

**Southwest Virginia Higher Education Center
Board of Trustees
Minutes
December 13, 2007**

Board Members/Designees Present: Senator Phillip Puckett, Senator William Wampler, Delegate Joe Johnson, Delegate Bill Carrico, Delegate Dave Nutter, Gloria Gammell (VI), Ralph Byers (VT), Marcia Gilliam (Virginia Community College System), Rosalind Reichard (Emory & Henry), Chris Robinson, Lynda Phillips-Madson (UVA), Wil Stanton (Radford), David Wilkin (VHCC), Dan LaVista (SCHEV), Lorraine Turner, Sean McMurray, Susie Ellis, Kevin Crutchfield, Rex McCarty, Terry Mullins.

Board Members/Designees Absent: Delegate Terry Kilgore, Roseann Runte (ODU).

Others Present: Rachel Fowlkes, Nancy Breeding, Joyce Brooks, Gerald Blankenship, John Carter, Courtney Conner, Connie Estep, Christine Fields, Blue Gotham, Debbie Hensley, Kathy Hietala, Susan Jackson, Jacob King, Penny McCallum, Sammie Playl, Mary Quillen, Betty Reiff, Eddie Sproles, Kim Stewart, Ellen Taylor, Sonia Vanhook, Jeff Webb, Janet Williams, Brenda Wilson, Chuck Davis, Tom Keogh, Brian Broadus.

Welcome and Introductions

Senator Phillip called the meeting to order, welcomed and wished everyone a Merry Christmas. Those present introduced themselves.

Public Comments

There were no public comments.

Approval of Minutes

Minutes for the June 20, 2007, meeting were approved as written.

Capital Project

Chuck Davis with University of Virginia Facilities Management, reported that a late June to early July start date is projected for the first phase of the expansion. He introduced Tom Keogh and Brian Broadus of Train & Partners Architects, to present the capital project report.

Tom Keogh said that the project had been presented to the Architectural Review Board the previous week, and had been unanimously approved. Keogh explained that the 6,200 square feet addition to the right end of the building would consist mainly of two new classrooms, storage space, and a more well-defined entry into the building. The new classroom space will be divided by a removable partition that will allow the ability to expand to a large classroom or breakout space, or two classrooms—one very large, and one more moderate in size. Both classrooms will have storage space for chairs, tables, etc. The new entry area will establish front doors of the Center and provide a covered drop off for handicapped and elderly. Materials will be specified to match exactly or as closely as possible those used in the original building process, so that the design will be seamless in appearance upon completion. With the approval of the Architectural Review Board, the project now moves to a springtime bid process and then construction.

Delegate Dave Nutter inquired about the specific programmatic needs that will be met as a result of the addition to the building, and Dr. Fowlkes replied that the new addition will not solve the Center's space issues, but will enable the Center to dedicate an existing classroom for a health sciences laboratory.

Some discussion was held about the possible addition of a new wing for an Energy Research and Development Center, and Kevin Crutchfield was introduced to give that report.

Energy Research & Development Project

Kevin Crutchfield talked about the state's plan, in collaboration with the Virginia Tobacco Commission, to develop a number of regionally-based research centers. One such center will be located in Lynchburg, and its focus will be nuclear energy; a second center is to be located in Danville, and its focus is going to be biofuel; a third center with a focus toward coal and natural gas is being considered for somewhere in southwest Virginia. With that in mind, a grant was obtained and a task force composed of approximately 10 business and education members was formed to commission and oversee a study of the feasibility of such a center. The task force expects to meet four times before April 1, 2008, when the feasibility study is due. The first meeting of the task force will take place on December 19, at which time the following objectives will be addressed:

1. To define the scope and feasibility of the project;
2. To determine whether the need for a center exists and, if so, what its mission would be;
3. To determine where a center should most logically be located in southwest Virginia;
4. To determine where the seed money would come from when grant funds are exhausted; and
5. To identify sources of funding for ongoing operating costs and sustainability of a center.

Mr. Crutchfield said that a consultancy firm will most likely be engaged to perform the feasibility study.

S.T.E.M. Report

Lorraine Turner, Rosalind Reichard, and Susie Ellis reported on the second annual S.T.E.M. (Science, Technology, Engineering and Math) Conference held at the Higher Education Center on November 29.

Dr. Turner asked those present to close their eyes for a moment and imagine 700 6th grade girls from Washington, Russell and Smyth counties, and the City of Bristol sitting in the Center's Grand Hall, all attired in identical pink S.T.E.M. t-shirts, watching Dr. Francis Webster, a Radford University chemistry professor, teach them about chemistry.

President Reichard talked about her participation in the conference as the presenter of a cryptography workshop where the girls did coding and decoding and the mathematics behind that. President Reichard shared some startling statistics with those present. Leaving them with three numbers—70,000; 350,000; and 600,000—she said that 70,000 is the number of engineers produced in the US on an annual basis. In India, 350,000 engineers are produced on an annual basis, and in China, that number is 600,000. She stressed the importance of the S.T.E.M. event in encouraging students, especially female students, to continue their studies in math and science.

Susie Ellis said that her company, TEDS, was proud to participate in S.T.E.M. for the first time this year. Five TEDS female staff members wanted to pique the students' interest by demonstrating that there are many opportunities in the field of IT—not just sitting in a cubicle programming code all day. Their presentation allowed the girls to take digital photographs and then use their photographs to make Christmas cards in the Center's computer lab.

Following the report, Senator Puckett remarked that just by coincidence, Virginia's Secretary of Technology, Aneesh Chopra, was at the Center for another meeting on the day of the S.T.E.M. event, and had the opportunity to visit some of the classrooms to observe the activities taking place and speak with some of the students. He said that Secretary Chopra was quite impressed that something like that was going on at the Center.

Financial Report

Presenting the Financial Report, Christine Fields, Budget Director, noted the following:

- 1) The Center received a 3% budget cut amounting to \$60,475. A contingency fund had been established in anticipation of an expected 5% budget cut, so the Center was able to cover the cut.
- 2) Due to the elimination of the property management contract that will end on January 1, the Center will realize a savings of approximately \$60,000. As a result of ending that contract, 10 additional FTEs were requested and received from the state, and new positions similar to those the Center had with the management firm have been established and will come on to the Center's staff.
- 3) The budget is on target for YTD.

Center grant funds:

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|---------------------------------------|---------------|
| 1) Virginia Tobacco Commission: TOTAL | \$6,059,000 |
| a. Scholarships: | \$3.8 Million |
| b. Planning Grant for R&D Center: | \$400,000 |
| c. Capital Expansion Project: | \$1.4 million |
| d. Knowledge Base Workforce: | \$459,000 |
| 2) US Dept of Education | |
| a. Global Southwest Virginia | \$80,000 |

Total Grant Funds:	\$6,139,000
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Ms. Fields said that the Center submitted four budget packages to the state in the fall:

- 1) Additional funds of \$750,000 were requested for the capital project in order to add the movable partitions discussed earlier in the Capital Project Report, to have state of the art technology in the two classrooms.
- 2) \$200,000 was requested for the purpose of increasing security at the Center. Additional security cameras will be added, and an

intercom system in classrooms to allow for emergency announcements.

- 3) For FY10, \$250,000—approximately \$12.30/sq. ft.--was requested to increase operating and maintenance funds to support the operations for the addition to the facility.
- 4) Requested additional appropriations to cover increases in salaries over the past five years.

Dr. Wilkin commented that VHCC has a similar intercom system, and suggested that VHCC and the HEC exchange security codes for the purpose of alerting one another in case of emergency. Ms. Fields agreed.

Conference Services Report

Sonia Vanhook gave the Conference Services report, highlighting the following areas:

New Clients

- Bristol Redevelopment and Housing Authority
- GTECH (Rhode Island company)
- KidLink (West Virginia company)
- Eastern Star

Most Frequent For Profit Clients

- The Gates Corporation
- Mid Mountain Foods
- SW VA Association of Realtors
- Thompson & Litton
- King Pharmaceuticals

Most Frequent Non-Profit Clients

- Social Security Office of Disability (ODAR)
- Virginia Worker's Compensation
- Virginia Department of Mines, Minerals & Energy

Education Clients

- Linwood Holton Governor's School
- Continuing Legal Education
- SW VA Education and Training Network (SVETN)
- Virginia Highlands Community College
- Virginia Tech

Ms. Vanhook noted that these are just the events, and do not include classes. She said that the Center is at the 700 mark for events for 2007.

Event Comparison

Local & Federal Government	2%
State Agencies	11%
K-12	11%
Non-Profit	10%
Corporate	25%
Higher Ed	38%

Corporate events increased by 6% over the previous year. Anticipated revenues rose slightly over the previous year to \$102,575.40.

Typical Week Classroom Usage

Monday	87%
Tuesday	78%
Wednesday & Thursday	74%
Friday	57%

Event Highlights for Period

Virginia Highlands Gospel Concert	August 3	400 attendees
Mined Land Reforestation Conference	August 7-8	200/day
Coal Mining & Aquatic Environment		150-200/day
Appalachian College Association	Oct. 3-day	300/day
Mistletoe Market	November	5,000 attendees
Alpha Natural Resources	November 19	50 attendees
S.T.E.M.	November 29	700 attendees
Johnston Memorial Hospital	December 8	200 attendees

Senator Wampler asked how the current catering service affects the equation, and Dr. Fowlkes said that she believes it has influenced some of the clients, particularly state and local government and schools who find the cost prohibitive because they are no longer paying just for the food, but also a meals and lodging tax for the Town of Abingdon that they did not have to pay with previous food vendors. However, it has been a very positive effect for larger events to have the food service on-site, and for events requiring alcoholic beverage service.

Senator Wampler observed that he continues to be amazed by the quality of service provided to customers, very few of whom he has ever heard

have had anything other than a very pleasant experience. His concern is that the Center does not price itself out of the market.

Dr. Fowlkes commented that 49% of the events held in the building are for K-12 or other education groups that pay a minimal room rental fee. Corporate clients, such as Johnston Memorial Hospital and Alpha Natural Resources, are responsible in great part for the increase in revenues that have been very important to the Center's bottom line. She expressed appreciation to Sean McMurray and Kevin Crutchfield for holding corporate events at the Center.

Executive Director's Report

The first item of Dr. Fowlkes' report concerned the creation of a foundation for the Higher Education Center. Dr. Fowlkes said that individuals have made and wish to make gifts to the Center, and that a foundation is needed for that purpose. The Center engaged the consulting firm of Woods Rogers to provide information on the development of a foundation and to draw the necessary legal papers. Included in the board packets were a proposed resolution authorizing the board of trustees to allow the Center to form a foundation, articles of incorporation, and recommended by-laws for the foundation, which Dr. Fowlkes encourage the board to take time to review. A temporary board of directors is needed in order to develop the foundation, and Dr. Fowlkes recommended the formation of a temporary board of five members, as stipulated by the by-laws. The board would include one legislative member and four other members, including Dr. Fowlkes, who would serve as the clerk of the foundation board. Dr. Fowlkes recommended that Delegate Joe Johnson serve as the legislative member, with Marcia Gilliam, Sean McMurray, Susie Ellis and herself making up the remainder of the temporary board to review the documents and make recommendations at the June board meeting as to who the permanent members should be. Rex McCarty moved that board accept Dr. Fowlkes' recommendations, the motion was seconded and approved.

The second item in the Executive Director's report was the selection of a nominating committee to recommend a slate of potential officers at the June board meeting, when the current officers' terms expire. Dr. Fowlkes recommended that the current officers—Senator Puckett, Delegate Johnson, and Dr. Wilkin—form the nominating committee for a new slate of officers.

Dr. Fowlkes' referred the board to their board packets for a long list of improvements made by the IT Department since the last board meeting, and the enrollment and college reports, asking them to take the time to review the information. She commended the college and university partners on the tremendous work they have done, saying that enrollments are up and there are new cohorts in almost all of the colleges. Over 60 students will be graduating winter term. The Center's second cohort of VCU CRNA students was graduated on December 8th in Richmond. Especially exciting for the Center was that of 7 students in the entire graduating class of 27 who had perfect 4.0 averages, 4 were students from the Higher Ed Center cohort of 6. All six of those students have jobs over \$125,000 plus bonuses. As a result of the success of the CRNA students, VCU has been very encouraged to talk with the Center about additional programs, such as physical therapy. The CRNA program at the Higher Ed Center now has 10 hospital partners across southwest Virginia, in east Tennessee, and Pikeville, Kentucky.

Dr. Fowlkes announced that January 29, 2008, will be the Center's 10th "birthday" in the building. Dr. Fowlkes expressed appreciation to Dr. Wilkin for VHCC's gift of the land on which the Center is built, and for the Center's strong partnership with the community college. She thanked the college partners for their programs and support, the citizen members of the board for their service and their business, and the legislative team for their service and tremendous support in the General Assembly. She gave special thanks to the Center staff. Dr. Fowlkes told the board members that they would find in their packets gift certificates to participate with a guest free of charge in Weekend Adult Lifetime Learning (W.A.L.L.) or College for Older Adults (COA), two of the Center's fastest-growing programs. She said that the COA program has once again had record enrollment, and that W.A.L.L. has already tripled in size from the time it began one year ago.

In closing, Dr. Fowlkes introduced Kim Stewart, the Center's new Public Relations and Marketing Specialist, who is also a graduate of Virginia Tech's program at the Higher Ed Center. She also announced that Joyce Brooks, the Center's Business Manager for a number of years, will be taking on a new role as the Center's Director of Operations. Joyce is a graduate of VHCC and UVA-Wise.

Other Business

Delegate Johnson announced that he had finished his chemotherapy treatments and is now cancer-free. He thanked those in attendance for their prayers and support, and expressed his appreciation to his fellow legislators for their assistance with his work in Richmond.

Having no further business, the meeting was adjourned.