

JLARC Meeting – Minutes
September 11, 2017

Attending

JLARC Members:

Delegate Robert Orrock, Chairman; Senator Thomas K. Norment, Vice-Chairman; Delegate Terry L. Austin; Delegate Betsy B. Carr; Delegate M. Kirkland Cox, Senator Emmett Hanger, Senator Janet Howell, Delegate Chris Jones, Delegate R. Steven Landes, Delegate James P. Massie, Delegate John M. O'Bannon, Delegate Kenneth Plum, Senator Frank Ruff, Ms. Martha Mavredes, Ex Officio.

JLARC Staff:

Hal Greer, Director; Justin Brown, Senior Associate Director; Tracey Smith, Associate Director; Kimberly Sarte, Associate Director; Kate Agnelli; Lauren Axelle, Erik Beecroft, Sarah Berday-Sacks, Jamie Bitz, Danielle Childress, Drew Dickinson, Kathy DuVall, Nick Galvin, Maria Garnett, Mark Gribbin, Paula Lambert, Jeff Lunardi, Liana Major, Bridget Marcek, Joe McMahon, Ellen Miller, Jordan Paschal, Ellie Rigsby, Nathan Skreslet, Brittany Utz, Christine Wolfe.

Others:

Glenn DuBois (Chancellor, Virginia Community College System); Donna VanCleave, Sharon Morrissey, Will Johnson, Jeff Kraus, Craig Herndon, Ellen Davenport (Virginia Community College System); Beverly Covington and Wendy Kang (SCHEV); Former Senator Walter Stosch (VCCS Board); Jordan Forbes (Virginia529); Nathalie Molliet-Ribet (Deputy Secretary of Education); Nelson Moe (CIO, VITA); Eric Link (Deputy CIO, VITA); David Swynford and Dan Wolf (VITA); Chris Walker (Northrup Grumman); Jason Saunders and Ashley Colvin (Department of Planning and Budget); Jason Powell and April Kees (Senate Finance Committee Staff); Tony Maggio (House Appropriations Committee Staff); Ross Grogg (Kemper Consulting); Doug Gray (Virginia Association of Health Plans); Ann Marie Morgan and Saraya Wintersmith (Virginia Public Radio); Mike Woods (Troutman Saunders); Michael Martz (Richmond Times Dispatch); Don Parr (Deloitte).

The meeting was called to order at 10:00 a.m. by Delegate Orrock, Chairman. Delegate Orrock requested a moment of silence in memory of the lives lost on September 11, 2001. He then welcomed Delegate Austin to the Commission who replaces Delegate Albo. Subsequently, Delegate Orrock recognized Hal Greer, JLARC staff Director, who welcomed Delegate Austin, introduced a new staff member (Brittany Utz) to the Commission, and provided the Commission with a brief overview of the meeting agenda.

Mr. Greer then introduced Justin Brown, Senior Associate Director, who summarized the study topic selection subcommittee meeting held prior to the full Commission meeting. He indicated that subcommittee agreed to refer two study resolutions

to the Commission for approval: (1) rising costs of providing health care for state prison inmates; and (2) foster care and adoption services in Virginia. In addition, the subcommittee requested that JLARC staff draft four additional study resolutions on the following topics: Office of the State Inspector General, Virginia Employment Commission, Office of the Attorney General and Department of Law, and the Department of Game and Inland Fisheries. Mr. Brown stated that these four study resolutions will be presented to the Commission at its next meeting on October 10, 2017 for review and consideration. Delegate Orrock requested a motion to approve the two study resolutions presented to the Commission: (1) rising costs of providing health care for state prison inmates; and (2) foster care and adoption services in Virginia. Senator Norment made a motion, which was seconded by multiple members and approved unanimously by the Commission.

Subsequently, Mr. Greer provided the Commission with some brief remarks about the *Operations and Performance of the Virginia Community College System* report then introduced Jamie Bitz, the project leader for the VCCS study, who provided the Commission with a presentation on the report. Mr. Bitz responded to several questions from the Commission throughout his presentation.

VCCS study: Student success

Delegate Orrock asked Mr. Bitz why the team decided to focus on narrow areas of success by defining it as credential attainment and credits earned. He also stated that VCCS is critical to job retraining, but that aspect is not included as success. Mr. Bitz stated that the team looked at global indicators and those indicators over which VCCS has the most control. He said that the team also looked at the impact on earnings, but those two factors (attainment and credits earned) were the two primary measures.

Senator Howell commented that the report seems to be biased toward attainment instead of other advantages of VCCS. She asked if this is intentional, and is it due to other factors, such as students who only take one or two classes or are just looking for enrichment, being difficult to measure. Mr. Bitz stated that the team focused on the two factors (attainment and credits earned) because they're the most easily measured. He said there are certainly benefits for personal enrichment, but the impact is hard to measure.

Delegate O'Bannon asked how many of the students who do not get a certificate or credential are part-time students. Mr. Bitz stated that 38 percent of students are part-time. Delegate O'Bannon asked what the success rate is for part-time students. Mr. Bitz said that 28 percent of part-time students earned a credential.

Delegate Landes said he is assuming that almost all of these students are products of Virginia's secondary schools. He asked if this includes students with a high school diploma or with a GED for older students. Mr. Bitz confirmed that these students are included.

Senator Ruff asked if the Pell grant covers remedial education. Mr. Bitz confirmed that it does.

Delegate Orrock commented that in his experience, there is not a school in Virginia that does not try to remediate students when deficiencies are identified. He asked if the team had any suggestions for a tool that could be used to assess high school students. Mr. Bitz said there could be a standardized test to assess college readiness. It may be a little different than the SOLs, and it could be done within the Virginia Placement Test (VPT) or in another assessment to measure scales of readiness. Delegate Orrock asked if the team compared other state readiness standards with the measures in VPT. Mr. Bitz said the team did not do this.

Senator Norment asked if the team had any empirical data on the ratios at different community colleges with regard to adviser caseload. Mr. Bitz stated that non-faculty advisers had a median of 250 students, but three community colleges had about 500 students per adviser.

Delegate Orrock asked if the advising data is for those who are seeking a degree or credential. He said that some students may not need advising to be successful, because they may already know what they need to do. He expressed concern that the focus is too narrow. Delegate Orrock then asked if there is any information specifically about the caseload for full-time students. Mr. Bitz said the caseload information is for all students, but that he will also describe how to prioritize advising, as not all students may need it. Delegate Orrock then commented that community college tuition is increasing, enrollment is decreasing, the mission has grown, and they need additional staff. He asked if the team can suggest a range for the increase in number of academic advisers. Mr. Bitz stated that VCCS is in the best position to review this and develop an estimate.

Senator Howell asked if the team looked into the implications of adjunct faculty. She commented that they are paid poorly and often work other jobs, which results in them not being as available. Mr. Bitz said that there is a section in the report that covers this. He explained that VCCS has a small percent of full-time faculty and nearly three-fourths of the faculty is part-time, which is higher than other community college systems in the U.S. and southern region. Mr. Bitz further stated that VCCS has taken steps to address these concerns, but there is a limit to what can be done without additional funding.

VCCS study: Dual Enrollment

Delegate Jones asked what the statistics on dual enrollment mean for students who want to go on to a four-year school, as he thought this was addressed in 2005. He said that it seems like four year institutions are not accepting dual enrollment credit, and he asked if this is due to concerns about the quality of VCCS or concerns about specific institutions. Mr. Bitz said that it is hard to tell, but the team heard concerns about the quality of dual enrollment as well as other concerns. He said that high school students may not know exactly what path they may take in college, and they may not take courses that line up well. Delegate Jones then asked if this is due to the choices students make. He asked the team to provide some additional information on dual enrollment agreements.

Delegate Orrock said that advanced placement (AP) courses play a role in this, too. He said that a school may not take advantage of dual enrollment because they offer AP courses, and schools are able to claim bragging rights over student success in AP courses but not in dual enrollment courses because those belong to VCCS. He asked if AP students end up with excess credits when they transfer, and if the team looked at impediments from local school divisions with regard to dual enrollment offerings. Mr. Bitz said that the team looked at challenges with offering dual enrollment courses, such as the availability of an instructor certified to teach the course, especially in science and technology.

Delegate Landes stated that this question is very important in light of the high school redesign. He said that dual enrollment and AP need to be correct or the redesign will not work as intended. Delegate Landes asked if there any high schools or colleges that are doing better and could provide models for other schools in Virginia. Mr. Bitz said that the team can provide some information about this. Tracey Smith stated that the report includes a lot of information about the dual enrollment program that is not included in the presentation, and most people the team talked to did not feel like the program is working well. She said that the four-year institutions are concerned about quality, but the data are not being tracked to know whether four-year institutions are actually accepting students' dual enrollment credits toward degree requirements or as elective credits. Ms. Smith said that the report recommendations are designed to improve the amount of data that is collected on dual enrollment credits to get at these concerns for specific high schools, VCCS colleges, and four-year institutions. Delegate Massie said that Senator Dunnavant's passport credit bill that passed and became law is designed to address this issue. He said that schools have until July 2020 to implement it, and hopefully, this will help guide students.

Delegate Cox expressed frustration that the dual enrollment credits vary by community college because he thought that articulation agreements were in place to ensure consistency across four-year institutions. He said that it seems like there is elitism here—one four-year institution might offer a course for 12 credits, while another offers it for only three credits. He commented that there needs to be a change in the mindset, and that the idea is for the students to get ahead. He further stated that there is a bias to the four-year model, and a lot of the report recommendations and actions should have been done already.

VCCS study: Structure

Delegate Jones said that Paul D. Camp students could also go to Portsmouth, where the Tidewater Community College campus was moved a few years ago. It seems like lunacy to protect turf in that area rather than focus on education.

VCCS study: Workforce

Delegate Jones stated that hearing the information about the Workforce Credentials Grant is frustrating. This was well-intentioned and well-designed legislation, and he met with people in his office about the program being "over-subscribed." He further stated that he could not believe the money was appropriated so quickly while also meeting the intent of the

bill. Then he reads in the report that one-third of the funds were used to fund programs that issue Commercial Drivers Licenses (CDLs). He stated that the language in the bill seemed clear, but the Board for Workforce Development did not fulfill the bill's intent. The Board classified 177 occupations as unmet, and are using money for credential programs that were already being funded. Delegate Jones said that this report makes it clear that the funding is not being prioritized, and it is distressing to appropriate \$12.5 million and miss the intent. He explained that he informed people last year that VCCS must be funding credential programs that already existed and needed instead to find unmet demands, but this does not seem to be happening.

Delegate Plum commented that he is frustrated with the report because it compares VCCS with traditional academic system instead of workforce training. He would have liked to see more about workforce included in the report. He said that some individuals take a few courses for a skills upgrade. He stated that it is important to know if employers' needs are being met as well. He asked if the team followed up with students to determine if they received what they needed from the community college system regardless of whether they received a credential. He further stated that two-year schools have a different purpose than four-year institutions and are not just a stepping stone. He said that as policymakers, they need to know the broader picture and need to understand that the VCCS mission is broad and agile, and not all students need a full year of college. In addition, employers should be able to reach out to the community college system and get the employees that they need. Tracey Smith then provided Delegate Plum and the Commission with a brief overview of JLARC's 2014 study of workforce development programs, which addressed these concerns. She stated that JLARC staff decided to not duplicate its 2014 review of VCCS as a provider of the state's workforce services, and that the 2014 study was broad and comprehensive. In the 2014 study, VCCS was found to be doing well and was responsive to employers. She stated that she agrees that two-year colleges are not just a stepping stone to a bachelor's degree for students. She explained that the analysis performed by the team included all certifications, including those that are workforce-oriented, not just associate's degrees. She also explained that the current report does include information on the workforce training that VCCS offers and how well it matches labor market data on employers' workforce needs. In this study, the team was able to talk with a handful of employers and they were generally satisfied with their partnerships with the community colleges. She further clarified that the focus of the study was on those aspects of student success that VCCS can influence. Ms. Smith said that she would send Delegate Plum a copy of the 2014 workforce development report.

VCCS study: Transfer agreements

Delegate Landes said that he is surprised that four-year institutions are not reviewing the transfer agreements. He asked who is responsible for this and if SCHEV has looked into how they can help with this. Mr. Bitz said that there is some variation with this across the community colleges; some have very close relationships, while other transfer agreements are not updated. He explained that the Code of Virginia requires four-year institutions to develop transfer agreements, and SCHEV has guidelines for institutions but they are vague

with regard to what the agreements should contain and how often the agreements should be updated. As a result, the institutions are left with a lot of discretion to develop and maintain the agreements.

Delegate O'Bannon asked if he could assume that George Mason University, Old Dominion University, and Virginia Commonwealth University have the best relationships. Mr. Bitz stated that this was the case, but there are other factors at play here. He explained that those colleges are located near large VCCS colleges with strong relationships. In addition, they are larger schools that can take on more transfer students.

Delegate Orrock asked if the four-year institutions are in control of the articulation agreements. Mr. Bitz said that it may play out this way, but the agreements are a product of collaboration and negotiation between the two- and four-year institutions. As a result, there are 15 different institutions with different requirements.

Delegate Jones said that the idea with the articulation agreements was that there would not be regional alliances, but instead there would be agreements established across the Commonwealth; however, it sounds like some four-year institutions are not accepting transfer credits if they are not from a two-year institution that they typically work with. Mr. Bitz said that the guidelines indicate that the agreements should be uniform, but they are specific to the combinations of two- and four-year institutions that develop them.

VCCS study: Remarks from Chancellor DuBois

Subsequently, Delegate Orrock invited Chancellor DuBois to provide the Commission with his remarks in response to the JLARC report. Senator Ruff asked if the Workforce Credentials Grant (WCG) requires colleges to communicate with employers in the area about their ability to meet demand. He also asked if shorter credential programs reduce student drop outs. The Chancellor confirmed Senator Ruff's first question, then said that students who are in a degree program that is ultimately not a good fit can move into the workforce and obtain a non-degree certificate that can lead to a license.

Senator Hanger said that he is very pleased with the product at VCCS, but he is concerned about the \$12.5 million for WCG and how to account for this. He said if this is working, then the General Assembly should be looking into spending more. His other concern is that the VCCS model is built for growth, but the supply is changing so the General Assembly may need to adjust the focus because growth is not going to continue at five percent a year. Chancellor DuBois said that VCCS is looking at those in the 25-45-year-old age group, who are also more likely to enroll in WCG.

At the conclusion of Chancellor DuBois' remarks, Delegate Orrock stated that the Commission will approve the *Operations and Performance of the Virginia Community College System* report by general consensus. There being no objections, the report was approved unanimously by the Commission.

JLARC Report to the General Assembly

Mr. Greer then introduced Kimberly Sarte who provided the Commission with a brief presentation of the 2017 Report to the General Assembly. Mr. Brown, Ms. Smith, and Mr. Greer presented information pertaining to action taken by the General Assembly and action needed based on JLARC report recommendations that have not yet been implemented. At the conclusion of the presentation, Delegate Orrock stated that the Commission will approve the 2017 Report to the General Assembly by general consensus. There being no objections, the report was approved unanimously by the Commission.

Update on State's IT Transition

Delegate Orrock then directed the Commission's attention to the final item on the meeting agenda regarding an update on the state's IT transition. Delegate Orrock reminded the Commission that there is pending litigation surrounding the IT transition issues, but indicated that this will not be discussed during this public meeting. Delegate Orrock then recognized Joe McMahon who provided the Commission with a brief presentation regarding the status of the state's IT transition. Subsequently, Mr. McMahon introduced Nelson Moe, Chief Information Officer of the Commonwealth.

Mr. Moe then provided the Commission with a briefing on VITA's 2016 IT sourcing activities, a transition update, and a litigation update. Delegate Jones asked why the messaging is still stalled and if payments are being withheld from Northrop Grumman. Eric Link, Deputy CIO of VITA, stated that commencement of messaging services has not been done yet and VITA has not set a date for this yet; as a result, payments are being withheld from Northrop Grumman. Delegate Jones asked if VITA had filed for injunctive relief for messaging services. Eric Link indicated they had. Delegate Jones then asked whether a limitation of liability agreement for messaging services had been reached between VITA and Northrop Grumman and whether the liability issue was still holding up the messaging transition. In response, Eric Link indicated that a limitation of liability agreement had been reached on August 29th, and that was no longer a cause of delay in the messaging transition other than Northrop Grumman's unwillingness to perform the necessary tasks. Delegate Landes asked if there were any areas (outside of the litigation) that Northrop Grumman could resolve, if given the opportunity. Delegate Orrock re-stated that the litigation is currently pending, so only factual information should be presented during the public meeting.

Chris Walker from Northrop Grumman approached the podium and provided the Commission with Northrop Grumman's main talking points related to the lawsuit (which can be found in the introduction section of the Northrop Grumman complaint to the court) and responded to the questions from the Commission. In response to the Commission, Mr. Walker indicated that yes, there are areas of the transition that could be resolved outside of the lawsuit. Mr. Link followed Mr. Walker's remarks by reminding the Commission that a settlement agreement was never reached during mediation because the Governor did not approve the tentative agreement resulting from mediation.

Following Mr. Walker's remarks and the remainder of Mr. Link's presentation, Mr. Greer announced that the next Commission meeting is scheduled for October 10, 2017, which will include a presentation on the findings and recommendations from the report on the land application of industrial residuals and biosolids and the 2017 update on state spending.

There being no further business, the Commission rose at 12:38 p.m.

Approved by: Hal E Greer
Hal E. Greer, Director

Date: 9/22/2017

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