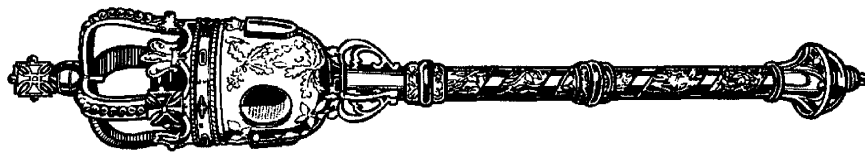


*Report of the
House Appropriations
Subcommittee*

on

Higher Education



House Bill 1500

February 3, 2013

REPORT OF THE SUBCOMMITTEE

on

HIGHER EDUCATION

Mr. Chairman and Members of the Committee:

Mr. Chairman, the Subcommittee's recommendations today continue to reflect our shared commitment of affordable access to our public colleges and universities. These goals were reaffirmed in the "Top Jobs" legislation two years ago. We now have a roadmap for higher education through the process outlined in that legislation. The Subcommittee recommendations reflect targeted investments for enrollment and base operations, incentive and initiative funding, financial aid and targeted research and economic development. The Subcommittee believes this will not only allow for greater access and affordability, but enhance the quality of our higher education system.

With that in mind, Mr. Chairman, the Subcommittee recommends amendments that provide for the following:

- \$12.2 million for enrollment growth and support for basic operating costs;
- \$9.9 million for incentive and initiative funding; and
- \$4.0 million to support research and economic development efforts.

The enrollment package includes \$3.4 million to continue the phase-in of more than 1,700 additional in-state undergraduate slots at College of William and Mary, James Madison University, the University of Virginia, and Virginia Tech which began two years ago. The package also supports projected enrollment growth across the system.

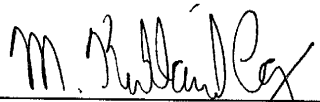
The incentive and initiative funds provide the resources that allow our colleges and universities to increase degree production in science, technology, engineering, mathematics, and health-related disciplines and include \$1 million to expand the George Mason University STEM initiative the House began a year ago. The recommendations also support efforts that will improve retention and graduation rates. Our colleges and universities continue to work toward graduating our students in a timely manner. We must support these efforts if we are to achieve the goals of the "Top Jobs" legislation and provide our students and Commonwealth with the opportunity to succeed.

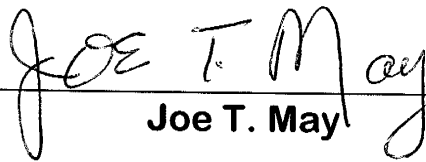
The recommendations for research and economic development include \$2 million for cancer research at UVA and VCU. You will recall, Mr. Chairman, that this Committee began this initiative in the 2008 Session. In addition, the Subcommittee recommends \$1 million for an economic development accelerator at UVA which will increase technology-based business development.

Finally, Mr. Chairman, the Subcommittee is pleased that the Central Accounts contain an additional \$6.4 million to supplement the actions from the 2012 Session and now provide for a three percent faculty salary increase. I want to thank Mr. Jones for his leadership on this issue. Language contained in our recommendations will allow institutions to reallocate existing resources to enhance these increases further. Mr. Chairman, it has been your staunch support of state employees that makes this possible.

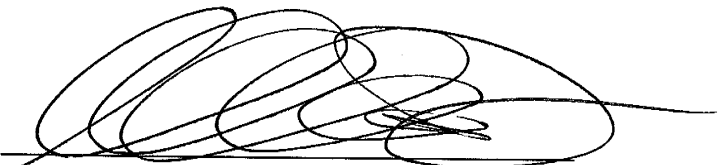
Mr. Chairman, details of our Subcommittee recommendations are attached. Committee staff will review our report and the attached listing of our recommendations in greater detail and I hope that it will be the pleasure of the Committee to adopt them.

Respectfully Submitted by the House Appropriations Subcommittee
on Higher Education:



M. Kirkland Cox, Chairman

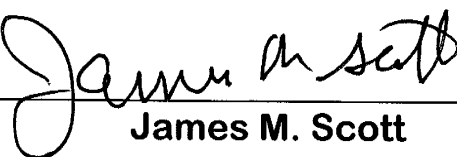

Joe T. May

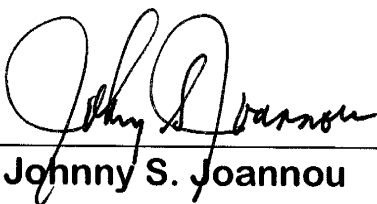

R. Steven Landes



S. Chris Jones


L. Scott Lingamfelter


James P. Massie, III


James M. Scott


Johnny S. Joannou


Algie T. Howell, Jr.

House Bill 1500
HIGHER EDUCATION
Amendment

<u>General</u> <u>Fund</u>	<u>Nongeneral</u> <u>Fund</u>	<u>FTE</u>
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State Council Of Higher Education For Virginia

Clarify VMSDEP Stipend		Language	
Remove GF Match for Terminated Federal Program	(4,413,750)	0	0.00
Operating Support	50,000	0	0.00
Longitudinal Data System	(135,295)	0	0.00

Christopher Newport University

Additional Operating Support / Reallocation Lang.	28,172	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(28,172)	0	0.00

College Of William And Mary

New In-State Undergraduate Seats	270,000	0	0.00
Additional Operating Support / Reallocation Lang.	19,915	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(19,915)	0	0.00

Richard Bland College

Distance Education / Online Program	125,000	0	0.00
Additional Operating Support / Reallocation Lang.	2,795	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(2,795)	0	0.00

Virginia Institute Of Marine Science

Eliminate Proposed Reallocation	0	Language	0.00
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George Mason University

Supplement House STEM Initiative	1,000,000	0	0.00
STEM Teacher Initiative	100,000	0	0.00
Additional Operating Support / Reallocation Lang.	95,619	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(95,619)	0	0.00

James Madison University

New In-State Undergraduate Seats	1,000,000	0	0.00
Additional Operating Support / Reallocation Lang.	45,662	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(45,662)	0	0.00

Longwood University

Additional Operating Support / Reallocation Lang.	25,705	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(25,705)	0	0.00

Norfolk State University

Expand Nursing Program	100,000	50,000	1.00
Additional Operating Support / Reallocation Lang.	48,089	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(48,089)	0	0.00

House Bill 1500
HIGHER EDUCATION
Amendment

<u>General</u> <u>Fund</u>	<u>Nongeneral</u> <u>Fund</u>	<u>FTE</u>
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Old Dominion University

ODU / EVMS School of Public Health	125,000	0	0.00
Additional Operating Support / Reallocation Lang.	102,741	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(102,741)	0	0.00

Radford University

Additional Operating Support / Reallocation Lang.	45,646	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(45,646)	0	0.00

University Of Mary Washington

Additional Operating Support / Reallocation Lang.	11,212	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(11,212)	0	0.00
James Monroe Library Support	10,000	0	0.00

University Of Virginia

New In-State Undergraduate Seats	985,000	0	0.00
Cancer Research	1,000,000	0	0.00
Economic Development Accelerator	1,000,000	0	0.00
Additional Operating Support / Reallocation Lang.	35,551	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(35,551)	0	0.00
UVA Foundation for Humanities	75,000	0	0.00

University Of Virginia's College At Wise

Expand Summer College	150,000	60,000	0.00
Additional Operating Support / Reallocation Lang.	12,924	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(12,924)	0	0.00

Virginia Commonwealth University

Cancer Research	1,000,000	0	0.00
Alzheimer's Research	125,000	0	0.00
Palliative Care Program	50,000	0	0.00
Additional Operating Support / Reallocation Lang.	130,299	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(130,299)	0	0.00

Virginia Community College System

Additional Operating Support / Reallocation Lang.	233,179	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(233,179)	0	0.00
Technical Language Changes (E & G)		Language	
Eliminate Proposed New Workforce Programs	(1,975,000)	0	0.00
Technical Language Changes (Workforce)		Language	

Virginia Military Institute

Additional Operating Support / Reallocation Lang.	5,360	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(5,360)	0	0.00

House Bill 1500
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Amendment

<u>General</u> <u>Fund</u>	<u>Nongeneral</u> <u>Fund</u>	<u>FTE</u>
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Virginia Polytechnic Institute And State University

New In-State Undergraduate Seats	240,000	0	0.00
Additional Operating Support / Reallocation Lang.	93,044	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(93,044)	0	0.00
Eliminate Superfluous Language (UMA)		Language	

Virginia Cooperative Extension And Agricultural Experiment Station

O & M New Building	413,750	35,300	6.50
Eliminate Proposed Reallocation		Language	

Virginia State University

Additional Operating Support / Reallocation Lang.	36,970	Language	0.00
Redirect Portion of Proposed Fin Aid Increase	(36,970)	0	0.00
NGF Technical Adjustment	0	1,072,000	0.00

Cooperative Extension And Agricultural Research Services

Wildlife Extension Specialist (State Match)	125,000	0	0.00
Eliminate Proposed Reallocation		Language	

Jamestown-Yorktown Foundation

Restore Budget Reduction	75,000	0	0.00
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Library of Virginia

Local Library Aid	250,000	0	0.00
Crozet Library Supplement	125,000	0	0.00
Wythe-Grayson Library Supplement (PCs)	9,000	0	0.00
Portsmouth Library Supplement (PCs)	2,750	0	0.00

Virginia Museum of Fine Arts

Restore Budget Reduction	64,354	0	0.00
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Eastern Virginia Medical School

Medical Modeling	100,000	0	0.00
EVMS / CWM Collaborative Programs	50,000	0	0.00

Southwest Virginia Higher Education Center

O & M Fund Source Change	(117,500)	117,500	0.00
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Virginia College Building Authority

HEETF Allocation		Language	
GRAND TOTAL	1,978,309	1,334,800	7.50

Part IV General Provisions

Institutional Performance Measurements (Technical)		Language	
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Higher Education Subcommittee

Item 4-9.02 #1h

Higher Education Restructuring

Assessment of Institutional Performance

Language

Language:

Page 538, line 35, strike "June 1 of each year" and insert:
"October 1 of each even-numbered year".

Page 538, line 37, strike "June 1 of each year" and insert:
"October 1 of each even-numbered year".

Page 538, strike lines 39 through 42 and insert:

"In general, institutions are expected to achieve all performance measures in order to be certified by SCHEV, but it is understood that there can be circumstances outside of an institution's control that may prevent achieving one or more performance measures. The Council shall consider, in consultation with each institution, such factors in its review: (1) institutions meeting all performance measures will be certified by the Council and recommended to receive the financial benefits, (2) Institutions that do not meet all performance measures will be evaluated by the Council and the Council may take one or more of the following actions (a) request the institution provide a remediation plan and recommend that the Governor withhold release of financial benefits until Council review of the remediation plan or (b) recommend that the Governor withhold all or part of financial benefits."

Page 538, strike lines 49 and 50.

Page 539, strike lines 1 through 37.

Page 539, line 38, strike "b." and insert "a."

Page 539, strike lines 39 through 42 and insert:

1. Institution meets at least 95 percent of its State Council-approved biennial projections for in-state undergraduate headcount enrollment.
2. Institution meets at least 95 percent of its State Council-approved biennial projections for the number of in-state associate and bachelor degree awards.
3. Institution meets at least 95 percent of its State Council-approved biennial projections for the number of in-state STEM-H (Science, Technology, Engineering, Mathematics, and Health professions) associate and bachelor degree awards.
4. Institution meets at least 95 percent of its State Council-approved biennial projections for the number of in-state, upper level -- sophomore level for two-year institutions and junior and senior level for four-year institutions -- program-placed, full-time equivalent students.
5. Maintain or increase the number of in-state associate and bachelor degrees awarded to students from under-represented populations.

Amendments to House Bill 1500, as Introduced

6. Maintain or increase the number of in-state two-year transfers to four-year institutions."

Page 540, strike lines 1 through 22.

Page 540, line 23, strike "6." and insert "b."

Page 540, strike lines 24 through 26.

Page 540, line 27, strike "b)" and insert "1."

Page 540, line 30, strike "c) 1." and insert "2. a)".

Page 540, line 36, strike "2." and insert "b)".

Page 540, line 40, strike "d)" and insert "3."

Page 540, strike lines 47 through 49.

Page 541, strike lines 1 and 2.

Page 541, strike lines 32 through 40 and insert:

"6. The institution will complete major information technology projects (with an individual cost of over \$1,000,000) within the budgets and schedules originally approved by the institution's governing board. If the institution exceeds the budget and/or time schedule for any such project, the Secretary of Technology shall review the circumstances causing the cost overrun and/or delay and the manner in which the institution responded and determine whether the institution appropriately adhered to Project Management Institute's best management practices and, therefore, shall be considered in compliance with the measure despite the cost overrun and/or delay."

Page 542, strike lines 38 through 46 and insert:

"a) The institution will complete major information technology projects (with an individual cost of over \$1,000,000) on time and on budget against their managed project baseline. If the institution exceeds the budget and/or time schedule for any such project, the Secretary of Technology shall review the circumstances causing the cost overrun and/or delay and the manner in which the institution responded and determine whether the institution appropriately adhered to Project Management Institute's best management practices and, therefore, shall be considered in compliance with the measure despite the cost overrun and/or delay; and".

Page 543, line 8, strike "23-38.87:20 and 23-38.87:21".

Explanation:

(This amendment makes technical language changes to reflect recommendations by the Higher Education Advisory Committee and the State Council of Higher Education for Virginia with regard to the process of assessing institutional performance under higher education restructuring and the Top Jobs legislation.)
