission and will launch the Southwest Virginia Higher Education Center/Old Dominion University Cisco Networking & Cybersecurity Academy; ODU will also be expanding its BS in Leadership in the region;
- Virginia Tech has two new programs scheduled, Math Specialist and Project Management;
- Goodwill Industries, a new tenant at the Center, administers the local Senior Community Service Employment program that provides training for low-income unemployed job seekers who are 55 and

older to receive the skills they need to obtain jobs and become financially self-sufficient;

- Wolf Hills Toastmasters, a new chapter of Toastmasters International with a current roster of over 20 participants has been formed, for which the Center will be the primary meeting host;

Expansion Project

It is anticipated that ground will have been broken for the Center's expansion project by the June 2018 board meeting. Funds have been appropriated, and the project is now officially in DPB's strategic plan, so the project is expected to move forward in a timely manner.

Strategic Planning Process

The strategic planning process is underway. Matlock reported that he had met with several focus groups and would be following up with board members both individually and as a group later in the fall.

Marketing

The Center has undertaken an aggressive marketing strategy with target marketing through social media, the *Bristol Herald Courier* newspaper, a couple of radio stations, and billboards in the community.

Foundation & R&D Projects Reports

Duffy Carmack provided an update and review of Foundation grants and R&D activities over the last six months:

- STEM-H Chemistry – Dual Enrollment Teachers grant expired May 31st and the funds remaining will be returned to the Tobacco Commission. After a three-year effort and \$5,000 spent in marketing and design, Carmack explained that the grant had ultimately been unsuccessful, due to: 1) the inability to secure an academic institution to develop curriculum and instruction; and 2) the difficulty for high school teachers who need the additional hours in chemistry in order to teach dual enrollment (for whom the grant was intended), to afford the tuition.
- Excavation Drainage Prevention Devices is the grant that funds Excavation Alert Systems, LLC, a very successful R&D company located outside of Charlottesville in Arvon, Virginia. The company just received an award from the Commonwealth Research Commercialization Fund and is now in the commercialization stage, selling its product.

- VCU's Clinical Lab Sciences program, in its third year at the Center, has a full class scheduled for fall, and hopefully will be self-sustaining going forth, much like VCU's successful nurse anesthesia program that began at the Center in 2004.
- LiteSheet, the grant for an LED R&D project in Bedford, has ended. Several invoices remain which, when paid, will finish up the \$139,000 balance. Carmack said that LiteSheet obtained a second grant, but chose to go through the Industrial Development Authority in Bedford County, which made more sense for them.
- Optafuel, a biochemical R&D project grant, is finished. Located in Wise County, the company has been the recipient of three grants. It is now self-sustaining, employing approximately 32 people, many of whom are Ph.D.-level chemists in well-paying positions.
- The grant to Simmons Corporation for the development of an underground mining system remains on hold due to the decline of the coal industry. Carmack said the project would be reviewed in the fall and a determination made as to whether that grant would be terminated and the balance returned to the Tobacco Commission or if there is a possibility of rekindling their research and development for underground low coal haulers.
- Wiretough, R&D project located in Washington County, Phase II grant has a remaining balance of \$1.4 million.
- The Virginia Tobacco Scholarship Program changed this year, Carmack said. He explained that beginning in the fall it will be a loan program, but students will still be eligible for forgiveness if they graduate, meet the criteria and return to the tobacco region for employment. The amount of money awarded for scholarships for both Southside and Southwest Virginia was reduced approximately \$2 million, which Carmack said represents a tightening of the belt in order to sustain the Tobacco Program long-term. The application process with the program has just closed, with fewer applicants this year, which he said is attributable to the program having changed from a scholarship to a loan process. Nevertheless, he is confident that all of the funds will be awarded, given the decrease in the appropriation as well as 1,300 fewer applicants than in the previous year.
- The Tobacco Scholarship Work Incentive Fund that is available to students who have received a Tobacco Commission grant prior to this year will probably show a small balance for the next 9 years. Carmack explained that if the student is a sophomore this year, by the time they

graduate, have a year's grace period, *and* if they are then working in the Tobacco Region, they are eligible to receive incentive payments for 4 years. No more money will be allocated to the Fund, and it will begin to spend down slowly. Carmack noted that only \$297,000 of the nearly \$4 million Fund has been spent over 4 years, illustrating that not many students have come back to the table to claim that after-payment incentive.

- Southwest and Southside Scholarship balances for FY 2016-17 are around \$258,000 and \$342,000 respectively. There are invoices remaining to be paid, after which any excess money will be used for summer scholarships, which the Commission has graciously allowed. Typically, approximately 150 students from Southside and Southwest combined apply for summer school. Should there be any money left over, it will be returned to the Tobacco Commission to be used for next year's scholarships.
- Scholarship/Loan Awards have been made for FY 2017-18, but no funds have been spent as yet. The application process was closed in May, the awards process is in progress, schools will begin invoicing beginning in August or September, and payments will begin.
- Cisco Networking & Cyber Security Academy agreement was just approved by the Tobacco Commission for \$190,000 and the Memorandum of Understanding between the Higher Ed Center, the Higher Ed Center Foundation, and ODU is being drafted. Upon completion, approval and execution, the grant agreement can be signed and the project will begin to move forth.
- In other Foundation news, Carmack was happy to announce that the Foundation board had rented the Energy Center building, the Foundation's largest asset. The Tobacco Commission granted permission for the building to be rented for a private medical practice that is currently in the process of performing some renovations inside the facility. The medical practice will be opening in that space no later than October 1, depending upon completion of minor renovations. The lease will be for 5 years with an option to renew and the right of first refusal in the event the building is sold. Energy Orthopedics will occupy the building beginning October 1; consequently, the Foundation will then be in the real estate management business for a while. Carmack said that the lease will provide a much-needed revenue stream to pay for upkeep and maintenance on that building, funds that were previously nonexistent, as well as the ability to set aside some

reserve funds for repairs and payment of insurances and other ongoing fees.

- Carmack reported that the Foundation board has undergone some changes. Marcia Gilliam, who had served on the board since 2007 and been the chair for the last 10 years, resigned effective June 30, 2017. He expressed sincere thanks for her service. New members have also been elected to the board: Rachel Fowlkes, Sam Neese, Mark Graham and Ron Proffitt. They join existing members: Joe Johnson, Gary Hearl, Carol Jones, Pat Callebs and John Rainero. The newly-elected Foundation chair will be Gary Hearl.
- The Foundation has applied for a USDA federal grant for \$60,000 under the Rural Development program, and is waiting to see if it is awarded. The purpose of the grant is to conduct a feasibility study for the creation of renewable energy businesses or projects in Smyth, Washington or Russell counties.

At the conclusion of the Foundation report, David Olive, President of Bluefield College, offered clarification to the first item, STEM-H Chemistry. Olive said that Bluefield College worked with the Higher Ed Center to develop that program. Curriculum was developed, but had to wait on approval from SACS-COC, since it was at the master's level. Approval was received in early fall, program materials are ready, and Bluefield is still willing to bring high school teachers into that program. Carmack said in order to do that, an extension would need to be requested from the Tobacco Commission. He explained that, prior to Bluefield stepping up to the plate, the Center had spent nearly two years of the grant time working with UVa in Charlottesville to try to develop a program, but those efforts were ultimately unsuccessful. He said that the Center would work with Bluefield to obtain an extension on the grant from the Tobacco Commission. David Matlock added that he had spoken with Olive and made him aware that the Higher Education Center is going to continue to work with Bluefield through program development funds, with or without support from the Tobacco Commission, because the skills gap has been identified; the local community colleges and high schools need this, and it is part of the Center's mission.

East Tennessee State University MSW Program

Dr. Michael Smith, Chair of the Department of Social Work at ETSU, provided an informative report about ETSU's Social Work program.

Smith said the theme of commitment would be evident in his presentation to the board—ETSU's regional commitment, its commitment to quality, and commitment to accessibility.

ETSU is a state-supported public university with over a 100-year history. Smith said its president, President Noland, is a superb university president who brings a commitment to institutional regional engagement to ETSU that is desperately needed by the university, and which was a part of its original charter. As a social worker, he said that the idea of using the resources and energy of the university to stimulate regional engagement is music to the ears.

Smith stated that recent legislation initiated by the Governor is in the process of emancipating ETSU and a number of sister institutions from the Tennessee Board of Regents [TBR] system, so it is now an independent state university with its own board of trustees. He said that is significant for the people of this region, because under the Board of Regents system, decision-making was conducted in Nashville, by people who were as concerned with what was going on in Memphis as what was going on in upper East Tennessee—a large area. As a result, a recognition and appreciation of what is distinctive about our region was not well recognized and reflected in decision-making by the TBR system. With this change, other changes are anticipated. Smith talked about a proposal that the Department of Social Work has made that has been approved by university higher administration and the finance committee of the new board of trustees that the president of the board of trustees believes will have no trouble passing. Although he could not disclose details, he said the proposal relates to tuition rates for social work students specifically. Smith noted that ETSU's Board of Trustees would be meeting the following day, and he would learn how the board acted on the proposal. If successful, Smith said it will have important bearing on residents of Virginia who are interested in social work education.

Additionally, ETSU is committed to a new budget model whereby college deans and department chairs will have more initiative and more reward for entrepreneurial and responsible quality programming. Smith said this is important because his department is a leader among the university's academic departments in its commitment to regional engagement. It is the only academic department at ETSU with a license to provide on-the-ground education in the state of Virginia, and the only academic department at ETSU with a license to provide on-the-ground academic programming in the state

of North Carolina. In talking about regional engagement, accessibility of the product offered, and meeting the needs of people in the region, Smith stated that his department is trying to put real teeth into the matter—not just talking the talk but walking the walk.

The Department of Social Work is a relatively large academic department, with 24 faculty members and staff. It offers a BSW (Baccalaureate Social Work) program—a cohort program being offered at the Higher Education Center—and an MSW (Master of Social Work) program that started a month ago. The Council on Social Work Education is the external accrediting body, and is the only body recognized by the U.S. Department of Education for the accreditation of social work programs. It began offering accreditation to BSW programs in 1974; the ETSU BSW program was accredited in 1974. The MSW program is newer; it was accredited in 2004. Smith said ETSU expects to go into the upcoming year with 130 students in the MSW program and anywhere from 250-275 BSW students. The university is the home of the International Social Work Honor Society Phi Alpha; he said that is distinctive, because BSW education is, by CSW policy, largely a cookie cutter operation. All programs are intended to fulfill basically the same kind of functions and operate under the same basic parameters, which makes it difficult to position undergraduate programming as a distinctive kind of academic modality in social work education. He said that ETSU has done that in two ways: 1) by hosting Phi Alpha, the signature social work honor society whose executive leadership is largely drawn from ETSU Social Work faculty, and 2) through approval of a dual degree relationship between the BSW program and the Bachelor of Arts program in Anthropology. For students who are going to be practicing social work in a region with its own distinctive culture, history and challenges, he believes the opportunity to blend the academic expertise of these two disciplines is critical. ETSU is the only university to offer this double degree that, with proper advising, is achievable within the 120-semester credit hour minimum required of but a single degree.

Off-campus programming is offered in Abingdon, Asheville, NC, Kingsport and Sevierville, TN. Each off-campus program has a social work coordinator at the site. In addition, a hiring process has been initiated that will bring on a second full-time faculty member who will have responsibility for teaching in Abingdon and Kingsport. Kingsport programming has been combined into the programming that Dr. Rana Duncan-Daston coordinates. Furthermore, Dr. Heather Dye, ETSU's BSW Director, will be doing all of her primary, face-to-face, in-class teaching at the Higher Ed Center. Smith said

that the challenges in education, as many of those present know, come from off-campus programming. ETSU is committing its BSW Director to its off-campus programming experiences. He also has recently assigned Duncan-Daston to become the new Director for Off-Campus Programming, so in addition to coordinating ETSU's presence at the Center, she will have charge of all off-campus programming in order to maintain the same level of quality at all off-campus locations.

Public Comments

There were no public comments.

Closing Remarks

In closing, the Chairman announced that Marcia Gilliam would also be resigning from the Center's Board of Trustees effective June 30th, and that Dr. Ron Proffitt had been named as her replacement. He said the board plans to honor Marcia at the December meeting, since she could not attend the June meeting. He expressed appreciation for her service on both the Higher Education Center and Foundation boards, as well as her many contributions to the region.

Chairman Carrico reminded everyone to note the date for the next meeting of the Board, **December 14, 2017**, and called for a motion to adjourn the meeting. **Upon motion by Israel O'Quinn, seconded by Danny Dixon, the meeting was adjourned.**