## COMMITTEE SUBSTITUTE

## FOR

# Senate Bill No. 330

(By Senators Plymale, Wells, Jenkins, Foster, Browning, Stollings and Beach)

[Originating in the Committee on Education; reported February 9, 2011.]

A BILL to repeal §18-13-1 of the Code of West Virginia, 1931, as amended; to repeal §18-23-4a of said code; to repeal §18B-8-3a of said code; to repeal §18B-9-2a, §18B-9-5, §18B-9-7, §18B-9-8, §18B-9-9, §18B-9-10 and §18B-9-12 of said code; to amend and reenact §12-1-12d of said code; to amend and reenact §18B-1-2 and §18B-1-6 of said code; to amend and reenact §18B-1B-4 and §18B-1B-5 of said code; to amend and reenact §18B-2A-3, §18B-2A-4 and §18B-2A-8 of said code; to amend and reenact §18B-2B-3 of said code; to amend and reenact §18B-3-1, §18B-3-3 and §18B-3-4 of said code; to amend and reenact §18B-4-1 of said code; to amend said code by adding

thereto a new section, designated §18B-4-2a; to amend and reenact §18B-5-9 of said code; to amend and reenact §18B-7-1, §18B-7-2, §18B-7-3, §18B-7-4, §18B-7-5, §18B-7-6, §18B-7-7, §18B-7-8, §18B-7-9, §18B-7-10, §18B-7-11 and §18B-7-12 of said code; to amend said code by adding thereto four new sections, designated §18B-7-13, §18B-7-14, §18B-7-15 and §18B-7-16; to amend and reenact §18B-8-1, §18B-8-3, §18B-8-4, §18B-8-5 and §18B-8-6 of said code; to amend said code by adding thereto a new section, designated §18B-8-2; to amend and reenact §18B-9-1, §18B-9-2, §18B-9-3 and §18B-9-4 of said code; to amend said code by adding thereto a new article, designated §18B-9A-1, §18B-9A-2, §18B-9A-3, §18B-9A-4, §18B-9A-5, §18B-9A-6, §18B-9A-7 and §18B-9A-8; to amend and reenact §18B-10-1 of said code; and to amend and reenact §18B-19-10 of said code, all relating to public higher education personnel generally; state organizations of higher education; public higher education governance; repealing sunset provision for pilot investment program for Marshall University and West Virginia University; extending authority to increase certain types of investment under certain circumstances; specifying and clarifying rule-making procedures; specifying certain powers and duties of certain higher education organizations;

3 [Com. Sub. for S. B. No. 330 requiring certain governing boards to reach certain graduation rates by certain date; establishing classification and compensation for certain employees; providing legislative purposes and intent; providing certain definitions; requiring creation of certain professional staff positions; setting forth minimum qualifications and specifying duties; requiring organization rulemaking; authorizing certain supplemental retirement, health and welfare benefit plans for certain employees; providing for certain employer and employee matches; authorizing employee payroll deductions; requiring establishment of continuing education and professional development programs for certain employees; setting forth certain employment practices; requiring certain periodic reports; specifying data to be included in reports and designating report due dates; providing certain exceptions to report due dates; requiring periodic reviews of human resources functions at certain higher education organizations; setting forth purposes of reviews; specifying review criteria and designating completion dates; requiring prior notice of reviews and setting forth certain exceptions; authorizing compensatory time off for certain employees in certain instances; setting forth conditions; defining "nonclassified" employees; limiting percentage of

employees designated nonclassified and providing certain exceptions; establishing formula for calculating percentage; providing effective date for meeting percentage limits and requiring compliance reports; authorizing certain employment by mutual agreement; setting forth terms, conditions and applicability of agreements; requiring probationary period for certain employees; authorizing catastrophic leave banks and leave transfer for certain employees; setting forth terms and conditions for participation; codifying certain current practices; authorizing merit salary increases for certain employees under certain conditions; requiring study of certain employment practices; requiring report and specifying data and report due date; requiring faculty salary rules and providing for salary increases in certain instances; authorizing sabbatical leaves for certain professional personnel; specifying terms and conditions for participation; maintaining certain rights and benefits during leaves of absence under certain circumstances; requiring definition of certain terms; requiring notice of employment decisions to probationary faculty members by certain date and providing for hearings in certain instances; stating legislative intent regarding funding for certain employee salary schedules; specifying applicability of certain

5 [Com. Sub. for S. B. No. 330 statutes; establishing certain terms and conditions and providing certain exceptions; providing formulas for making certain salary calculations; requiring certification of certain higher education organizations relating to certain salary funding requirements; specifying applicability of certain rules; requiring review and approval process for certain rules and specifying responsibilities of certain professional personnel relating to rulemaking; providing for funding certain salary schedules; specifying certain consequences and sanctions and providing exceptions; providing short title; requiring maintenance of uniform job classification system; establishing job classification committee and specifying organization, powers and duties; assigning certain other powers and duties relating to job classification; establishing compensation planning and review committee and specifying organization, powers and duties; providing for establishment of market salary structures and minimum salary schedules; requiring periodic updates and specifying certain other related powers and duties; providing for periodic market salary studies and specifying application of study findings; requiring certain salary comparisons and establishing limit on variations of average salaries among employee classes; specifying authority and duty of Higher

Education Policy Commission and Council for Community and Technical College Education over classification and compensation system; requiring promulgation of certain personnel rules by certain date; authorizing emergency rules with prior approval; establishing parameters for rules; specifying mechanisms for correcting identified deficiencies and requiring and authorizing certain sanctions in certain instances; providing for hearing employee appeals; requiring performance evaluations for certain employees; requiring certain training for supervisory personnel; establishing terms and conditions for exercising certain operational flexibilities for governing boards; establishing goals for implementing certain statutes and rules; fixing certain implementation responsibilities; providing for review and approval of governing boards' requests for tuition and fee increases greater than set amounts; removing caps on increases in tuition and fees; clarifying procedure for rental, lease and sale of property; making technical corrections; and deleting obsolete language.

Be it enacted by the Legislature of West Virginia:

That §18-13-1 of the Code of West Virginia, 1931, as amended, be repealed; that §18-23-4a of said code be repealed; that §18B-8-3a of said code be repealed; that §18B-9-2a, §18B-9-5, §18B-9-7, 7 [Com. Sub. for S. B. No. 330

§18B-9-8, §18B-9-9, §18B-9-10 and §18B-9-12 of said code be repealed; that §12-1-12d of said code be amended and reenacted; that §18B-1-2 and §18B-1-6 of said code be amended and reenacted; that §18B-1B-4 and §18B-1B-5 of said code be amended and reenacted; that §18B-2A-3, §18B-2A-4 and §18B-2A-8 of said code be amended and reenacted; that §18B-2B-3 of said code be amended and reenacted; that §18B-3-1, §18B-3-3 and §18B-3-4 of said code be amended and reenacted; that §18B-4-1 of said code be amended and reenacted; that said code be amended by adding thereto a new section, designated §18B-4-2a; that §18B-5-9 of said code be amended and reenacted; that §18B-7-1, §18B-7-2, §18B-7-3, §18B-7-4, §18B-7-5, §18B-7-6, §18B-7-7, §18B-7-8, §18B-7-9, §18B-7-10, §18B-7-11 and §18B-7-12 of said code be amended and reenacted; that said code be amended by adding thereto four new sections, designated §18B-7-13, §18B-7-14, §18B-7-15 and §18B-7-16; that §18B-8-1, §18B-8-3, §18B-8-4, §18B-8-5 and §18B-8-6 of said code be amended and reenacted; that said code be amended by adding thereto a new section, designated §18B-8-2; that §18B-9-1, §18B-9-2, §18B-9-3 and §18B-9-4 of said code be amended and reenacted; that said code be amended by adding thereto a new article, designated §18B-9A-1, §18B-9A-2, §18B-9A-3, §18B-9A-4, §18B-9A-5, §18B-9A-6, §18B-9A-7 and §18B-9A-8; that §18B-10-1

of said code be amended and reenacted; and that §18B-19-10 of said code be amended and reenacted, all to read as follows:

# CHAPTER 12. PUBLIC MONEYS AND SECURITIES. ARTICLE 1. STATE DEPOSITORIES.

# §12-1-12d. Investments by Marshall University and West Virginia University.

(a) Notwithstanding any provision of this article to the
 contrary, the governing boards of Marshall University and
 West Virginia University each may invest certain funds with
 its respective nonprofit foundation that has been established
 to receive contributions exclusively for that university and
 which exists on January 1, 2005. Any such investment is
 subject to the limitations of this section.

8 (b) A governing board, through its chief financial officer 9 may enter into agreements, approved as to form by the State 10 Treasurer, for the investment by its foundation of certain 11 funds subject to their administration. Any interest or 12 earnings on the moneys invested is retained by the investing 13 university.

(c) Moneys of a university that may be invested with its
foundation pursuant to this section are those subject to the
administrative control of the university that are collected

under an act of the Legislature for specific purposes and do
not include any funds made available to the university from
the state General Revenue Fund or the funds established in
sections eighteen or eighteen-a, article twenty-two, chapter
twenty-nine of this code. Moneys permitted to be invested
under this section may be aggregated in an investment fund
for investment purposes.

9

(d) Of the moneys authorized for investment by this
section, Marshall University and West Virginia University
each, respectively, may have invested with its foundation at
any time not more than the greater of:

(1) \$18 million for Marshall University and \$25 million for
West Virginia University; or

30 (2) Sixty-five percent of its unrestricted net assets as
31 presented in the statement of net assets for the fiscal year
32 end audited financial reports.

33 (3) Notwithstanding subdivisions (1) and (2) of this subsec34 tion, with the approval of the Higher Education Policy
35 Commission, Marshall University may increase the amount
36 invested to \$30 million and West Virginia University may

37 increase the amount invested to \$40 million.

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(e) Investments by foundations that are authorized under 38 39 this section shall be made in accordance with and subject to 40 the provisions of the Uniform Prudent Investor Act codified as article six-c, chapter forty-four of this code. As part of its 41 fiduciary responsibilities, each governing board shall 42establish investment policies in accordance with the Uniform 43Prudent Investor Act for those moneys invested with its 44 45foundation. The governing board shall review, establish and modify, if necessary, the investment objectives as incorpo-46 rated in its investment policies so as to provide for the 47 48 financial security of the moneys invested with its foundation. 49 The governing boards shall give consideration to the follow-50 ing:

- 51 (1) Preservation of capital;
- 52 (2) Diversification;
- 53 (3) Risk tolerance;
- 54 (4) Rate of return;
- 55 (5) Stability;
- 56 (6) Turnover;
- 57 (7) Liquidity; and
- 58 (8) Reasonable cost of fees.

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(f) A governing board shall report annually by December
31 to the Governor and to the Joint Committee on Government and Finance on the performance of investments
managed by its foundation pursuant to this section.

63 (g) The authority of a governing board to invest moneys
64 with its foundation pursuant to this section expires on July
65 1, 2011.

(h) (g) The amendments to this section in the second
extraordinary session of the Legislature in 2010 shall apply
retroactively so that the authority granted by this section
shall be construed as if that authority did not expire on July
1, 2010.

# CHAPTER 18B. HIGHER EDUCATION.

## **ARTICLE 1. GOVERNANCE.**

#### §18B-1-2. Definitions.

The following words when used in this chapter and chapter
 eighteen-c of this code have the meanings ascribed to them
 unless the context clearly indicates a different meaning:

4 "Administratively linked community and technical
5 college" means a state institution of higher education
6 delivering community and technical college education and
7 programs which has maintained a contractual agreement to

8 receive essential services from another accredited state9 institution of higher education prior to July 1, 2008;

"Advanced technology center" means a facility established
under the direction of an independent community and
technical college or the council for the purpose of implementing and delivering education and training programs for
high-skill, high-performance Twenty-first Century
workplaces;

16 "Board of visitors" means the advisory board previously 17 appointed for the West Virginia Graduate College and the 18 advisory board previously appointed for West Virginia 19 University Institute of Technology, which provide guidance 20 to the Marshall University Graduate College and West 21 Virginia University Institute of Technology, respectively;

22"Broker" or "brokering" means serving as an agent on behalf of students, employers, communities or responsibility 23areas to obtain education services not offered at that institu-2425tion. These services include courses, degree programs or 26other services contracted through an agreement with a 27provider of education services either in-state or out-of-state; 28 "Chancellor" means the Chancellor for Higher Education where the context refers to a function of the Higher Educa-29

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30 tion Policy Commission. "Chancellor" means Chancellor for
31 Community and Technical College Education where the
32 context refers to a function of the West Virginia Council for
33 Community and Technical College Education;

34 "Chancellor for Community and Technical College
35 Education" means the chief executive officer of the West
36 Virginia Council for Community and Technical College
37 Education employed pursuant to section three, article two-b
38 of this chapter;

39 "Chancellor for Higher Education" means the chief
40 executive officer of the Higher Education Policy Commission
41 employed pursuant to section five, article one-b of this
42 chapter;

43 "Collaboration" means entering into an agreement with
44 one or more providers of education services in order to
45 enhance the scope, quality or efficiency of education ser46 vices;

47 "Community and technical college", in the singular or
48 plural, means the free-standing community and technical
49 colleges and other state institutions of higher education
50 which deliver community and technical college education.
51 This definition includes Blue Ridge Community and Techni-

cal College, Bridgemont Community and Technical College, 52Eastern West Virginia Community and Technical College, 53 Kanawha Valley Community and Technical College, 5455Mountwest Community and Technical College, New River Community and Technical College, Pierpont Community and 56 Technical College, Southern West Virginia Community and 57 Technical College, West Virginia Northern Community and 58 59 Technical College and West Virginia University at 60 Parkersburg;

61 "Community and technical college education" means the
62 programs, faculty, administration and funding associated
63 with the delivery of community and technical college
64 education programs;

65 "Community and technical college education program" 66 means any college-level course or program beyond the high school level provided through a public institution of higher 67 education resulting in or which may result in a two-year 68 associate degree award including an associate of arts, an 69 70 associate of science and an associate of applied science; 71 certificate programs and skill sets; developmental education; continuing education; collegiate credit and noncredit 7273 workforce development programs; and transfer and bacca74 laureate parallel programs. All programs are under the
75 jurisdiction of the council. Any reference to "post-secondary
76 vocational education programs" means community and
77 technical college education programs as defined in this
78 subsection;

"Council" means the West Virginia Council for Community
and Technical College Education created by article two-b of
this chapter;

82 "Dual credit course" or "dual enrollment course" means a 83 credit-bearing college-level course offered in a high school 84 by a state institution of higher education for high school 85 students in which the students are concurrently enrolled and 86 receiving credit at the secondary level.

87 "Essential conditions" means those conditions which shall
88 be met by community and technical colleges as provided in
89 section three, article three-c of this chapter;

90 "Free-standing community and technical colleges" means
91 Southern West Virginia Community and Technical College,
92 West Virginia Northern Community and Technical College,
93 and Eastern West Virginia Community and Technical
94 College, which may not be operated as branches or off-

95 campus locations of any other state institution of higher96 education;

97 "Governing boards" or "boards" means the institutional
98 boards of Governors created by section one, article two-a of
99 this chapter;

100 "Higher education institution" means any institution as
101 defined by Sections 401(f), (g) and (h) of the federal Higher
102 Education Facilities Act of 1963, as amended;

103 "Higher Education Policy Commission", "Policy Commis104 sion" or "Commission" means the commission created by
105 section one, article one-b of this chapter;

106 "Independent community and technical college" means a state institution of higher education under the jurisdiction of 107 108 the council which is independently accredited or seeking 109 independent accreditation, is governed by its own independ-110 ent governing board, and may not be operated as a branch or 111 off-campus location of any other state institution of higher 112 education. This definition includes Blue Ridge Community 113and Technical College, Bridgemont Community and Techni-114 cal College, Eastern West Virginia Community and Technical College, Kanawha Valley Community and Technical College, 115116 Mountwest Community and Technical College, New River

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117 Community and Technical College, Pierpont Community and
118 Technical College, Southern West Virginia Community and
119 Technical College, West Virginia Northern Community and
120 Technical College and West Virginia University at
121 Parkersburg; and

"Institutional compact" means the compact between the
commission or council and a state institution of higher
education under its jurisdiction, as described in section
seven, article one-d of this chapter;

"Institutional operating budget" or "operating budget" means for any fiscal year an institution's total unrestricted education and general funding from all sources, including, but not limited to, tuition and fees and legislative appropriation, and any adjustments to that funding as approved by the commission or council based on comparisons with peer institutions or to reflect consistent components of peer operating budgets;

"Peer institutions", "peer group" or "peers" means public
institutions of higher education used for comparison purposes and selected by the commission pursuant to section
three, article one-a of this chapter;

138 "Rule" or "rules" means a regulation, standard, policy or139 interpretation of general application and future effect;

140 "Sponsoring institution" means a state institution of 141 higher education that maintained an administrative link to 142 a community and technical college providing essential 143 services prior to July 1, 2008. This definition includes 144 institutions whose governing boards had under their juris-145 diction a community and technical college, regional campus 146 or a division delivering community and technical college 147 education and programs;

148 "State college" means Bluefield State College, Concord
149 University, Fairmont State University, Glenville State
150 College, Shepherd University, West Liberty University or
151 West Virginia State University;

"State institution of higher education" means any university, college or community and technical college under the
jurisdiction of a governing board as that term is defined in
this section;

156 "Statewide network of independently accredited commu157 nity and technical colleges" or "community and technical
158 college network" means the state institutions of higher
159 education under the jurisdiction of the West Virginia Council

160 for Community and Technical College Education which are 161 independently accredited or are seeking independent 162 accreditation by the regional accrediting agency, each 163 governed by its own independent governing board, and each 164 having a core mission of providing affordable access to and 165 delivering high quality community and technical education 166 in every region of the state;

167 "Vice Chancellor for Administration" means the person
168 employed in accordance with section two, article four of this
169 chapter. Any reference in this chapter or chapter eighteen-c
170 of this code to "Senior Administrator" means Vice Chancel171 lor for Administration;

"Vice Chancellor for Human Resources" means the person employed by the commission and the council jointly pursuant to section two-a, article four of this chapter. The person employed as senior director of human resources by the commission on January 1, 2011, becomes the Vice Chancellor for Human Resources on the effective date of this section; and

179 "West Virginia Consortium for Undergraduate Research180 and Engineering" or "West Virginia CURE" means the

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181 collaborative planning group established by article one-c of182 this chapter.

## §18B-1-6. Rulemaking.

(a) The commission is hereby empowered to promulgate,
 adopt, amend or repeal rules, in accordance with the provi sions of article three-a, chapter twenty-nine-a of this code,
 subject to the provisions of section three of this article.

5 (b) The council is hereby empowered to promulgate, adopt, 6 amend or repeal rules in accordance with the provisions of 7 article three-a, chapter twenty-nine-a of this code, and 8 subject to the provisions of section three of this article. This 9 grant of rule-making power extends only to those areas over 10 which the council has been granted specific authority and 11 jurisdiction by law.

(c) As it relates to the authority granted to governing
boards of state institutions of higher education to promulgate, adopt, amend or repeal any rule under the provisions of
this code:

16 (1) "Rule" means any regulation, guideline, directive,
17 standard, statement of policy or interpretation of general
18 application which has institution-wide effect or which
19 affects the rights, privileges or interests of employees,

21 [Com. Sub. for S. B. No. 330 20 students or citizens. Any regulation, guideline, directive, 21 standard, statement of policy or interpretation of general 22 application that meets this definition is a rule for the 23 purposes of this section.

24(2) Regulations, guidelines or policies established for individual units, divisions, departments or schools of the 25institution, which deal solely with the internal management 2627or responsibilities of a single unit, division, department or school or with academic curricular policies that do not 2829constitute a mission change for the institution, are excluded from this subsection, except for the requirements relating to 30posting. 31

32(3) The commission and council each shall promulgate a rule to guide the development and approval of rules made by 33 their respective governing boards, including the governing 34 boards of Marshall University and West Virginia University. 35 36 The rules promulgated by the commission and council shall 37 include, but are not limited to, the following provisions 38 which shall be included in the rule on rules adopted by each 39 governing board of a state institution of higher education:

40 (A) A procedure to ensure that public notice is given and41 that the right of interested parties to have a fair and ade-

42 quate opportunity to respond is protected, including provid43 ing for a thirty-day public comment period prior to final
44 adoption of a rule;

(B) Designation of a single location where all proposed and
approved rules, guidelines and other policy statements are
posted and can be accessed by the public; and

48 (C) A procedure to maximize Internet access to all pro49 posed and approved rules, guidelines and other policy
50 statements to the extent technically and financially feasible;
51 and

- \_\_\_\_\_
- 52 (D) A procedure for the governing board to follow in
- 53 submitting its rules for review and approval to the commis-
- 54 sion and/or council, as appropriate, except the following
- 55 conditions apply for the governing boards of Marshall
- 56 <u>University and West Virginia University:</u>
- 57 (i) The governing boards shall submit rules for review and
  58 comment to the commission.

59 (ii) The commission shall return to the governing board its

- 60 <u>comments and suggestions within thirty days of receiving the</u>
- 61 <u>rule.</u>

62 (iii) If a governing board receives comments or suggestions

63 on a rule from the commission, it shall record these as part

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64 of the minute record. The rule is not effective and may not be
65 implemented until the governing board holds a meeting and
66 places on the meeting agenda the comments it has received
67 from the commission.

(d) Nothing in this section requires that any rule reclassified or transferred by the commission or the council under
this section be promulgated again under the procedures set
out in article three-a, chapter twenty-nine-a of this code
unless the rule is amended or modified.

(e) The commission and council each shall file with the
Legislative Oversight Commission on Education Accountability any rule it proposes to promulgate, adopt, amend or
repeal under the authority of this article.

(f) The governing boards of Marshall University and West
Virginia University, respectively, shall promulgate and adopt
any rule which they are required to adopt by this chapter or
chapter eighteen-c of this code no later than the first day of
July 1, two thousand five July 1, 2011 unless a later date is
specified. On and after this date:

(1) Any rule of either <u>a</u> governing board which meets the
definition set out in subsection (c) of this section and which
has not been promulgated and adopted by formal vote of the

86 appropriate governing board is void and may not be en-87 forced;

(2) Any authority granted by this code which inherently
requires the governing board to promulgate and adopt a rule
is void until the governing board complies with the provisions of this section.

92 (g) Within thirty days of the adoption of a rule, including 93 repeal or amendment of an existing rule, the and before the change is implemented, a governing boards of Marshall 94 University and West Virginia University, respectively, board 95 shall furnish to the commission or the council, as appropri-96 ate, a copy of each rule which it has been formally adopted 97 98 to the commission or the council, respectively, for review and 99 approval, except the governing boards of Marshall University and West Virginia University are subject to subsection 100 101 (c) of this section.

(h) Not later than <u>Annually, by</u> October 1, 2005, and
annually thereafter, each governing board of a state institution of higher education shall file with the commission or the
council, as appropriate, a list of all institutional rules that
were in effect for that institution on July 1 of that year,
including the most recent date on which each rule was

108 considered and adopted, amended or repealed by the govern-109 ing board. For all rules adopted, amended or repealed after 110 the effective date of this section, the list shall include a 111 statement by the chair of the governing board certifying that 112 the governing board has complied with the provisions of this 113 section when each listed rule was <u>promulgated and</u> adopted. ARTICLE 1B. HIGHER EDUCATION POLICY COMMISSION.

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# §18B-1B-4. Powers and duties of Higher Education Policy Commission.

1 (a) The primary responsibility of the commission is to  $\mathbf{2}$ develop, establish and implement policy that will achieve the goals, and objectives and priorities found in section one-a, 3 article one <u>and article one-d</u> of this chapter. The commission 4 shall exercise its authority and carry out its responsibilities 5 in a manner that is consistent and not in conflict with the 6 powers and duties assigned by law to the West Virginia 7 Council for Community and Technical College Education and 8 the powers and duties assigned to the governing boards. of 9 Marshall University and West Virginia University, respec-10tively. To that end, the commission has the following powers 11 12and duties relating to the institutions governing boards 13 under its jurisdiction:

(1) Develop, oversee and advance the public policy agenda
pursuant to section one, article one-a article one-d of this
chapter to address major challenges facing the state, including, but not limited to, the following:

18 (A) The goals, and objectives and priorities found estab-19 lished in section one-a, article one of this chapter and 20 including specifically those goals, and objectives and 21 priorities pertaining to the compacts created pursuant to 22 section two seven, article one-a one-d of this chapter; and to

23 develop and implement

(B) Development and implementation of the master plan
described in section nine of this five, article one-d of this
chapter for the purpose of accomplishing the mandates of
this section;

(2) Develop, oversee and advance the promulgation and
implementation jointly with the council of a financing policy
<u>rule</u> for <u>state institutions of</u> higher education in West
<del>Virginia</del> <u>under its jurisdiction</u>. The policy <u>rule</u> shall meet the
following criteria:

33 (A) Provide <u>for</u> an adequate level of <u>education educational</u>
34 and general funding for institutions pursuant to section five,
35 article one-a of this chapter;

27 [Com. Sub. for S. B. No. 330 36 (B) Serve to maintain institutional assets, including, but 37 not limited to, human and physical resources and <u>eliminating</u> 38 deferred maintenance; <u>and</u>

39 (C) Invest and provide incentives for achieving the priority
40 goals in the public policy agenda, including, but not limited
41 to, those found in section one-a, article one <u>and article one-d</u>
42 of this chapter; <del>and</del>

43 (D) Incorporate the plan for strategic funding to strengthen
44 capacity for support of community and technical college
45 education established by the West Virginia Council for
46 Community and Technical College Education pursuant to the
47 provisions of section six, article two-b of this chapter;

48 (3) In collaboration with the council, create a policy49 leadership structure capable of the following actions:

50(A) Developing, building public consensus around and sustaining attention to a long-range public policy agenda. In 51developing the agenda, the commission and council shall 5253seek input from the Legislature and the Governor and 54specifically from the state Board of Education and local school districts in order to create the necessary linkages to 55 assure smooth, effective and seamless movement of students 56 through the public education and post-secondary education 57

systems and to ensure that the needs of public school courses
and programs can be fulfilled by the graduates produced and
the programs offered;

61 (B) Ensuring that the governing boards carry out their duty
62 effectively to govern the individual institutions of higher
63 education; and

64 (C) Holding the higher education institutions governing
65 <u>boards</u> and the higher education systems as a whole account66 able for accomplishing their missions and implementing the
67 provisions of the their compacts;

68 (4) Develop and adopt each institutional compact for the
69 governing boards under its jurisdiction;

(5) Review and adopt the annual updates of the institu-tional compacts;

(6) Serve as the accountability point to <u>state policymakers:</u>
(A) The Governor for implementation of the public policy
agenda; and

(B) The Legislature by maintaining a close workingrelationship with the legislative leadership and the Legisla-

77 tive Oversight Commission on Education Accountability;

78 (7) Jointly with the council, promulgate legislative rules79 pursuant to article three-a, chapter twenty-nine-a of this

80 code to fulfill the purposes of section five, article one-a of81 this chapter;

(8) Establish and implement a peer group for each institution as described in section three, article one-a of this
chapter;

(9) Establish and implement the benchmarks and performance indicators necessary to measure institutional achievement towards progress in achieving state policy priorities
and institutional missions pursuant to section two, article
one-a seven, article one-d of this chapter;

90 (10) Annually Report to the Legislature and to the Legislative Oversight Commission on Education Accountability 91 92 annually during the January interim meetings meeting 93 period on a date and at a time and location to be determined by the President of the Senate and the Speaker of the House 94 95 of Delegates. The report shall address at least the following: 96 (A) The performance of its system of higher education 97 during the previous fiscal year, including, but not limited to, 98 progress in meeting goals stated in the compacts and progress of the institutions and the higher education system as a 99 whole in meeting the goals, and objectives and priorities set 100 101 forth in section one-a, article one and article one-d of this

102 chapter <u>and in the commission's master plan and institu-</u>103 tional compacts;

(B) An analysis of enrollment data collected pursuant to
section one, article ten of this chapter and recommendations
for any changes necessary to assure access to high-quality,
high-demand education programs for West Virginia residents;

(C) (B) The commission's priorities established for <u>new</u>
<u>operating and capital investment investments needs pursuant</u>
to subdivision (11) of this subsection and the justification for
<u>such the</u> priority;

(D) (C) Recommendations of the commission for statutory
changes needed necessary or expedient to further the achieve
state goals, and objectives and priorities; set forth in section
one-a, article one of this chapter;

(11) Establish a formal process for identifying needs for
capital investments investment needs and for determining
priorities for these investments for consideration by the
Governor and the Legislature as part of the appropriation
request process <u>pursuant to article nineteen of this chapter</u>.
It is the responsibility of the commission to assure a fair
distribution of funds for capital projects between the

- 124 commission and the council. To that end the commission125 shall take the following steps:
- (A) Receive the list of priorities developed by the council
  for capital investment for the institutions under the council's
  jurisdiction pursuant to subsection (b), section six, article
  two-b of this chapter;
- (B) Place the ranked list of projects on the agenda for
  action within sixty days of the date on which the list was
  received;
- (C) Select a minimum of three projects from the list
  submitted by the council to be included on the ranked list
  established by the commission. At least one of the three
  projects selected must come from the top two priorities
  established by the council;
- (12) Maintain guidelines for institutions to follow concerning extensive capital project management except the governing boards of Marshall University and West Virginia University are not subject to the provisions of this subdivision as it
  relates to the state institutions of higher education known as
  Marshall University and West Virginia University. The
  guidelines shall provide a process for developing capital
  projects, including, but not limited to, the notification by an

institution to the commission of any proposed capital project
which has the potential to exceed one million dollars in cost.
Such a project may not be pursued by an institution without
the approval of the commission. An institution may not
participate directly or indirectly with any public or private
entity in any capital project which has the potential to
exceed one million dollars in cost;

153 (12) Develop standards and evaluate governing board

requests for capital project financing in accordance with

155 article nineteen of this chapter;

154

156 (13) Ensure that governing boards manage capital projects

157 and facilities needs effectively, including review and ap-

158 proval or disapproval of capital projects, in accordance with

159 article nineteen of this chapter.

(13) (14) Acquire legal services as are considered necessary,
including representation of the commission, its institutions,
governing boards, employees and officers before any court or
administrative body, notwithstanding any other provision of
this code to the contrary. The counsel may be employed
either on a salaried basis or on a reasonable fee basis. In
addition, the commission may, but is not required to, call

169 (14) (15) Employ a Chancellor for Higher Education
170 pursuant to section five of this article;

(15) (16) Employ other staff as necessary and appropriate
to carry out the duties and responsibilities of the commission
and the council, in accordance with the provisions of article
four of this chapter;

(16) (17) Provide suitable offices in Kanawha County for
the chancellor, vice chancellors and other staff;

177(17) (18) Advise and consent in the appointment of the 178presidents of the institutions of higher education under its 179jurisdiction pursuant to section six of this article. The role of 180 the commission in approving an institutional president is to assure through personal interview that the person selected 181 182 understands and is committed to achieving the goals, and 183objectives and priorities as set forth in the institutional 184 compact, <del>and</del> in section one-a, article one and article one-d of this chapter; 185

(10) (19) Approve the total compensation package from all
sources for presidents of institutions under its jurisdiction,
as proposed by the governing boards. The governing boards

189 must obtain approval from the commission of the total
190 compensation package both when institutional presidents
191 are employed initially and afterward when any change is
192 made in the amount of the total compensation package:

(19) (20) Establish and implement the policy of the state to
assure that parents and students have sufficient information
at the earliest possible age on which to base academic
decisions about what is required for students to be successful
in college, other post-secondary education and careers
related, as far as possible, to results from current assessment
tools in use in West Virginia;

200 (20) (21) Approve and implement a uniform standard 201jointly with the council to determine which students shall be placed in remedial or developmental courses. The standard 202203shall be aligned with college admission tests and assessment 204 tools used in West Virginia and shall be applied uniformly by 205the governing boards throughout the public higher education 206system. The chancellors shall develop a clear, concise explanation of the standard which they shall communicate 207208 to the state Board of Education and the state superintendent 209 of Schools;

210 (21) Review and approve or disapprove capital projects as
211 described in subdivision (11) of this subsection;

(22) Jointly with the council, develop and implement an
oversight plan to manage systemwide technology such as the
<u>including, but not limited to, the</u> following:

(A) Expanding distance learning and technology networks
to enhance teaching and learning, promote access to quality
educational offerings with minimum duplication of effort;
and

(B) Increasing the delivery of instruction to nontraditional
students, to provide services to business and industry and
increase the management capabilities of the higher education
system.

(C) Notwithstanding any other provision of law or this
code to the contrary, the council, commission and state
institutions of higher education governing boards are not
subject to the jurisdiction of the Chief Technology Officer for
any purpose;

(23) Establish and implement policies and procedures to
ensure that students <u>a student</u> may transfer and apply
toward the requirements for a bachelor's degree the maximum number of credits earned at any regionally accredited

232 in-state or out-of-state community and technical college
233 with as few requirements to repeat courses or to incur
234 additional costs as is <u>are</u> consistent with sound academic
235 policy;

(24) Establish and implement policies and procedures to
ensure that students <u>a student</u> may transfer and apply
toward the requirements for a degree the maximum number
of credits earned at any regionally accredited in-state or outof-state higher education institution with as few requirements to repeat courses or to incur additional costs as is are
consistent with sound academic policy;

(25) Establish and implement policies and procedures to
ensure that students <u>a student</u> may transfer and apply
toward the requirements for a master's degree the maximum
number of credits earned at any regionally accredited instate or out-of-state higher education institution with as few
requirements to repeat courses or to incur additional costs as
is are consistent with sound academic policy;

(26) Establish and implement policies and programs, in
cooperation with the council and the institutions of higher
education governing boards, through which students a
student who have has gained knowledge and skills through

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employment, participation in education and training at vocational schools or other education institutions, or Internet-based education programs, may demonstrate by competency-based assessment that they have he or she has the necessary knowledge and skills to be granted academic credit or advanced placement standing toward the requirements of an associate associate's degree or a bachelor's degree at a state institution of higher education;

262(27) Seek out and attend regional, national and interna-263tional meetings and forums on education and workforce development-related topics as, in the commission's discre-264265tion, is are critical for the performance of their duties as 266 members, for the purpose of keeping abreast of education 267trends and policies to aid it in developing the policies for this state to meet the established education goals, <del>and</del> objectives 268269and priorities pursuant to section one-a, article one and article one-d of this chapter; 270

(28) Develop, establish Promulgate and implement a rule
for higher education governing boards and institutions to
follow when considering capital projects <u>pursuant to article</u>
<u>nineteen of this chapter</u>; The guidelines shall assure that the
governing boards and institutions do not approve or promote

276 capital projects involving private sector businesses which
277 would have the effect of reducing property taxes on existing
278 properties or avoiding, in whole or in part, the full amount
279 of taxes which would be due on newly-developed or future
280 properties;

281(29) Consider and submit to the appropriate agencies of the 282 executive and legislative branches of state government <del>a</del> budget an appropriation request that reflects recommended 283appropriations from for the commission and the institutions 284285 governing boards under its jurisdiction. The commission shall submit as part of its budget proposal appropriation 286287request the separate recommended appropriations appropri-288ation request it received from the council, both for the 289 council and for the institutions governing boards under the 290 council's jurisdiction. The commission annually shall submit 291 the proposed institutional allocations based on each institution's progress toward meeting the goals of its institutional 292293 compact;

(30) The commission has the authority to may assess
institutions under its jurisdiction, including the state
institutions of higher education known as Marshall University and West Virginia University, for the payment of

# expenses of the commission or for the funding of statewide higher education services, obligations or initiatives related to the goals set forth for the provision of public higher education in the state:

39

302 (31) Promulgate rules allocating reimbursement of appro303 priations, if made available by the Legislature, to institu304 tions of higher education governing boards for qualifying
305 noncapital expenditures incurred in the provision of provid306 ing services to students with physical, learning or severe
307 sensory disabilities;

308 (32) Make appointments to boards and commissions where 309 this code requires appointments from the State College 310 System Board of Directors or the University of West Virginia 311System Board of Trustees which were abolished effective June 30, 2000, except in those cases where the required 312 313 appointment has a specific and direct connection to the provision of community and technical college education, the 314315appointment shall be made by the council. Notwithstanding any provisions of this code to the contrary, the commission 316 317or the council may appoint one of its own members or any 318 other citizen of the state as its designee. The commission and 319 council shall appoint the total number of persons in the

320 aggregate required to be appointed by these previous321 governing boards;

(33) Pursuant to the provisions of article three-a, chapter
twenty-nine-a of this code and section six, article one of this
chapter, promulgate rules as necessary or expedient to fulfill
the purposes of this chapter. The commission and the council
shall promulgate a uniform joint legislative rule for the
purpose purposes of standardizing, as much as possible, the
administration of personnel matters among the state institutions of higher education and implementing the provisions of

330 <u>articles seven, eight, nine and nine-a of this chapter;</u>

(34) Determine when a joint rule among the governing
boards of the institutions under its jurisdiction is necessary
or required by law and, in those instances, in consultation
with the governing boards of all the institutions under its
jurisdiction, promulgate the joint rule;

(35) In consultation with the governing boards of Marshall
University and West Virginia University, Promulgate and
implement a policy <u>rule</u> jointly with the council whereby
course credit earned at a community and technical college
transfers for program credit at any other state institution of

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341 higher education and is not limited to fulfilling a general
342 education requirement;

(36) By October 1, 2011, promulgate a joint rule with the
council pursuant to section one, article ten of this chapter,
establishing tuition and fee policy for all institutions of
higher education governing boards under the jurisdiction of
the commission, other than including state institutions of
higher education known as Marshall University and West
Virginia University. which are subject to the provisions of
section one, article ten of this chapter. The rule shall include,
but is not limited to, the following:

352 (A) Comparisons with peer institutions;

353 (B) Differences among institutional missions;

354 (C) Strategies for promoting student access;

(D) Consideration of charges to out-of-state students; and
(E) Such other policies as the commission and council
consider appropriate;

(37) Implement general disease awareness initiatives to
educate parents and students, particularly dormitory
residents, about meningococcal meningitis; the potentially
life-threatening dangers of contracting the infection;
behaviors and activities that can increase risks; measures

363 that can be taken to prevent contact or infection; and 364 potential benefits of vaccination. The commission shall 365 encourage institutions governing boards that provide 366 medical care to students to provide access to the vaccine for 367 those who wish to receive it; and

368 (38) Notwithstanding any other provision of this code to 369 the contrary sell, lease, convey or otherwise dispose of all or 370 part of any real property which it may own that it owns, 371 either by contract or at public auction, and to retain the 372 proceeds of any such sale or lease: *Provided*, *ThatProvided*, 373 That: in accordance with article nineteen of this chapter.

374(A) The commission may not sell, lease, convey or other-

375 wise dispose of any real property without first:

376 (i) Providing notice to the public in the county in which the 377 real property is located by a Class II legal advertisement 378 pursuant to section two, article three, chapter fifty-nine of 379 this code:

380 (ii) Holding a public hearing on the issue in the county in

381 which the real property is located; and

382 (iii) Providing notice to the Joint Committee on Govern-

383 ment and Finance; and

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(B) Any proceeds from the sale, lease, conveyance or other
disposal of real property that is used jointly by institutions
or for statewide programs under the jurisdiction of the
commission or the council shall be transferred to the General
Revenue Fund of the state.

(b) In addition to the powers and duties listed in subsection
(a) of this section, the commission has the following general
powers and duties related to its role in developing, articulating and overseeing the implementation of the public policy
agenda:

(1) Planning and policy leadership, including a distinct and
visible role in setting the state's policy agenda and in serving
as an agent of change;

397 (2) Policy analysis and research focused on issues affecting398 the system as a whole or a geographical region thereof;

399 (3) Development and implementation of institutional
400 mission definitions, including use of incentive funds to
401 influence institutional behavior in ways that are consistent
402 with public priorities;

403 (4) Academic program review and approval for institutions
404 governing boards under its jurisdiction. including The review
405 and approval includes use of institutional missions as a

406 template to judge the appropriateness of both new and407 existing programs and the authority to implement needed408 changes.

409 (A) The commission's authority to review and approve 410 academic programs for either the state institution of higher 411 education known as Marshall University or West Virginia 412 University is limited to programs that are proposed to be 413 offered at a new location not presently served by that 414 institution;

(B) The commission shall approve or disapprove proposed
academic degree programs in those instances where approval
is required within ninety days from the date the governing
board makes an official request. The commission may not
withhold approval unreasonably.

(5) Distribution of funds appropriated to the commission,
including incentive and performance-based funding funds;
(6) Administration of state and federal student aid programs under the supervision of the vice chancellor for
administration, including promulgation of any rules necessary to administer those programs;

426 (7) Serving as the agent to receive and disburse public
427 funds when a governmental entity requires designation of a
428 statewide higher education agency for this purpose;

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429 (8) Development, establishment and implementation of
430 Developing, establishing and implementing information,
431 assessment, and accountability and personnel systems,
432 including maintenance of maintaining statewide data
433 systems that facilitate long-term planning and accurate
434 measurement of strategic outcomes and performance indica435 tors;

436 (9) Jointly with the council, developing, establishing 437 promulgating and implementing policies rules for licensing 438 and oversight for both public and private degree-granting and nondegree-granting institutions that provide post-439 secondary education courses or programs in the state. ; 440441 pursuant to the findings and policy recommendations 442 required by section eleven of this article; The council has 443 authority and responsibility for approval of all post-second-444 ary courses or programs providing community and technical college education as defined in section two, article one of this 445446 chapter.

(10) Development, implementation and oversight of
Developing, implementing and overseeing statewide and
region-wide regional projects and initiatives related to
providing post-secondary education at the baccalaureate

451	level and above such as those using funds from federal
452	categorical programs or those using incentive and
453	performance-based <del>funding</del> <u>funds</u> from any source; <del>and</del>
454	(11) Quality assurance that intersects with all other duties
455	of the commission particularly in the areas of research, data
456	collection and analysis, <u>personnel administration</u> , planning,
457	policy analysis, program review and approval, budgeting and
458	information and accountability systems; <u>and</u>
459	(12) Developing budgets and allocating resources for
460	governing boards under its jurisdiction:
461	(A) For all governing boards under its jurisdiction, except
461 462	(A) For all governing boards under its jurisdiction, except the governing boards of Marshall University and West
462	the governing boards of Marshall University and West
462 463	the governing boards of Marshall University and West Virginia University, the commission shall review institu-
462 463 464	the governing boards of Marshall University and West Virginia University, the commission shall review institu- tional operating budgets, review and approve capital
462 463 464 465	the governing boards of Marshall University and West Virginia University, the commission shall review institu- tional operating budgets, review and approve capital budgets, and distribute incentive and performance-based
462 463 464 465 466	the governing boards of Marshall University and West Virginia University, the commission shall review institu- tional operating budgets, review and approve capital budgets, and distribute incentive and performance-based funds;
462 463 464 465 466 467	the governing boards of Marshall University and West Virginia University, the commission shall review institu- tional operating budgets, review and approve capital budgets, and distribute incentive and performance-based funds; (B) For the governing boards of Marshall University and

 $471 \ \underline{\ capital \ budgets}. The \ commission's \ comments, if \ any, \ shall \ be$ 

472 <u>made part of the governing board's minute record.</u>

(c) In addition to the powers and duties provided in
subsections (a) and (b) of this section and any other powers
and duties as may be assigned to it by law, the commission
has such other powers and duties as may be necessary or
expedient to accomplish the purposes of this article.

(d) The commission is authorized to may withdraw specific
powers of any <u>a</u> governing board of an institution under its
jurisdiction for a period not to exceed two years, if the
commission makes a determination <u>determines</u> that <u>any of</u>
the following conditions exist:

483 (1) The governing board has failed for two consecutive
484 years to develop <u>or implement</u> an institutional compact as
485 required in article <del>one</del> one-d of this chapter;

(2) The commission has received information, substantiated
by independent audit, of significant mismanagement or
failure to carry out the powers and duties of the board of
Governors governing board according to state law; or

(3) Other circumstances which, in the view of the commission, severely limit the capacity of the board of Governors
governing board to exercise its powers or carry out its duties
and responsibilities.

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The <u>commission may not withdraw specific powers for a</u> period of withdrawal of specific powers may not exceed <u>exceeding</u> two years. During which time the commission is <del>authorized to</del> the withdrawal period, the commission shall take <u>all</u> steps necessary to reestablish the conditions for <del>restoration of</del> sound, stable and responsible institutional governance.

## §18B-1B-5. Employment of Chancellor for Higher Education; office; powers and duties generally; employment of Vice Chancellors and other staff.

(a) The commission, created pursuant to by section one of
 this article, shall employ a Chancellor for Higher Education
 who is the Chief Executive Officer of the Commission and
 who serves at its will and pleasure.

5 (b) The commission shall set the qualifications for the 6 position of Chancellor and, when a vacancy occurs, shall 7 conduct a thorough nationwide search for qualified candi-8 dates. A qualified candidate is one who meets at least the 9 following criteria:

10 (1) Possesses an excellent academic and administrative11 background;

12 (2) Demonstrates strong communication skills;

13 (3) Has significant experience and an established national reputation as a professional in the field of higher education; 14 15(4) Is free of institutional or regional biases; and 16 (5) Holds or retains no other administrative position within a system of higher education while employed as chancellor. 17(c) The commission shall conduct written performance 18 evaluations of the chancellor annually and may offer the 19 20chancellor a contract not to exceed three years. At the end of 21 each contract period, the commission shall review the 22evaluations and make a determination by vote of its members 23on continuing employment and compensation level.

(d) When filling a vacancy in the position of chancellor, the
commission shall enter into an initial employment contract
for one year with the candidate selected. At the end of the
initial contract period, and each contract period thereafter,
the commission shall review the evaluations and make a
determination by vote of its members on continuing employment and compensation level for the chancellor.

(e) The commission sets the chancellor's salary. The salary
may not exceed by more than twenty percent the average
annual salary of chief executive officers of state systems of

higher education in the states that comprise the membershipof the Southern Regional Education Board.

36 (f) The commission may employ a Vice Chancellor for Health Sciences who serves at the will and pleasure of the 37 commission. The Vice Chancellor for Health Sciences shall 38 39 coordinate the West Virginia University School of Medicine, 40 the Marshall University School of Medicine and the West 41 Virginia School of Osteopathic Medicine and also shall provide assistance to the governing boards on matters 42related to medical education and health sciences. The Vice 43 Chancellor for Health Sciences shall perform all duties 44 45assigned by the chancellor, the commission and state law. In 46 the case of a vacancy in the office of Vice Chancellor of 47Health Sciences, the duties assigned to this office by law are the responsibility of the chancellor or a designee. 48

49 (g) The commission shall employ a Vice Chancellor for
50 Administration pursuant to section two, article four of this
51 chapter.

52 (h) The commission shall employ a Vice Chancellor for
53 Human Resources pursuant to section two-a, article four of
54 this chapter. The person serving as senior director of human
55 resources by the commission on January 1, 2011, is Vice

51 [Com. Sub. for S. B. No. 330 56 <u>Chancellor for Human Resources on the effective date of this</u> 57 <u>section. Additionally, the commission shall employ a quali-</u> 58 <u>fied generalist in the field of human resources pursuant to</u> 59 <u>section two-a, article four of this chapter. The human</u> 60 <u>resources generalist shall report to the Vice Chancellor for</u> 61 Human Resources.

(h) (i) The commission may employ a Vice Chancellor for
State Colleges who serves at the will and pleasure of the
commission. It is the duty and responsibility of <u>At a mini-</u>
<u>mum</u>, the Vice Chancellor for State Colleges to <u>shall perform</u>
<u>the following duties:</u>

67 (1) Provide assistance to the commission, the chancellor
68 and the state colleges on matters related to or of interest and
69 concern to these institutions;

(2) Advise, assist and consult regularly with the institutional presidents and institutional boards of Governors
governing boards of each state college;

(3) Serve as an advocate and spokesperson for the state
colleges to represent them and to make their interests, views
and issues known to the chancellor, the commission and
governmental agencies;

(4) Perform all duties assigned by the chancellor, thecommission and state law.

In addition, the Vice Chancellor for State Colleges has the
responsibility and the duty to shall provide staff assistance
to the institutional presidents and governing boards to the
extent practicable.

(i) (j) On behalf of the commission, the chancellor may
enter into agreements with any state agency or political
subdivision of the state, any state higher education institution of higher education or any other person or entity to
enlist staff assistance to implement the powers and duties
assigned by the commission or by state law.

(j) (k) The chancellor is responsible for the daily operations
of the commission and has the following responsibilities
relating to the commission and the institutions governing
boards under its jurisdiction:

93 (1) To carry out policy and program directives of the94 commission;

(2) To develop and submit annual reports on the implementation plan to achieve the goals and objectives set forth in
section one-a, article one <u>and article one-d</u> of this chapter,
and in the <u>institutional</u> compacts;

99 (3) To prepare and submit to the commission for its
100 approval the proposed budget of the commission including
101 the offices of the chancellor and the vice chancellors;

102 (4) To assist the governing boards in developing rules, 103subject to the provisions of section six, article one of this chapter. Nothing in this chapter requires the rules of the 104 governing boards to be filed pursuant to the rule-making 105106 procedures provided in article three-a, chapter twenty-ninea of this code. The commission and the council, either 107separately or jointly as appropriate, are responsible for 108 ensuring that any policy which is required to be uniform 109110 across the institutions is applied in a uniform manner;

(5) To perform all other duties and responsibilities assignedby the commission or by state law.

(k) (l) The chancellor shall be reimbursed for all actual and
necessary expenses incurred in the performance of all
assigned duties and responsibilities.

(1) (m) The chancellor, with the commission, advises the
Legislature on matters of higher education in West Virginia.
The chancellor shall work closely with the Legislative
Oversight Commission on Education Accountability and
with the elected leadership of the state to ensure that they

121 are fully informed about higher education issues and that the
122 commission fully understands the goals, <u>objectives and</u>
123 <u>priorities</u> for higher education that the Legislature has
124 established by law.

125(m) (n) The chancellor may design and develop for consid-126eration by the commission new statewide or regional region-127 wide initiatives in accordance with the goals set forth in section one-a, article one and article one-d of this chapter, 128 and the public policy agenda articulated by the commission. 129130In those instances where the initiatives to be proposed have 131a direct and specific impact or connection to community and technical college education as well as to baccalaureate and 132graduate education, the Chancellor for Higher Education and 133134 the Chancellor for Community and Technical College 135Education shall design and develop the initiatives jointly for 136consideration by the commission and the council.

(n) (o) To further the goals of cooperation and coordination
between the commission and the state Board of Education,
the chancellor serves as an ex officio, nonvoting member of
the state board. The chancellor shall work closely with
members of the state Board of Education and with the State

142 Superintendent of Schools to assure that the following goals143 are met:

144 (1) Development and implementation of a seamless145 kindergarten-through-college system of education; and

146 (2) Appropriate coordination of missions and programs.

147 To further the goals of cooperation and coordination

148 between the Commission and the state Board of Education,

149 the chancellor serves as an ex officio, nonvoting member of

150 the state Board of Education.

ARTICLE 2A. INSTITUTIONAL BOARDS OF GOVERNORS.

# §18B-2A-3. Supervision of governing boards; promulgation of rules.

(a) The governing boards are subject to the supervision of
 the commission or the council, as appropriate, except for in
 those instances where specific statutory exceptions are
 granted by law to the governing boards of Marshall Univer sity and West Virginia University. as it relates to the state
 institutions of higher education known as Marshall Univer sity and West Virginia University

8 (b) The governing boards of all state institutions of higher

9 education are subject to the provisions of law that relate to

10 the administration of personnel matters including, specifi-

11 cally, articles seven, eight, nine and nine-a of this chapter
12 and to rules promulgated and adopted in accordance with
13 these provisions.

14 (c) The Chancellor for Higher Education and the Chancel-15 lor for Community and Technical College Education, under the supervision of their respective boards, are responsible for 1617the coordination of policies, and purposes and rules of the governing boards and shall provide for and facilitate suffi-18 19 cient interaction among the governing boards and between the governing boards and the state Board of Education to 2021meet the goals and objectives provided in the compacts and 22in section one-a, article one and article one-d of this chapter. 23(b) (d) The governing boards and the state Board of Education shall provide <del>any and</del> all information requested 24by the commission <del>or</del> and the council, whether the request is 2526made separately or jointly, in an appropriate format and in a timely manner. 27

#### §§18B-2A-4. Powers and duties of governing boards generally.

Each governing board separately has the following powers
 and duties:

3 (a) Determine, control, supervise and manage the financial,
4 business and education policies and affairs of the state
5 institution of higher education under its jurisdiction;

6 (b) Develop a master plan for the institution under its7 jurisdiction.

8 (1) The ultimate responsibility for developing and updating 9 each master plan at the institutional level institution resides 10 with the board of governors governing board, but the 11 ultimate responsibility for approving the final version of 12 each institutional master plan, including periodic updates, 13 resides with the commission or council, as appropriate.

14 (2) Each institutional master plan shall include, but is not
15 be limited to, the following:

16 (A) A detailed demonstration of how the institutional
17 master plan will be used to meet the goals, and objectives
18 and priorities of the institutional compact;

(B) A well-developed set of goals, <u>objectives and priorities</u>
outlining missions, degree offerings, resource requirements,
physical plant needs, personnel needs, enrollment levels and
other planning determinates and projections necessary in a
plan to assure that the needs of the institution's area of
responsibility for a quality system of higher education are
addressed;

26 (C) Documentation showing how the governing board27 involved the commission or council, as appropriate, institu-

tional constituency groups, clientele of the institution and
the general public in the development of all segments of the
institutional master plan.

(3) The plan shall be established for periods of not fewer 31than three nor more than five years and shall be revised 32periodically as necessary, including adding or deleting 33 degree programs as the governing board in its discretion 34 determines is necessary; bachelor's, master's and doctoral 35 36 degree programs for all governing boards as approved by the commission or council, respectively, except for the governing 37boards of Marshall University and West Virginia University 38 only, the commission may review, but may not approve or 39 40 disapprove, additions or deletions of degree programs.

41 (c) Develop a ten-year campus development plan in42 accordance with article nineteen of this chapter;

(d) Prescribe for the institution, under its jurisdiction, in
accordance with its master plan and compact, specific
functions and responsibilities to achieve the goals, objectives
and priorities established in articles one and one-d of this
chapter to meet the higher education needs of its area of
responsibility and to avoid unnecessary duplication;

52 tional master plan and the institutional compact;

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51

(f) Consider, revise and submit <u>for review and approval</u> to
the commission or council, as appropriate, an appropriation
request on behalf of the institution under its jurisdiction;

to missions, goals and projections as found in the institu-

56(g) Review, at least every five years, all academic programs 57offered at the institution under its jurisdiction. The review shall address the viability, adequacy and necessity of the 58 programs in relation to established state goals, objectives 59and priorities, the <del>institutional</del> master plan, the <del>institutional</del> 60 compact and the education and workforce needs of its 61 62 responsibility district. As a part of the review, each governing board shall require the institution under its jurisdiction 63 to conduct periodic studies of its graduates and their em-64 65 ployers to determine placement patterns and the effective-66 ness of the education experience. Where appropriate, these 67 studies should coincide with the studies required of many academic disciplines by their accrediting bodies; 68

69 (h) Ensure that the sequence and availability of academic70 programs and courses offered by the institution under its

71 jurisdiction is such that students have the maximum oppor-72tunity to complete programs in the time frame normally 73associated with program completion. Each governing board is responsible to see that the needs of nontraditional college-7475age students are appropriately addressed and, to the extent it is possible for the individual governing board to control, to 76 assure core course work completed at the institution is 77 78 transferable to any other state institution of higher education for credit with the grade earned; 79

80 (i) Subject to article one-b of this chapter, approve the teacher education programs offered in the institution under 81 82 its control. In order to permit graduates of teacher education 83 programs to receive a degree from a nationally accredited program and in order to prevent expensive duplication of 84 program accreditation, the commission may select and use 85 one nationally recognized teacher education program 86 accreditation standard as the appropriate standard for 87 program evaluation; 88

(j) Involve faculty, students and classified employees in
institutional-level institution-level planning and
decisionmaking when those groups are affected;

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(k) Subject to the provisions of federal law and pursuant to
articles seven, eight, and nine and nine-a of this chapter and
to rules adopted by the commission and the council, administer a system for the management of personnel matters,
including, but not limited to, personnel classification,
compensation and discipline for employees at the institution
under its jurisdiction;

99 (1) Administer a system for hearing employee grievances
100 and appeals. Notwithstanding any other provision of this
101 code to the contrary, the procedure established in article
102 two, chapter six-c of this code is the exclusive mechanism for
103 hearing prospective employee grievances and appeals;

(m) Solicit and use or expend voluntary support, including
financial contributions and support services, for the institution under its jurisdiction;

107 (n) Appoint a president for the institution under its108 jurisdiction subject to section six, article one-b of this109 chapter;

(o) Conduct written performance evaluations of thepresident pursuant to section six, article one-b of thischapter;

(p) Employ all faculty and staff at the institution under its
jurisdiction. The employees operate under the supervision of
the president, but are employees of the governing board;
(q) Submit to the commission or council, as appropriate,
any data or reports requested by the commission or council;
as appropriate, within the time frame set by the commission
or council;

(r) Enter into contracts or consortium agreements with the
public schools, private schools or private industry to provide
technical, vocational, college preparatory, remedial and
customized training courses at locations either on campuses
of the state institutions of higher education or at off-campus
locations in the institution's responsibility district. To
accomplish this goal, the boards may share resources among
the various groups in the community;

(s) Provide and transfer funding funds and property to
certain corporations pursuant to section ten, article twelve
of this chapter;

(t) Delegate, with prescribed standards and limitations, the
part of its power and control over the business affairs of the
institution to the president in any case where it considers the
delegation necessary and prudent in order to enable the

institution to function in a proper and expeditious manner 135and to meet the requirements of its master plan and compact. 136If a governing board elects to delegate any of its power and 137138 control under this subsection, it shall enter the delegation in 139the minutes of the meeting when the decision was made and shall notify the commission or council, as appropriate. Any 140delegation of power and control may be rescinded by the 141 142appropriate governing board, the commission or council, as appropriate, at any time, in whole or in part, except that the 143144 commission may not revoke delegations of authority made by the governing <del>boards</del> board of Marshall University or West 145146Virginia University; as they relate to the state institutions of 147higher education known as Marshall University and West 148Virginia University;

(u) Unless changed by the commission or the council, as
appropriate, continue to abide by existing rules setting forth
standards for acceptance of accepting advanced placement
credit for the institution under its jurisdiction. Individual
departments at a state institution of higher education, may,
upon with approval of the institutional faculty senate, may
require higher scores on the advanced placement test than
scores designated by the governing board when the credit is

157 to be used toward meeting a requirement of the core curricu-158 lum for a major in that department;

(v) Consult, cooperate and work <u>coordinate</u> with the State
Treasurer and the State Auditor to update as necessary and
maintain an efficient and cost-effective system for the
financial management and expenditure of appropriated and
nonappropriated revenue at the institution under its jurisdiction. that ensures <u>The system shall ensure</u> that properly
submitted requests for payment <del>be</del> <u>are</u> paid on or before the
due date but, in any event, within fifteen days of receipt in
the State Auditor's office;

168 (w) In consultation with the appropriate chancellor and the 169Secretary of the Department of Administration, develop, 170 update as necessary and maintain a plan to administer a 171 consistent method of conducting personnel transactions, including, but not limited to, hiring, dismissal, promotions, 172173 changes in salary or compensation and transfers at the 174 institution under its jurisdiction. Each personnel transaction 175shall be accompanied by the appropriate standardized 176 system or forms, as appropriate, which shall be submitted to the respective governing board and the Department of 177178 Finance and Administration:

65 [Com. Sub. for S. B. No. 330 (1) Not later than July 1, 2012, the Department of Adminis-180 tration shall make available to each governing board the 181 option of using a standardized electronic system for these 182 personnel transactions.

(2) The Secretary of the Department of Administration may
suspend a governing board's participation in the standardized electronic system if he or she certifies to the Governor
that the governing board has failed repeatedly and substantially to comply with the department's policies for administering the electronic system;

(x) Notwithstanding any other provision of this code to the
contrary, transfer funds from any account specifically
appropriated for its use to any corresponding line item in a
general revenue account at any agency or institution under
its jurisdiction as long as the transferred funds are used for
the purposes appropriated;

(y) Transfer funds from appropriated special revenue
accounts for capital improvements under its jurisdiction to
special revenue accounts at agencies or institutions under its
jurisdiction as long as the transferred funds are used for the
purposes appropriated in accordance with article nineteen of
this chapter;

(z) Notwithstanding any other provision of this code to the
contrary, acquire legal services that are necessary, including
representation of the governing board, its institution,
employees and officers before any court or administrative
body. The counsel may be employed either on a salaried basis
or on a reasonable fee basis. In addition, the governing board
may, but is not required to, call upon the Attorney General
for legal assistance and representation as provided by law;
and

(aa) Contract and pay for disability insurance for a class or
classes of employees at a state institution of higher education
under its jurisdiction.

#### §18B-2A-8. Additional powers and duties of governing boards.

(a) <u>The governing board of</u> a state institution of higher
 education is granted the <u>additional</u> powers <u>and assigned the</u>
 <u>associated</u> duties <del>and authorities</del> <u>pursuant to this section</u>
 previously granted <u>and assigned</u> to the state institutions of
 higher education known as the governing boards of Marshall
 University and West Virginia University, <u>subject to the</u>
 following: <u>if</u>

8 (1) The institutional operating budgets of all institutions to
9 which this section applies have achieved a level of funding

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10 comparable with, but not less than ninety percent of, their 11 respective peers, as established pursuant to section three, 12 article one-a of this chapter;(2) the commission or council, as 13appropriate, approves granting the powers and assigning the 14 duties and authorities to that institution governing board. 15 and 16 (3) The powers, duties and authorities may not be granted 17 to any institution prior to the first day of July, two thousand 18 twelve. 19(b) The powers and duties and authorities that may be 20 granted and assigned pursuant to this section are those 21 provided in the following: 22(1) Section four-a, article six, chapter five of this code; 23(2) Section two, article one, chapter five-g of this code; 24 (3) Section twelve-b, article one, chapter twelve of this 25 code; (4) (1) Sections five, six and seven, and eight, article three, 26chapter twelve of this code; 2728 (5) Sections three and six, article one of this chapter; 29(6) Section two, article one-a of this chapter; 30 (7) Section four, article one-b of this chapter;

31 (8) Sections three and four of this article;

32 (9) (2) Sections Section two and three, article three of this
33 chapter;

34 (10) (3) Sections five, five-a, six and seven, article four of
35 this chapter;

36 (11) (4) Sections three, four, Section seven and nine, article
37 five of this chapter; and

38 (12) (5) Sections one and Section six-a, article ten of this
39 chapter.

40 (c) This section does not apply to any community and
41 technical college.

42 (c) Additional powers and duties related to purchasing –

43 <u>The powers and duties granted and assigned to the governing</u>

44 boards of Marshall University and West Virginia University

45 by section four, article five of this chapter are extended to

46 the governing boards of all other state institutions of higher

47 <u>education under the following conditions:</u>

48 (1) The commission and council shall conduct a study to

49 determine the capacity of each governing board under their

50 <u>respective jurisdictions to implement the additional powers</u>

51 and carry out the additional assigned duties related to

52 purchasing;

69 [Com. Sub. for S. B. No. 330 (2) Based upon the findings of the study, the commission and council shall approve the governing boards under their respective jurisdictions that they determine have the capacity to exercise the powers and carry out the assigned duties

- 57 <u>pursuant to section four, article five of this chapter; and</u>
- 58 (3) The commission and council shall report their findings
- 59 together with a list of the governing boards they each have
- 60 approved to the Legislative Oversight Commission on
- 61 Education Accountability by December 1, 2011.

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- 62 (d) The commission and council have the power and the
- 63 duty to monitor participation and provide technical assis-
- 64 tance, as requested or required, to governing boards under
- 65 their respective jurisdictions and to limit or rescind exercise
- 66 of the powers, in whole or in part, granted by this section to
- 67 a governing board if, in the sole determination of the
- 68 <u>commission or council, as appropriate, that action is war-</u>69 ranted.

### ARTICLE 2B. WEST VIRGINIA COUNCIL FOR COMMUNITY AND TECHNICAL COLLEGE EDUCATION.

# §18B-2B-3. West Virginia Council for Community and Technical College Education; supervision of chancellor; chief executive officer.

(a) There is continued the West Virginia Council for
 Community and Technical College Education. The council
 has all the powers and duties assigned by law to the joint
 commission for vocational—technical-occupational educa tion prior to the effective date of this section July 1, 2001,
 and such all other powers and duties as may be assigned by
 law.

8 (b) The council shall employ a chancellor for community and technical college education. The chancellor serves as 9 chief executive officer of the council at the will and pleasure 10 of the council. The chancellor shall be compensated at a level 11 set by the council not to exceed eighty percent of the annual 1213salary of the chancellor for higher education average annual salary of chief executive officers of the state systems of 14 community and technical colleges in the states that comprise 15 16 the membership of the Southern Regional Education Board. 17(1) The vice chancellor for community and technical 18 college education and workforce development, as the current 19chief executive officer of the council, shall continue in such capacity upon the effective date of this section, and shall be 20the chancellor for community and technical college educa-2122 tion.

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(A) The council shall conduct a written performance
evaluation of the chancellor one year after the effective date
of this section. The council shall report the results of the
evaluation to the Legislative Oversight commission on
education accountability during the legislative interim
meeting period following the evaluation.

29 (B) After reviewing the evaluation, the council shall make
30 a determination by vote of its members on continuing
31 employment and compensation level for the chancellor.

32 (C) After the initial contract period, (c) The council shall 33 conduct written performance evaluations of the chancellor 34 annually and may offer the chancellor a contract of longer 35 term, but not to exceed three years. At the end of each 36 contract period, the council shall review the evaluations and 37 make a determination by vote of its members on continuing 38 employment and level of compensation.

39 (D) (d) When a vacancy occurs in the position of chancel40 lor, the council shall enter into an initial employment
41 contract for one year with the candidate selected to fill the
42 vacancy. At the end of the initial period, and each contract
43 period thereafter, the council shall make a determination by
44 vote of its members on continuing employment and compen-

45 sation level for the chancellor and shall continue thereafter
46 as set forth in paragraph (C) of this subdivision review the
47 evaluations and make a determination by vote of its members
48 on continuing employment and compensation level for the
49 chancellor.

(2) (e) The chancellor individual who was serving as Vice 50Chancellor for Community and Technical College Education 5152and Workforce Development and who became chancellor 53effective March 13, 2004, maintains all benefits of employment held, accrued and afforded as the Vice Chancellor for 54Community and Technical College Education and Workforce 55Development prior to March 13, 2004, Such These benefits 5657include, but are not limited to, retirement benefits, continued membership in the same retirement system, <del>any</del> insurance 58 coverage and sick and annual leave. For the purposes of 59leave conversion established in section thirteen, article 60 61 sixteen, chapter five of this code, the chancellor is not a new employee and the prohibition on conversion does not apply 62if the chancellor was eligible for leave conversion while 63 serving as vice chancellor. on the day preceding the effective 64 date of this section. On the effective date of this section for 65

- 66 the purpose of section thirteen, article sixteen, chapter five
  67 of this code, the chancellor:
- (A) Maintains all sick and annual leave accrued, and all
  rights to convert the leave that had been accrued as vice
  chancellor; and
- (B) Continues to maintain his or her status for eligibility
  under the provisions and application of said section as
  applied while serving as vice chancellor on the day preceding
  the effective date of this section.

# ARTICLE 3. ADDITIONAL POWERS AND DUTIES OF GOVERNING BOARDS.

## §18B-3-1. Legislative findings, purpose; intent; definition.

(a) The Legislature finds that an effective and efficient
system of doctoral-level education is vital to providing for
the economic well-being of the citizens of West Virginia and
for accomplishing established state goals and objectives. As
the only research and doctoral-granting public universities
in the state, Marshall University and West Virginia University are major assets to the citizens of West Virginia and
must be an integral part of any plan to strengthen and
expand the economy.

(b) The Legislature further finds that these two institutions
must compete in both a national and global environment that
is rapidly changing, while they continue to provide high
quality education that is both affordable and accessible and
remain accountable to the people of West Virginia for the
most efficient and effective use of scarce resources.

16 (c) The Legislature further finds that Marshall University 17 and West Virginia University, under the direction of their respective governing boards, have sufficient staff and 18 internal expertise to may manage operational governance of 19 20their institutions in an efficient and accountable manner and 21can may best fulfill their public missions when their govern-22ing boards are given flexibility and autonomy sufficient to 23meet state goals, objectives and priorities established in this article, and in section one-a, article one and article one-d of 24this chapter. 25

26 (d) Therefore, the purposes of this article include, but are27 not limited to, the following:

(1) Enhancing the competitive position of Marshall University and West Virginia University in the current environment
for research and development;

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31 (2) Providing the governing boards of these institutions
32 with operational flexibility and autonomy <u>in certain areas</u>,
33 including tools to promote economic development in West
34 Virginia;

35 (3) Encouraging the development of research expertise in
36 areas directly beneficial to the state; and

(4) Focusing the attention and resources of the governing
boards on state goals, <u>objectives</u> and priorities to enhance
the competitive position of the state and the economic, social
and cultural well-being of its citizens; and

(5) Providing additional autonomy and operational flexibility and assigning certain additional responsibilities to
governing boards of other state institutions of higher
education.

45 (e) The following terms wherever used or referred to in this
46 chapter have the following meaning, unless a different
47 meaning plainly appears from the context:

48 (1) "State institution of higher education known as
49 Marshall University" means the doctoral-granting research
50 institution and does not include Marshall Community and
51 Technical College; and

- 52 (2) "State institution of higher education known as West
- 53 Virginia University" means the doctoral-granting research
- 54 institution. and does not include any of the following:
- 55 (A) The regional campus known as West Virginia Univer-
- 56 sity Institute of Technology;

57 (B) The administratively linked institution known as the

- 58 Community and Technical College at West Virginia Univer-
- 59 sity Institute of Technology; and

60 (C) The regional campus known as West Virginia Univer61 sity at Parkersburg.

62 (f) (e) The governing boards of Marshall University and 63 West Virginia University each have the power and the 64 obligation to perform functions, tasks and duties as pre-65 scribed by law and to exercise their authority and carry out 66 their responsibilities in a manner that is consistent with and 67 not in conflict with the powers and duties assigned by law to 68 the West Virginia council for Community and Technical 69 College Education and the Higher Education Policy commis-70 sion.

(g) (f) While the governing boards of Marshall University
and West Virginia University, respectively, may choose to
delegate powers and duties to the their respective presidents

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74 of the state institutions of higher education known as Marshall University and West Virginia University pursuant 75 to subsection (s), section four, article two-a of this chapter, 76ultimately, it is they who are accountable to the Legislature, 77 78 the Governor and the citizens of West Virginia for meeting the established state goals, objectives and priorities set forth 79in this article, and in section one-a, article one and article 80 81 one-d of this chapter. Therefore, it is the intent of the Legislature that grants of operational flexibility and auton-82 omy be are made directly to the governing boards and are 83 not grants of operational flexibility and autonomy to the 84 85 presidents president of these institutions an institution.

# §18B-3-3. Relationship of governing boards to the commission and the council.

(a) Relationship between the commission and the governing
 boards. –

3 (1) The commission functions as a state-level coordinating
4 board exercising its powers and duties in relation to the
5 governing boards of Marshall University and West Virginia
6 University only as specifically prescribed by law;

7 (2) The primary responsibility of the commission is to work8 collaboratively with the governing boards to research,

9 develop and propose policy that will achieve the established
10 goals, and objectives, and priorities set forth in this chapter
11 and chapter eighteen-c of this code; and
12 (3) The commission has specific responsibilities powers and

12 (3) The commission has specific <del>responsibilities</del> <u>powers and</u>

13 <u>duties</u> which include, but are not limited to, the following:

14 (A) Advocating for public higher education at the state15 level; and

16 (B) Jointly with the council, implementing the classifica-

17 tion and compensation system established by articles seven,

18 eight, nine and nine-a of this chapter; and

(B) (C) Collecting and analyzing data, researching, developing recommendations, and advising the Legislature and
the Governor on broad policy initiatives, use of incentive
funding, national and regional trends in higher education
and issues of resource allocation involving multiple governing boards.

(b) Relationship between the council and the governing
boards. - (1) The council maintains all powers and duties
assigned to it by law or policy rule relating to the institution
known as Marshall Community and Technical College, the
administration known as The Community and Technical
College at West Virginia University Institute of Technology

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31 and the institution known as West Virginia University at
32 Parkersburg community and technical colleges as defined in
33 section two, article one of this chapter;

34(2) The council functions as a coordinating board for the institutions under its jurisdiction which make up the 35 statewide network of independently-accredited community 36 37 and technical colleges. In addition to recognizing the 38 authority assigned by law to the council and abiding by rules 39 duly promulgated by the council relating to the community and technical colleges, it is the responsibility of the govern-40 41 ing boards of Marshall University and West Virginia Univer-42sity to shall exercise their authority and carry out their responsibilities in a manner that is consistent with and 43 44 complementary to the powers and duties assigned by law or policy rule to the community and technical colleges or to the 45 46 council:

47 (c) The governing boards shall work collaboratively with
48 the commission, the council and their staff to provide any
49 and all information requested by the commission or the
50 council in an appropriate format and in a timely manner.

## §18B-3-4. Duty of governing boards to address state priorities.

(a) The expertise of faculty and graduate students at the
 state institutions of higher education known as Marshall

3 University and West Virginia University is important to 4 every citizen of this state. It is the responsibility of the governing boards to channel this expertise into research and 5 analysis that will yield measurable benefits to the citizens of 6 7 West Virginia. Therefore, in addition to the goals, for postsecondary education objectives and priorities established in 8 section one-a, article one and article one-d of this chapter 9 10 and goals established elsewhere in this code, it is the respon-11 sibility of the governing boards in collaboration to concen-12trate attention and resources on certain specific state priorities that have a direct, positive impact on the economic, 1314 social and cultural well-being of the people of West Virginia. 15These priorities include, but are not limited to, the following: 16 (a) Priorities for Marshall University and West Virginia University in collaboration: 17

18 (1) Developing Regional Brownfield Assistance Centers19 pursuant to section seven, article eleven of this chapter;

(2) Performing professional development-related research
and coordinating the delivery of professional development to
educators in the public schools of the state pursuant to the
provisions of article two, chapter eighteen of this code; and

(3) Building subject matter expertise in public school
<u>education</u> finance, including mastery of the theories and
concepts used in developing formulas to provide state-level
financial support to public education. and

(4) Researching and proposing cost-efficient methods to the
Legislature for governing boards other than Marshall
University and West Virginia University to dispose of
obsolete computers and computer-related equipment.

(b) The Legislature may, but is not required to, make
additional appropriations for the benefit of the state institutions of higher education known as Marshall University and
West Virginia University to assist them in fulfilling the
purposes set forth in subsection (a) of this section.

37 (c) Additional priorities for governing boards:

(c) (d) In addition to the priorities established in subsection 38 (a) of this section, each governing board <u>under the jurisdic-</u> 39 tion of the commission <del>separately</del> shall focus resources and 40 41 attention on improving their its graduation rates rate for 42full-time undergraduate students as a specific institutional priority. The graduation rate is measured as a percentage of 43 the <u>number of</u> undergraduate students who obtain a degree 44 within six years of the date of enrollment as full-time 45

46 freshmen. The governing boards shall develop and imple47 ment plans to reach the following goals:

(1) Marshall University shall attain a graduation rate for
full-time undergraduate students of forty percent by the first
day of July, two thousand eight, and shall attain a graduation rate for full-time undergraduate students of forty-five
percent by July 1, 2010.

(2) West Virginia University shall attain a graduation rate
for full-time undergraduate students of sixty percent by the
first day of July, two thousand eight, and shall attain a
graduation rate for full-time undergraduate students of
sixty-three percent by July 1, 2010.

(1) By July 1, 2015, the governing board of each state
institution of higher education under the jurisdiction of the
commission, including the governing boards of Marshall
University and West Virginia University, shall attain a
graduation rate for full-time undergraduate students that
equals or exceeds the graduation rate of its peers established
pursuant to section three, article one-a of this chapter.
(3) (2) The commission shall monitor and report annually

(3) (2) The commission shall monitor and report <u>annually</u>
by December 1, <del>2005, and annually thereafter,</del> to the Legislative Oversight Commission on Education Accountability on

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68 the progress of the governing boards toward meeting the
69 goals set forth in subdivisions (1) and (2) of this subsection.
ARTICLE 4. GENERAL ADMINISTRATION.

#### §18B-4-1. Employment of chancellors; designation of staff; offices.

(a) The council and commission each shall employ a
 chancellor to assist in the performance of their respective
 duties and responsibilities subject to the following condi tions:

5 (1) Each chancellor serves at the will and pleasure of the6 hiring body.

7 (2) Neither chancellor may hold or retain any other8 administrative position within the system of higher educa-9 tion while employed as chancellor.

(3) Each chancellor is responsible for carrying shall carry
out the directives of the body by whom employed and shall
work <u>collaborate</u> with that body in developing policy
options.

(4) The commission is responsible to the council and the
Chancellor for Community and Technical College Education
for providing services in areas essential to exercising the
powers and duties assigned to the council by law. The
commission may not charge the council any fee for the

19 provision of these essential services. The service areas 20 include, but are not limited to, legal services, research, 21 technology, computing, finance and facilities, academic 22 affairs, telecommunications, human resources, student 23 services and any other general areas the council considers to 24 be essential to the exercise of its legal authority. The services 25 are provided under the general supervision of the Vice 26 Chancellor for Administration.

(5) For the purpose of developing or evaluating policy
options, the chancellors may request the assistance of the
presidents and staff of the institutions employed by the
governing boards under their respective jurisdictions.

(b) In addition to the staff positions designated in subdivision (4), subsection (a) of this section, and section five, article
<u>one-b of this chapter</u>, the Vice Chancellor for Administration, employed pursuant to section two of this article, serves
the offices of the chancellors to discharge jointly the duties
and responsibilities of the council and commission.

37 (c) The Vice Chancellor for Health Sciences shall coordi38 nate the West Virginia University School of Medicine, the
39 Marshall University School of Medicine and the West
40 Virginia School of Osteopathic Medicine.

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41 (d) (c) Suitable offices for the Vice Chancellor of Adminis42 tration, the Vice Chancellor for Human Resources and other
43 staff shall be provided in Kanawha County.

# §18B-4-2a. Employment of vice chancellor for human resources; powers and duties generally; staff; office.

(a) By and with the advice and consent of the council for
 community and technical college education, the commission
 shall employ a Vice Chancellor for Human Resources who
 may not be dismissed without the consent of the council. The
 person employed as senior director of human resources by
 the commission on January 1, 2011, becomes the Vice
 Chancellor for Human Resources on the effective date of this
 section. Thereafter, any vacancy occurring in this position
 shall be filled in accordance with this section.

10 (b) The successful candidate for the position of vice 11 chancellor provides vision, leadership and direction to 12 ensure the human resources system for employees of the 13 commission, council and governing boards is effective, 14 efficient and aligned with industry best practices. The 15 successful candidate possesses the following minimum 16 qualifications:

17 (1) A master's degree in human resources or a related field;18 and

(2) Thorough knowledge of and experience administering
employment laws and regulations, recruiting and selection
techniques, employee relations techniques and methodologies, legal reporting and compliance requirements.

23(c) The Vice Chancellor, in consultation with the chancel-24lors, performs functions, tasks and responsibilities necessary to carry out the policy directives of the council and commis-25sion and any other duties prescribed by law. The Vice 26Chancellor oversees and monitors all issues related to the 27personnel system for higher education employees and 2829provides technical support to organizations as directed or requested on all issues related to the design, development, 30 implementation and administration of the personnel system 31 32established by this chapter and by duly promulgated rules. 33 (d) The Vice Chancellor supervises the professional, 34 administrative, clerical and other employees necessary to 35 carry out assigned powers and duties. In consultation with the Vice Chancellor for Administration and the chancellors, 36 the Vice Chancellor shall delineate staff responsibilities as 37

38 considered desirable and appropriate.

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(e) The Vice Chancellor provides support to the chancellors
and organizations on a highly diverse range of issues including assisting them to develop a culture of constant improvement in a rapidly changing, complex market. Duties of the
position include, but are not limited to, the following:

(1) Developing and implementing business-related initiatives involving organizational design, labor cost management, executive recruitment and compensation, leadership
and management development, human resources data and
technology, and compensation and benefits programs;

49 (2) Chairing the Job Classification Committee and the
50 Compensation Planning and Review Committee established
51 by sections four, and five, article nine-a of this chapter.

(3) Assuming responsibility for coordinating compensation
and benefits programs for all employees, including designing
these programs, and for supporting each higher education
organization in implementing the programs;

56 (4) Maintaining consistent human resources information
57 systems and selecting and supervising benefits consultants,
58 brokers, trustees and necessary legal assistants;

59 (5) Maintaining the classification system by providing for60 regular review of jobs to determine whether the current job

61 description accurately reflects the duties and responsibilities
62 and whether the job is properly classified or needs to be
63 modified or deleted. Every job shall be reviewed at least once
64 within each five-year period;

(6) Ensuring that market comparison studies are conducted
for each class of employees and providing a report annually
to each organization on the status of relative market equity
among the employee classifications.

69 (7) Carrying out the following duties related to training70 and development:

(A) Analyzing and determining training needs of organization employees and formulating and developing plans,
procedures and programs to meet specific training needs and
problems. Successful completion of these tasks requires the
vice chancellor to work closely with and communicate
regularly with the training and development coordinators
employed by each organization;

(B) Developing, constructing, maintaining and revising
training manuals and training aids or supervising development of these materials by outside suppliers;

81 (C) Planning, conducting, and coordinating management82 inventories, appraisals, placement, counseling and training;

(D) Coordinating participation by all employees in training
programs developed internally or provided by outside
contractors; and

(E) Administering and analyzing an annual training and
development needs survey. The survey may coincide with the
completion of the annual performance review process.

89 (8) Conducting performance reviews of personnel who 90 administer human resources functions at each organization in relation to best practices pursuant to articles seven, eight, 91nine and nine-a of this chapter and rules of the commission 92 93 and council. Human resources personnel at each organiza-94 tion shall be evaluated at least once within each three-year 95 period. The Vice Chancellor shall analyze the results of these 96 evaluations and target training and professional development to identified areas of deficiency. 97

(f) To assist in performing the duties of vice chancellor, the
commission, with the consent of the council, shall employ a
generalist/manager who is well qualified in the field of
human resources. The position reports to the Vice Chancellor
for Human resources and shall be filled on a permanent basis
by September 1, 2011. The successful candidate is responsible for a wide range of human resources management,

105 reporting and development activities and works collabor-106 atively with governing boards and their employees at all107 levels.

# ARTICLE 5. HIGHER EDUCATION BUDGETS AND EXPENDITURES. §18B-5-9. Higher education fiscal responsibility.

(a) The governing boards of Marshall University and West
 Virginia University each shall ensure the fiscal integrity of
 its their operations using best business and management
 practices.

5 (1) The practices include at least the following:

6 (A) Complying with Generally Accepted Accounting Principles of the Governmental Accounting Standards Board 7 (GAMP); and the Generally Accepted Government Auditing 8 Standards of the Government Accountability Office (GAGA); 9 (B) Operating without material weakness in internal 10 controls as defined by GAMP, GAGA and, where applicable, 11 the Office of Management and Budget (OMB) Circular A-133; 1213(C) Maintaining annual audited financial statements with an unqualified opinion: 14

(D) Presenting Preparing annual audited financial statements to the respective governing board as coordinated and
directed by the commission and council, respectively, and as

18 <u>the commission requires to complete the higher education</u>19 fund audit;

(E) Maintaining quarterly financial statements certified bythe chief financial officer of the institution; and

(F) Implementing best practices from Sarbanes-Oxley, or
adopting the applicable tenets of Sarbanes-Oxley as best
practices.

(2) Marshall University, West Virginia University Each
governing board and the any affiliated research corporation
of each (A) shall comply with the OMB Circular A-133
annual grant award audit requirements and (B) is are exempt
from the provisions of section fourteen, article four, chapter
twelve of this code.

(3) Within thirty days of the completion of the financial
audit report, the governing boards of Marshall University
and West Virginia University each shall furnish to the
commission or council, respectively, the Legislative Oversight Commission on Education Accountability and the Joint
Committee on Government and Finance copies of the annual
audited financial statements.

38 (b) The commission or <u>and</u> council, as appropriate <u>each</u>,
39 shall ensure the fiscal integrity of any electronic process

40 conducted at its offices and at all other institutions using by
41 the governing boards under its respective jurisdiction by
42 applying best business and management practices.

(c) Marshall University, West Virginia University the
council and the commission To the maximum extent practi<u>cable</u>, each <u>higher education organization</u> shall <u>implement a</u>
process whereby, to the maximum extent practicable,
<u>provide for its</u> employees of Marshall University, West
Virginia University, the Council, Commission and all other
state institutions of higher education <u>to</u> receive their wages
via electronic transfer or direct deposit.

51(d) Notwithstanding the provisions of section ten-a, article 52three, chapter twelve of this code, and except as otherwise provided in this subsection, the amount of any purchase 5354 made with any other provision of this code to the contrary, a purchasing card <u>may be</u> used by the council, the commis-5556 sion or <del>any other</del> a governing board of a state institution of 57higher education may not exceed five thousand dollars to 58 make any payment authorized by the Auditor, including regular routine payments and travel and emergency pay-59 ments. Payments are set at an amount to be determined by 60 61 the Auditor.

(1) Subject to approval of the Auditor, any an emergency
payment and any a routine, regularly scheduled payment,
including, but not limited to, utility payments, contracts and
real property rental fees, may exceed this limit by an amount
to be determined by the Auditor.

67 (2) The council, commission and <del>any</del> a governing board of a state institution of higher education may use a purchasing 68 69 card for travel expenses directly related to the job duties of the traveling employee. Where approved by the Auditor, such 70the expenses may exceed \$5000 by an amount to be deter-71mined by the Auditor. Traveling expenses may include 72registration fees and airline and other transportation 73 74reservations, if approved by the president of the institution. Traveling expenses may not include fuel or food purchases 75except, the state institutions of higher education known as 76 Marshall University and West Virginia University may 77 include in traveling expenses the purchase purchases of fuel 78 and food. 79

(3) The <u>commission</u>, <u>council</u>, <u>and governing boards</u> state
institutions known as Marshall University and West Virginia
University each shall maintain one purchasing card for use
only in a situation declared an emergency by the <u>appropriate</u>

84 chancellor or the institution's president. The Council, Commission and all other institutions shall maintain one 85 86 purchase card for use only in a situation declared an emer-87 gency by the president of the institution and approved by the appropriate chancellor. Emergencies may include, but are 88 not limited to, partial or total destruction of a campus 89 facility; loss of a critical component of utility infrastructure; 90 91 heating, ventilation or air condition failure in an essential 92academic building; loss of campus road, parking lot or 93 campus entrance; or a local, regional, or national emergency situation that has a direct impact on the campus. 94

95 (e) Notwithstanding the provisions of section ten-f, article 96 three, chapter twelve of this code, or any other provision of 97 this code or law to the contrary, the Auditor shall accept any 98 receiving report submitted in a format utilizing electronic 99 media. The Auditor shall conduct any audit or investigation of the council, commission or any institution governing 100 101 board at its own expense and at no cost to the council, 102 commission or institution governing board.

(f) The council and the commission each shall maintain a
rule in accordance with the provisions of article three-a,
chapter twenty-nine-a of this code. The rule shall provide for

95 [Com. Sub. for S. B. No. 330 106 institutions governing boards individually or cooperatively 107 to maximize their use of any of the following purchasing 108 practices that are determined to provide a financial advan-109 tage:

- 110 (1) Bulk purchasing;
- 111 (2) Reverse bidding;
- 112 (3) Electronic marketplaces; and
- 113 (4) Electronic remitting.
- 114 (g) Each <del>institution</del> <u>governing board</u> <del>shall</del> <u>may</u> establish a
- 115 consortium with at least one other institution governing
- 116 board, in the most cost-efficient manner feasible, to consoli-
- 117 date the following operations and student services:
- 118 (1) Payroll operations;
- 119 (2) Human resources operations;
- 120 (3) Warehousing operations;
- 121 (4) Financial transactions;
- 122 (5) Student financial aid application, processing and
- 123 disbursement;
- 124 (6) Standard and bulk purchasing; and
- 125 (7) Any other operation or service appropriate for consoli-
- 126 dation as determined by the council or commission.

(h) An institution <u>A governing board</u> may charge a fee to
<u>the governing board of</u> each institution for which it provides
a service or performs an operation. The fee rate shall be in
the best interest of both the institution being served and the
<u>governing board</u> providing institution <u>the service</u>. as approved by the council and commission.

(i) Any community and technical college, college and
university <u>A governing board</u> may provide the services
authorized by this section for the benefit of any governmental body or public or private institution.

(j) Each institution governing board shall strive to minimize its number of low-enrollment sections of introductory
courses. To the maximum extent practicable, institutions
governing boards shall use distance learning to consolidate
the course sections. Marshall University, West Virginia
University, The council and commission shall report the
progress of reductions as requested by the Legislative
Oversight Commission on Education Accountability.

(k) An institution <u>A governing board</u> shall use its natural
resources and alternative fuel resources to the maximum
extent feasible. The institution governing board:

(1) May supply the resources for its own use and for use byany the governing board of any other institution;

(2) May supply the resources to the general public at fairmarket value;

(3) Shall maximize all federal or grant funds available forresearch regarding alternative energy sources; and

(4) May develop research parks to further the purpose ofthis section and to expand the economic developmentopportunities in the state.

(1) Any cost-savings realized or fee procured or retained by
an institution <u>a governing board</u> pursuant to <u>implementation</u>
of the provisions of this section is retained by the <u>institution</u>
<u>governing board</u>.

(m) The provisions of subsection (b) of this section do not
apply to the state institutions known as Marshall University
and West Virginia University. Each governing board is
authorized, but not required, to comply with the provisions
of implement subsections (f), (g) and (h) of this section.

166 (1) The governing boards of Marshall University and West
167 Virginia University, respectively, each shall promulgate a
168 rule on purchasing procedures pursuant to the provisions of

section six, article one of this chapter. Neither institution is
subject to the rules required by subsection (f) of this section.
(2) If either <u>a</u> governing board elects to implement the
provisions of said subsection (g) of this section, the following
conditions apply:

(A) (1) The governing board makes the determination
regarding any additional operation or service which is
appropriate for consolidation without input from the council
or commission;

178 (B) (2) The governing board sets the fee charged to <del>any</del> the governing board of the institution for which it provides a 179180 service or performs an operation. The fee rate shall be in the 181 best interest of both the institution being served and the governing board providing institution the service but it and 182 is not subject to approval by the council or commission; and 183 (C) (3) The governing board may not implement the 184 provisions of this subdivision in a manner which supercedes 185 the requirements established in section twelve, article three-186c of this chapter. 187

(n) The governing boards of Marshall University and West
 Virginia University, respectively, each shall promulgate a

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# 191 six, article one of this chapter.

## ARTICLE 7. PERSONNEL GENERALLY.

5

#### §18B-7-1. Legislative intent and purpose.

1 (a) The intent of the Legislature in enacting this article and articles eight, nine and nine-a of this chapter is to establish 2a state-wide, integrated human resources structure capable 3 4 of, but not limited to, meeting the following objectives:

(1) Providing benefits to the citizens of the State of West 6 Virginia by supporting the public policy agenda as articulated by state policymakers; 7

#### (2) Assuring fiscal responsibility by making the best use of 8 scarce resources; 9

10 (3) Promoting fairness, accountability, credibility, transparency and a systematic approach to progress (FACTS) in 11 12personnel decision-making;

13 (4) Reducing, or, wherever possible, eliminating arbitrary and capricious decisions affecting employees of higher 14 15education organizations as defined in section two, article 16 nine-a of this chapter;

17(5) Creating a stable, self-regulating human resources 18 system capable of evolving to meet changing needs;

19 (6) Providing for institutional flexibility with meaningful20 accountability;

21 (7) Adhering to federal and state laws;

(8) Adhering to duly promulgated and adopted rules; and
(9) Implementing best practices throughout the state higher
education system.

25(b) To accomplish these goals, the Legislature encourages 26organizations to pursue a human resources strategy which provides monetary and nonmonetary returns to employees in 2728exchange for their time, talents and efforts to meet articu-29lated goals, objectives and priorities of the state, the commis-30 sion and council, and the organization. The system should 31maximize the recruitment, motivation and retention of highly qualified employees, ensure satisfaction and engage-3233 ment of employees with their jobs, ensure job performance 34 and achieve desired results.

## §18B-7-2. Definitions.

For the purposes of this article and articles eight, nine and
 nine-a of this chapter, the following words have the mean ings ascribed to them unless the context clearly indicates a
 different meaning:

5 (a) "Benefits" means programs that an employer uses to 6 supplement the cash compensation of employees and in-7 cludes health and welfare plans, retirement plans, pay for 8 time not worked and other employee perquisites.

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9 (b) "Compensation" means cash provided by an employer10 to an employee for services rendered.

(c) "Compensatory time" and "compensatory time off"
mean hours during which the employee is not working,
which are not counted as hours worked during the applicable
work week or other work period for purposes of overtime
compensation and for which the employee is compensated at
the employee's regular rate of pay.

17 (d) "Employee classification" or "employee class" means
18 those employees designated as classified employees;
19 nonclassified employees, including presidents, chief execu20 tives and top level administrators and faculty as these terms
21 are defined in this article and articles eight, nine and nine-a
22 of this chapter.

(e) "Health and welfare benefit plan" means an arrangement which provides any of the following: Medical, dental,
visual, psychiatric or long-term health care, life insurance,

26 accidental death or dismemberment benefits, disability27 benefits or comparable benefits.

(f) "Relative market equity" means the relative market
status of each employee classification at an organization falls
within five percent of all other employee classifications
within the organization for the preceding three-year period.
(g) "Relative market status" means the calculated relationship between the average salary of each employee classification and its peer group.

# §18B-7-3. Seniority for full-time classified personnel; seniority to be observed in reducing workforce; preferred recall list; renewal of listing; notice of vacancies.

(a) Definitions for terms used in this section have the
 meanings ascribed to them in section two, article one of this
 chapter and section two, article nine of this chapter, except
 that, unless clearly noted otherwise, this section applies only
 to an employee:

6 (1) Who is classified and whose employment, if continued,
7 accumulates to a minimum total of one thousand forty hours
8 during a calendar year and extends over at least nine months
9 of a calendar year; or

10 (2) Who is transferred involuntarily to a position in 11 nonclassified status for which he or she did not apply. Any 12 classified employee involuntarily transferred to a position in 13 nonclassified status may exercise the rights set out in this 14 section only for positions equivalent to or lower than the last 15 job class the employee held.

(b) All decisions by an organization or its agents concerning reductions in workforce of full-time classified employees,
whether by temporary furlough or permanent termination,
shall be made in accordance with this section.

(1) For layoffs by classification for reason of lack of funds
or work, or abolition of position or material changes in
duties or organization and for recall of employees laid off,
consideration shall be given to an employee's seniority as
measured by permanent employment in the service of the
state system of higher education.

(2) If the organization desires to lay off a more senior
employee, it shall demonstrate that the senior employee
cannot perform any other job duties held by less senior
employees of that organization in the same job class or any
other equivalent or lower job class for which the senior
employee is qualified. If an employee refuses to accept a

32 position in a lower job class, the employee retains all rights33 of recall provided in this section.

(3) If two or more employees accumulate identical seniority, the priority is determined by a random selection system
established by the employees and approved by the organization.

(c) Each employee laid off during a furlough or reduction
in workforce is placed upon a preferred recall list and is
recalled to employment by the organization on the basis of
seniority.

(1) An employee's listing with an organization remains
active for a period of one calendar year from the date of
termination or furlough or from the date of the most recent
renewal. If an employee fails to renew the listing with the
organization, the employee's name may be removed from the
list.

(2) An employee placed upon the preferred recall list shall
be recalled to any position opening by the organization
within the classifications in which the employee had previously been employed or to any lateral position for which the
employee is qualified.

(3) An employee on the preferred recall list does not forfeit
the right to recall by the organization if compelling reasons
require the employee to refuse an offer of reemployment by
the organization.

57 (d) The organization shall notify all employees maintaining
58 active listings on the preferred recall list of all position
59 openings that periodically exist.

60 (1) The notice shall be sent by certified mail to the last known address of the employee. It is the duty of each 61employee listed to notify the organization of any change in 62 address and to keep the listing with the organization current. 63 64 (2) A position opening may not be filled by the organiza-65 tion, whether temporary or permanent, until all employees on the preferred recall list have been properly notified of 66 existing vacancies and have been given an opportunity to 67 68 accept reemployment.

(e) A nonexempt classified employee is one to whom the provisions of the federal Fair Labor Standards Act, as amended, apply. A nonexempt classified employee, who applies and meets the minimum qualifications for a nonexempt job opening at the organization where currently employed, whether the job is a lateral transfer or a promo-

tion, shall be transferred or promoted before a new person ishired.

77 (1) This subsection does not apply if the hiring is affected 78 by mandates in affirmative action plans or the requirements 79 of Public Law 101-336, the Americans with Disabilities Act. 80 (2) This subsection applies to any nonexempt classified employee, including one who has not accumulated a mini-81 82 mum total of one thousand forty hours during the calendar year and one whose contract does not extend over at least 83 nine months of a calendar year. 84

(3) If more than one qualified, nonexempt classified
employee applies, the best-qualified nonexempt classified
employee is awarded the position. In instances where the
classified employees are equally qualified, the nonexempt
classified employee with the greatest amount of continuous
seniority at that organization is awarded the position.

91 (f) In addition to any other information required, applica92 tions for employment by personnel governed by this section
93 shall include each applicant's social security number.

94 (g) Regardless of the level of seniority for an employee, for95 the purposes of this section in the case of a reduction in96 force:

97 (1) An employee at an organization under the jurisdiction
98 of the council may not displace an employee of an organiza99 tion under the jurisdiction of the commission.

(2) An employee at an organization under the jurisdiction
of the commission may not displace an employee of an
organization under the jurisdiction of the council.

(3) An employee performing a dual service for a formerly
administratively linked community and technical college and
a former sponsoring institution under the jurisdiction of the
commission is an employee of the institution under the
jurisdiction of the commission if that institution receives a
fee from the community and technical college for the service
performed by the employee.

# §18B-7-4. Supplemental health and welfare benefit plans.

(a) An organization may contract for supplemental health
 and welfare benefit plans for any or all of its employees in
 addition to the benefits the employees otherwise receive.

4 (b) An organization may make additional periodic deduc5 tions from the salary payments due employees in the amount
6 they are required to contribute for any supplemental health
7 and welfare plan.

# §18B-7-5. Supplemental and additional retirement plans for employees; payroll deductions; authority to match employee contributions; retroactive curative and technical corrective action.

1 (a) Any reference in this code to the "additional retirement 2 plan" relating to state higher education employees, means 3 the "higher education retirement plan" provided in this section. Any state higher education employee participating 4 in a retirement plan upon the effective date of this section 5 6 continues to participate in that plan and may not elect to participate in any other state retirement plan. Any retire-7 ment plan continues to be governed by the provisions of law 8 applicable on the effective date of this section. 9

(b) The commission, on behalf of the council, governing
boards and itself, shall contract for a retirement plan for
their employees, to be known as the "Higher Education
Retirement Plan". The commission, council and governing
boards shall make periodic deductions from the salary
payments due employees in the amount they are required to
contribute to the Higher Education Retirement Plan, which
deductions shall be six percent.

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18 (c) The commission, council and governing boards may contract for supplemental retirement plans for any or all of 19 their employees to supplement the benefits employees 20otherwise receive. The commission, council and governing 2122boards may make additional periodic deductions from the salary payments due the employees in the amount they are 23required to contribute for the supplemental retirement plan. 2425(d) An organization, by way of additional compensation to their employees, shall pay an amount, which, at a minimum, 2627equals the contributions of the employees into the higher education retirement plan from funds appropriated to the 2829commission, council or governing board for personal ser-30 vices.

(e) As part of an overall compensation plan, the commission, council or a governing board, each at its sole discretion,
may increase its contributions to any employee retirement
plan to an amount that exceeds the contributions of employees.

36 (f) Each participating employee has a full and immediate
37 vested interest in the retirement and death benefits accrued
38 from all the moneys paid into the Higher Education Retire39 ment Plan or a supplemental retirement plan for his or her

40 benefit. Upon proper requisition of a governing board, the
41 commission or council, the Auditor periodically shall issue
42 a warrant, payable as specified in the requisition, for the
43 total contributions so withheld from the salaries of all
44 participating employees and for the matching funds of the
45 commission, council or governing board.

46 (g) Any person whose employment commences on or after 47July 1, 1991, and who is eligible to participate in the Higher 48 Education Retirement Plan, shall participate in that plan and is not eligible to participate in any other state retirement 49system: Provided, That the foregoing provision does not 50apply to a person designated as a 21st Century Learner 5152Fellow pursuant to section eleven, article three, chapter eighteen-a of this code. The additional retirement plan 53 contracted for by the governing boards prior to July 1, 1991, 54remains in effect unless changed by the commission. Nothing 55 in this section considers employees of the council or govern-56ing boards as employees of the commission, nor is the 57commission responsible or liable for retirement benefits 58 59 contracted by, or on behalf of, the council or governing 60 boards.

## §18B-7-6. Continuing education and professional development.

(a) Each higher education organization shall establish and 1 2 operate an employee continuing education and development program under a joint rule or rules promulgated by the 3 4 commission and council in accordance with article three-a, chapter twenty-nine-a of this code. Funds allocated or made 5 available for employee continuing education and develop-6 7 ment may be used to compensate and pay expenses for faculty or classified employees pursuing additional academic 8 9 study or training to equip themselves better for their duties. 10 The rules shall encourage continuing education and staff 11 development and shall require that employees be selected on a nonpartisan basis using fair and meaningful criteria which 12 13afford all employees opportunities to enhance their skills. 14 These rules also may include reasonable provisions for the 15 continuation or return of any faculty or classified employee receiving the benefits of the education or training, or for 16reimbursement by the state for expenditures incurred on 17behalf of the faculty member or classified employee. 18

19 (b) Subject to legislative appropriation therefor, the20 commission and council shall provide additional, regular,21 training and professional development for employees

22 engaged in human resources-related activities at all organi-

23 zations. The training and professional development:

(1) Shall be mandatory with appropriate considerationgiven to limiting travel demands on employees; and

(2) Shall be in addition to and may not supplant the
training and professional development regularly provided to
any class of employees by each organization prior to the
effective date of this section.

## §18B-7-7. Employment practices.

(a) Each governing board, with the advice and assistance
of the staff council, shall promulgate and adopt a rule
regarding the role of part-time classified employees. The rule
shall discourage the hiring of part-time employees solely to
avoid the payment of benefits or in lieu of full-time employees and shall provide all qualified classified employees who
hold nine-month or ten-month contracts with the opportunity to accept part-time or full-time summer employment
before new persons are hired for the part-time or full-time

(b) Each governing board, with the advice and assistance
of the staff councils and other groups representing classified
employees, shall promulgate and adopt a rule in accordance

14 with section six, article one of this chapter that discourages temporary, nonemergency, institutionally-imposed changes 1516in an employee's work schedule; that maintains reasonable continuity in working schedules and conditions for employ-17ees; and that requires institutions to consider feasible and 18 19 innovative ways to use the institution's classified employees most efficiently. These innovations may include, but are not 2021limited to, flexibility in employee scheduling, job-sharing 22 and four-day work weeks.

## §18B-7-8. Reporting.

1 (a) Implementation reports. –

2 For the fiscal years commencing on July 1, 2011, and July 3 1, 2012, the commission and council jointly shall report to 4 the Legislative Oversight Commission on Education Accountability once during each six-month period on their 5 progress in designing, developing, implementing and admin-6 istering the personnel classification and compensation 7 system established by this article and articles eight, nine and 8 nine-a of this chapter. The initial report is due December 1, 9 2011, and shall include, but is not limited to, the following 10 11 information:

12 (1) A summary of findings generated by the human re-13 sources review conducted pursuant to section nine of this14 article;

(2) Documentation of professional staffing changes made
in compliance with section two-a, article four of this chapter;
(3) A systematic plan, including a time line, for designing,
developing, and implementing the classification and compensation system contained in this article and articles eight,
nine and nine-a of this chapter;

(4) An explanation of the research design and time line for
completing studies identified in section sixteen of this
article;

(5) An assessment of progress made by the governing
boards toward achieving full funding of the temporary
classified employees' salary schedule pursuant to section
three, article nine of this chapter;

(6) Detailed data disaggregated by organization and
employee category or classification, comparing funding for
salaries of faculty, classified employees and nonclassified
employees as a percentage of the average funding for each of
these classes or categories of employees among the organization's peers, in regional or national markets, as appropriate,

34 and among similar organizations within the state systems of

35 public higher education; and

36 (7) Other data requested by the Legislature or considered37 appropriate by the commission or council.

38 (b) Annual personnel reports. –

(1) No later than December 1, 2013, and annually thereafter, the commission and council shall report to the Legislative Oversight Commission on Education Accountability
addressing the following issues:

(A) Progress made by organizations toward achieving full
funding of the temporary classified employees' salary
schedule pursuant to section three, article nine of this
chapter; and

47 (B) Detailed data disaggregated by organization and 48 employee category or classification, comparing funding for 49 salaries of faculty, classified employees and nonclassified 50 employees as a percentage of the average funding for each of 51 these classes or categories of employees among the organiza-52 tion's peers, in the state, region or national markets, as 53 appropriate, and among similar organizations within the 54 state systems of public higher education.

55	(2) The commission and council shall prepare a human
56	resources report card summarizing the performance of
57	organizations on key human resources measures. The report
58	card shall be presented to the Legislative Oversight Commis-
59	sion on Education Accountability no later than December 1,
60	2012, and annually thereafter, and shall be made available
61	to the general public. At a minimum, the human resources
62	report card shall contain the following data:
63	(A) Human resources department metrics by organization:
63 64	<ul><li>(A) Human resources department metrics by organization:</li><li>(i) Number of human resources staff;</li></ul>
64	(i) Number of human resources staff;
64 65	<ul><li>(i) Number of human resources staff;</li><li>(ii) Ratio of human resources staff to total number of full-</li></ul>

69 (iv) Number of positions reporting to the head of human70 resources;

(v) Areas of human resources functions outsourced toexternal entities;

73 (vi) Total expenses per full-time equivalent employee;

74 (vii) Tuition revenue per full-time equivalent employee.

75 (B) Human resources expense data:

- (i) Ratio of human resources expenses to operating ex-penses;
- (ii) Ratio of human resources expenses to number of full-time equivalent employees; and
- 80 (iii) Total human resources expense per organization81 employee.
- 82 (C) Compensation data:
- (i) Average amount of annual salary increase per full-timeequivalent organization employee;
- 85 (ii) Total amount of organization employee salaries as a86 percent of operating expenses;
- 87 (iii) Total amount of organization employee benefit costs as
- 88 a percent of cash compensation.
- 89 (D) System metrics:
- 90 (i) Comparisons of faculty salaries at each organization to
- 91 market averages;
- 92 (ii) Comparisons of classified and nonclassified employee
- 93 salaries at each organization to current market averages;
- 94 (E) An account of the total amount, type of training or
- $95 \ \ \, {\rm professional\, development\, provided, the\, number\, of\, employees}$
- 96 who participated and the overall cost of the training and

97 professional development provided to employees pursuant to98 section six of this article; and

99 (F) Other measures the commission or council considers
100 appropriate to assist policymakers in evaluating the degree
101 of success in implementing best human resources practices
102 by higher education organizations.

103 (c) Job classification system report. –

By July 1, 2014, and at least once within each five-year period thereafter, the commission and council jointly shall review the effectiveness of the system for classifying jobs and submit an in-depth report to the Legislative Oversight Commission on Education Accountability. The report shall include, but is not limited to, findings, recommendations and supporting documentation regarding the following job classification issues:

(A) The effectiveness of the point factor methodology and
a determination of whether it should be maintained; and
(B) The status of the job evaluation plan, including the
factors used to classify jobs or their relative values, and a
determination of whether the plan should be adjusted.
(d) It is the responsibility of the head of human resources
for each organization to prepare and submit to the president

or chief executive officer all human resources data requested
by the commission and council. The president or executive
officer of each organization shall submit the requested data
at times established by the commission and council.

(e) In meeting reporting requirements established by thisarticle and articles eight, nine and nine-a of this chapter:

(1) The commission and council shall use the most recent
data available and, as appropriate, shall benchmark it
against national and regional markets or peer data; and

(2) With the exception of the semiannual implementation
reports, the annual human resources report card and any
other report designated as due no later than a date certain,
the commission and council may combine two or more
personnel reports if the dates on which they are due to the
Legislature fall within a sixty-day period.

### §18B-7-9. Human resources reviews.

1 (a) The commission and council jointly shall conduct an 2 initial human resources review of each organization to be 3 carried out, subject to legislative appropriation, by an 4 external vendor possessing experience and expertise in 5 conducting these reviews. The initial review shall be com-6 pleted by October 1, 2011, and shall be designed to compare

7 current human resources practices at each organization to 8 best practices, to identify areas of strength or deficiency, to 9 identify functions that should be the responsibility of the human resources department, but are incorrectly assigned or 1011 carried out by other offices within each organization, to assist in targeting employee training and development, to 1213determine the degree to which organizations are adhering to 14 state and federal laws related to human resources administration and to provide data necessary to guide policymakers 15in developing personnel rules and implementing the classifi-16 17cation and compensation system.

(b) Following completion of the initial human resources
review, the commission and council jointly shall conduct a
systematic human resources review of each organization at
least once within each five-year period.

(1) The review shall focus on correcting areas of deficiency
identified by previous reviews, on compliance with statutory
mandates contained in this article and articles eight, nine
and nine-a of this chapter and on adherence to personnel
rules of the commission and council.

(2) In the absence of special circumstances, the commissionand council shall provide organizations with reasonable

29 notice prior to conducting a human resources review and30 shall identify the subjects to be examined in the review.

# §18B-7-10. Compensatory time off in lieu of overtime; written agreement; other conditions.

1 (a) Notwithstanding any provision of this code to the 2 contrary, in lieu of overtime compensation, employees of 3 higher education organizations may receive compensatory 4 time off at a rate not less than one and one-half hours for 5 each hour of employment. Employees may receive compensa-6 tory time only under the following conditions:

7 (1) The time is awarded pursuant to a written agreement
8 between the employer and the employee arrived at before the
9 work is performed. A written agreement may be modified at
10 the request of the employer or employee, but under no
11 circumstances may changes in the agreement deny an
12 employee compensatory time already acquired;

13 (2) The time is recorded in the employer's record of hours14 worked; and

15 (3) The employee has not accrued compensatory time in16 excess of the prescribed limits.

17 (b) An employee may accrue up to four hundred eighty18 hours of compensatory time if the employee's work is a

19 public safety activity, an emergency response activity or a seasonal activity. An employee engaged in other work may 20accrue up to two hundred forty hours of compensatory time. 21An employee who has accrued four hundred eighty or two 2223hundred forty hours of compensatory time, as the case may be, shall be paid overtime compensation for additional hours 24of work. If compensation is paid to an employee for accrued 2526compensatory time, the compensation shall be paid at the 27regular rate earned by the employee at the time the employee 28 received the payment.

(c) If employment is terminated, an employee who has
accrued compensatory time pursuant to this section, shall be
paid for the unused compensatory time at a rate of compensation not less than the higher amount calculated using one
of the following formulas:

34 (1) The average regular rate received by the employee35 during the first three years of the employee's employment; or

36 (2) The final regular rate received by the employee.

37 (d) An employee who has accrued compensatory time as
38 authorized by this section, and who has requested the use of
39 compensatory time, shall be permitted by the employer to use
40 this time within a reasonable period after making the request

41 if the use of the compensatory time does not unduly disrupt42 the operation of the employing agency. Compensatory time

43 must be used within one year from the time it is accrued.

# §18B-7-11. Employees designated as nonclassified; limits; reports required.

1 (a) Notwithstanding any provision of this code to the 2contrary, by July 1, 2015, the percentage of personnel placed in the category of "nonclassified" at a higher education 3 4 organization may not exceed twenty percent of the total 5 number of classified and nonclassified employees of that organization as those terms are defined in section two, 6 article nine-a of this chapter and who are eligible for 7 membership in a state retirement system of the State of West 8 Virginia or other retirement plan authorized by the state, 9 10 except as set forth in subsection (c) of this section.

(b) A higher education organization which has more than
twenty percent of its employees placed in the category of
"nonclassified" as defined by subsection (a) of this section on
July 1, 2011, shall reduce the number of nonclassified
employees to no more than twenty-five percent by July 1,
2013, and to no more than twenty percent by July 1, 2015.

17 (c) For the purposes of determining the ratio of18 nonclassified employees pursuant to this section, the follow-19 ing conditions apply:

(1) Employees of the commission and the chancellor for
higher education and employees of the council and the
chancellor for community and technical college education
are considered as one organization;

(2) Organizations may count as faculty or classified
employees, respectively, administrators who retain the right
to return to faculty or classified employee positions;

(3) Athletic coaches are excluded from calculation of the
ratio. The commission and the council shall include consideration of this employee category in each review required by
section nine of this article and shall monitor organizations'
use of this category and include this information in the
reports required by subsections (a) and (b), section eight of
this article; and

(4) The governing board of Marshall University or West
Virginia University may place up to twenty-five percent of
the total number of classified and nonclassified employees of
that organization in the category of "nonclassified" under
the following conditions:

39 (A) The governing board of the institution votes to approve

40 any percentage number above twenty percent; and

41 (B) The governing board seeks and receives the approval of42 the commission before increasing the total above twenty43 percent.

44 (d) The Vice Chancellor for Human Resources shall monitor the progress of the organizations in meeting the deadlines 45 46 established in this section and shall report periodically to the 47 commission and council. The commission and council shall 48 make a preliminary compliance report to the Legislative Oversight Commission on Education Accountability by 49 50 September 1, 2013, and a final report on organization 51compliance to that body by September 1, 2015.

(e) No nonclassified employee shall have his or her current
annual salary reduced if his or her position is redefined as a
classified position solely to meet the requirements of this
section. If such a nonclassified employee is reclassified, his
or her salary shall not constitute evidence of inequitable
compensation in comparison to other employees in the same
paygrade.

# §18B-7-12. Additional employment by mutual agreement; agreement to be filed with governing board.

1 In accordance with duly promulgated rules of the govern-2 ing board and the commission or council, as appropriate, the 3 president of an organization, or his or her designated 4 representative, and a classified employee at the organization may agree mutually on duties to be performed by the 5 employee in addition to those duties listed in the job descrip-6 7 tion. The written agreement shall describe the additional 8 duties to be performed, the length of time the agreement 9 shall be in force and the additional compensation to be paid. 10 These terms and conditions shall be agreed upon by the president and the classified employee and shall be signed by 11 12both parties to the agreement and filed with the appropriate 13 governing board.

### §18B-7-13. Probationary employment period; evaluation.

Each full-time classified employee hired by an organiza tion shall serve an initial probationary period of six months.
 At the end of the probationary period, the employee shall
 receive a written evaluation of his or her performance. The
 employee's supervisor shall meet with the employee and
 explain the contents of the evaluation and whether the
 employee is being offered regular employment.

# §18B-7-14. Higher education employees' catastrophic leave bank and leave transfer.

(a) For the purposes of this section, "employee" means
 either of the following:

3 (1) A classified or nonclassified employee who is employed
4 by a higher education governing board, by the commission or
5 by the council; or

6 (2) A faculty member, as defined in section one, article7 eight of this chapter, who is eligible to accrue sick leave.

8 (b) An employee may donate sick and annual leave to a leave bank established and operated in accordance with 9 subsection (d) of this section or directly to another employee 10 in accordance with subsection (e) of this section. No em-11 12ployee may be compelled to donate sick or annual leave. Any 13 leave donated by an employee pursuant to this section shall 14 be used only for the purpose of catastrophic illness or injury as defined in subsection (c) of this section and shall reduce, 15 to the extent of such donation, the number of days of annual 1617or sick leave to which the employee is entitled.

18 (c) For the purpose of this section, a catastrophic illness or19 injury is one that is expected to incapacitate the employee20 and create a financial hardship because the employee has

21exhausted all sick and annual leave and other paid time off. 22Catastrophic illness or injury also includes an incapacitated immediate family member as defined by a governing board, 23the commission or the council, as appropriate, if this results 24in the employee being required to take time off from work 25for an extended period of time to care for the family member 26and if the employee has exhausted all sick and annual leave 2728 and other paid time off.

29(d) A leave bank or banks may be established at each state institution of higher education, the commission or the 30 council to which employees may donate either sick or annual 3132leave. The bank or banks may be established jointly by the 33 policy commission and the governing boards or may be established for the commission, the council, and each of the 34governing boards. Sick or annual leave may be deposited in 35 the leave bank, and shall be reflected as a day-for-day 36 deduction from the sick or annual leave balance of the 37 depositing employee. 38

39 Donated leave may be withdrawn by any employee40 experiencing a catastrophic illness or injury when the41 following conditions are met:

(1) The president of the institution or the chancellor of the
commission or the council, as appropriate, verifies that the
employee is unable to work due to the catastrophic illness or
injury; and

46 (2) The president of the institution or a chancellor, as
47 appropriate, approves the withdrawal and provides written
48 notice to the personnel office.

49 The withdrawal shall be reflected as a day-for-day addi-50 tion to the leave balance of the withdrawing employee.

51(e) Sick or annual leave may be donated to an employee experiencing a catastrophic illness or injury. The leave shall 52be donated at the request of the employee after appropriate 5354verification that the employee is unable to work due to the catastrophic illness or injury as determined by the president 55of the institution or the appropriate chancellor. When 56 transfer of sick or annual leave is approved by the president 5758 of the institution or the appropriate chancellor, any em-59ployee may donate sick or annual leave in one-day incre-60 ments by providing written notice to the personnel office. Donations shall be reflected as a day-for-day deduction from 6162 the sick or annual leave balance of the donating employee. An employee receiving the donated sick or annual leave shall 63

have any time which is donated credited to his or her
account in one-day increments and reflected as a day-forday addition to the leave balance of the receiving employee.
(f) Use of donated credits may not exceed a maximum of
twelve continuous calendar months for any one catastrophic
illness or injury.

(1) The total amount of sick or annual leave withdrawn or
received may not exceed an amount sufficient to ensure the
continuance of regular compensation and may not be used to
extend insurance coverage pursuant to section thirteen,
article sixteen, chapter five of this code.

(2) An employee withdrawing or receiving donations of
sick or annual leave pursuant to this section shall use any
leave personally accrued on a monthly basis prior to receiving additional donated sick or annual leave.

(g) Donated sick or annual leave deposited in an institutional leave bank or transferred under subsection (d) of this section may be inter-institutional in accordance with the policies of the appropriate governing board. Each institution, the commission or the council is responsible for the administration of the sick or annual leave deposits, withdrawals and transfers of its employees. Rules implementing the provisions 86 of this section may be adopted jointly or separately by the 87 governing boards, the commission or the council in accor-88 dance with section six, article one of this chapter and, in the 89 case of the commission and council, in accordance with 90 article three-a, chapter twenty-nine-a of this code.

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### §18B-7-15. Merit increases.

Higher education organizations may grant merit increases
 which are in accordance with this article and articles eight,
 nine and nine-a of this chapter and with duly promulgated
 rules of the commission and council.

### §18B-7-16. Study of employment practices.

(a) The commission and council shall study the following
 issues relating to employment practices:

(1) Developing a fair and rational policy based upon best
human resources practices for covering reductions in force,
furloughs and other issues relating to seniority including
determining how employees shall be treated whose salaries
are derived from funds other than state appropriations;

8 (2) Determining the advantages and disadvantages of
9 maintaining the internal preferences for hiring, promoting
10 and transferring classified employees;

(3) Collecting and analyzing data and developing recommendations on the advantages and disadvantages of
outsourcing certain functions at the organization level. The
data shall include, but are not limited to, the following items:
(A) A current database of outsourcing practices followed
by each organization including procedures or rules developed to inform policy decisions;

(B) The total number, disaggregated by organization, of
positions or services being outsourced or filled by temporary
employees;

(C) The amount of actual cost savings, if any, that are
realized or may be realized as a direct result of organizations' outsourcing decisions;

(4) Recommending a rational, uniform policy to determine
the status of employees whose positions are funded, in whole
or in part, by an external grant or contract from a federal,
state or local government or a private entity.

(b) The commission and council shall complete the work
and report their findings, conclusions and recommendations,
together with drafts of any legislation necessary to effectuate
the recommendations, to the Legislative Oversight Commis-

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32 sion on Education Accountability no later than January 1,33 2012.

### **ARTICLE 8. HIGHER EDUCATION FACULTY.**

#### §18B-8-1. Definitions.

1 As used in this article:

(a) "Academic rank", "rank" or "faculty rank" means the
position held by a faculty member as determined by the
president, consistent with a rule promulgated and adopted
by the governing board, and includes the positions of
professor, associate professor, assistant professor and
instructor. All other ranks are excluded from the provisions
of this article.

9 (b) "Salary" means the total nine-month or ten-month
10 salary paid from state funds to a full-time faculty member,
11 or if the employment period is other than nine or ten months,
12 the total salary adjusted to a nine-month base salary;

(c) "Full-time faculty" means a faculty member so designated by the president, consistent with the duly promulgated
and adopted rule of the appropriate governing board, and
those persons with faculty rank who have research or
administrative responsibilities.

# §18B-8-2. Faculty salary rules; salary increase upon promotion in rank.

(a) Each governing board shall promulgate and adopt a
 faculty salary rule in accordance with section six, article one
 of this chapter which furthers the goals of attracting,
 retaining and rewarding high quality faculty. Faculty salary
 increases shall be distributed within each organization in
 accordance with the faculty salary rule.

7 (b) The salary of a full-time faculty member may not be8 reduced by the provisions of this article.

9 (c) The faculty salary rule shall pursue the following goals:

- (1) The salary of each full-time faculty member within a
  discipline group is competitive with those in similar disciplines at peer institutions;
- 13 (2) Faculty are recognized for outstanding performance;
- 14 (3) Equity among salaries is maintained; and
- 15 (4) The faculty at each institution are involved effectively
- 16 in the administration of the faculty salary rule.
- 17 (d) Each faculty member shall receive a salary increase of
- 18 at least ten percent when he or she is promoted in rank.

### §18B-8-3. Authority to grant sabbatical leave.

1 A governing board may grant sabbatical leave to a faculty 2 member at the state institution of higher education under its 3 jurisdiction for the purpose of permitting him or her to engage in graduate study, research or other activities 4 calculated to improve teaching ability. A governing board 5 may grant a request for sabbatical leave only in accordance 6 with the uniform rule it has promulgated and adopted. A 7 8 governing board may not adopt a rule which provides for granting sabbatical leave to a faculty member who has 9 10served fewer than six years at the institution where presently employed, nor which provides for leave for more than one 11 12half the contract period at full pay or for a full contract 13period at half pay. A faculty member receiving a sabbatical leave is required to return and serve the institution granting 14 the leave for at least one year or to repay to the institution 15the compensation received during leave. A faculty member 16 returning from leave shall be reinstated at the academic rank 17held immediately prior to taking sabbatical leave unless he 18 or she is promoted to a higher rank and is entitled to the 19salary and any salary increases appropriate to his or her 20rank and years of experience. The compensation for a faculty 21

12

22 member on sabbatical leave is paid by the institution where

 $23 \hspace{0.1in} \text{employed from its regular personal services appropriations}.$ 

## §18B-8-4. Effect of leave of absence on academic tenure, rank, etc.

(a) Notwithstanding any provision of law to the contrary,
a tenured professional at a state institution of higher education who is absent from duties at the institution to accept
employment in a nonelected governmental capacity is
afforded the benefits of academic tenure, rank and position
as if he or she had remained continuously in the position
retained and held at the institution immediately preceding
the absence if the following conditions are met:

9 (1) The absence is approved by the president of the state10 institution of higher education by which the professional is11 employed;

(2) The leave of absence does not exceed two years; or

(3) If the leave of absence extends for more than two years,
the president requests approval from the governing board for
the absence in writing each year and the board approves
each request up to eight full years.

(b) An individual who remains in governmental employ-ment with leave granted in accordance with this sectionforfeits all rights to academic tenure, rank and position

# §18B-8-5. Notice to probationary faculty members of retention or nonretention; hearing.

(a) For the purposes of this section, "Probationary faculty
 member" means the definition adopted in a joint rule
 promulgated by the commission and council. The rights
 provided to probationary faculty members by this section are
 in addition to, and not in lieu of, other rights afforded to
 them by other rules and other provisions of law.

7 (b) The president of each state institution of higher
8 education shall give written notice concerning retention or
9 nonretention for the ensuing academic year to a probation10 ary faculty member not later than March 1.

11 (c) If a probationary faculty member who is not retained so 12requests, the president or his or her designee shall inform the probationary faculty member by certified mail within ten 13days of the reasons for nonretention. A probationary faculty 14 member who desires to appeal the decision may proceed to 1516 level three of the grievance procedure established in article two, chapter six-c of this code. If the administrative law 17judge decides that the reasons for nonretention are arbitrary, 18

19 capricious or without a factual basis, the faculty member

20 shall be retained for the ensuing academic year.

# §18B-8-6. Faculty employment practices; campus administrators required to teach or perform research.

Each governing board, with the advice and assistance of
 the faculty senate, shall promulgate and adopt a rule in
 accordance with section six, article one of this chapter
 addressing the following issues:

5 (a) Defining an appropriate balance between full-time and
6 adjunct faculty members and the appropriate role of adjunct
7 faculty; and

8 (b) Requiring each administrator on each campus who
9 holds faculty rank to teach at least one course during each
10 eighteen-month employment period or to perform on-going
11 research in lieu of teaching.

# ARTICLE 9. TEMPORARY CLASSIFIED EMPLOYEE SALARY SCHEDULE; CLASSIFICATION AND COMPENSA-TION SYSTEM.

#### §18B-9-1. Legislative purpose and intent.

(a) The purpose of the Legislature in enacting this article
 is to require the commission and council jointly to imple ment, control, supervise and manage a complete, uniform

# 139[Com. Sub. for S. B. No. 330 4 system of personnel classification and compensation in accordance with the provisions of this article for classified employees at higher education organizations.

(b) It is the intent of the Legislature to require each higher 7 education organization to achieve full funding of the salary 8 schedule established in section three of this article. A higher 9 education organization, as defined in section two, article 10 11 nine-a of this chapter, is subject to the provisions of this 12article until full funding is reached.

13(c) It is further the intent of the Legislature to encourage strongly that each organization dedicate a portion of future 14 tuition increases to fund the classified salary schedule and, 15 16 after full funding of the salary schedule is achieved, to move toward meeting salary goals for faculty, classified and 1718 nonclassified employees.

### §18B-9-2. Definitions.

5

6

1 The following words have the meanings ascribed to them 2 unless the context clearly indicates a different meaning:

(a) "Classified employee" or "employee" means a regular 3 full-time or regular part-time employee of an organization 4 5 who holds a position that is assigned a particular job title 6 and pay grade in accordance with the personnel classifica-

7 tion and compensation system established by this article or8 by the commission and council;

9 (b) "Job description" means the specific listing of duties
10 and responsibilities as determined by the appropriate
11 governing board, the commission or council and associated
12 with a particular job title;

13 (c) "Job title" means the name of the position or job as14 defined by the commission and council;

(d) "Pay grade" means the number assigned by the commission and council to a particular job title and refers to the
vertical column heading of the salary schedule established in
section three of this article;

(e) "Personnel classification system" means the process of
job categorization adopted by the commission and council
jointly by which job title, job description, pay grade and
placement on the salary schedule are determined;

(f) "Salary" means the amount of compensation paid
through the State Treasury per annum, excluding those
payments made pursuant to section two, article five, chapter
five of this code, to an organization employee;

(g) "Schedule" or "salary schedule" means the grid ofannual salary figures established in section three of thisarticle; and

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(h) "Years of experience" means the number of years a 30 person has been an employee of the State of West Virginia 3132and refers to the horizontal column heading of the salary schedule established in section three of this article. For the 33 34 purpose of placement on the salary schedule, employment for nine months or more equals one year of experience, but a 35classified employee may not accrue more than one year of 36 37experience during any given fiscal year. Employment for less than full time or for fewer than nine months during any 38 fiscal year shall be prorated. In accordance with rules 39 established by the commission and council jointly, a classi-40fied employee may be granted additional years of experience 41 42not to exceed the actual number of years of prior, relevant work or experience at accredited institutions of higher 4344 education other than state institutions of higher education. §18B-9-3. Temporary higher education classified employee annual

## salary schedule.

(a) There is hereby continued a temporary state annual
 salary schedule for classified employees consisting of a
 minimum annual salary for each pay grade in accordance
 with years of experience. Nothing in this article guarantees
 payment to a classified employee of the salary indicated on

6 the schedule at the actual years of experience. The minimum 7 salary herein indicated shall be prorated for classified 8 employees working fewer than thirty-seven and one-half 9 hours per week. For the purposes of this article and article 10 nine-a, despite any differences in salaries that may occur, a 11 classified employee is equitably compensated in relation to 12 other classified employees in the same pay grade if the 13 following conditions exist:

(1) His or her annual salary is at least the minimum salary
that was required for his or her pay grade and years of
experience on July 1, 2001, on the salary schedule included
in this section; and

18 (2) Progress is being made by the institution in meeting the19 salary goals set out in this article and article nine-a.

(b) Nothing in this section requires an appropriation by the
Legislature in excess of the legislative funding priorities as
set forth in this chapter.

(c) For purposes of this article, an organization has
achieved full funding of the temporary salary schedule
established by this section when it provides, in total, one
hundred percent of the funds needed to meet the salary
funding target as calculated in October, 2010, in a report,
required by a prior enactment of this section, and presented

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to the Legislative Oversight Commission on Education
Accountability. Until an organization has achieved full
funding as described and has received certification to this
effect from the commission or council, as appropriate, the
following requirements apply:

(1) Classified salary increases distributed within the
organization shall be provided in accordance with the
uniform classification and compensation system established
by this article and rules of the commission and council and
shall be applied toward achieving full funding of the temporary salary schedule; and

40 (2) An organization may not provide discretionary salary increases, including merit or performance-based increases, 41 42to the president or chief executive officer of an organization or to any group or class of employees within the organiza-43 44 tion, other than classified employees, unless the organization has achieved full funding of the salary schedule established 45 in this section or is making appropriate progress toward 46achieving full funding of the salary schedule. 47

48 (A) This prohibition does not apply to salary increases49 mandated by law or funded by the Legislature.

50 (B) For the purposes of subdivision (2) of this subsection,

51 "appropriate progress" has the following meanings:

52(i) For governing boards under the jurisdiction of the commission, appropriate progress means an organization has 53 54funded at least twenty-five percent of the amount needed to 55reach full funding of the salary schedule by July 1, 2012 as calculated pursuant to this subsection; has funded at least 56fifty percent of the calculated amount by July 1, 2013; has 57funded at least seventy-five percent of the calculated amount 58 59by July 1, 2014 and has funded one hundred percent of the calculated amount by July 1, 2015; and 60

61 (ii) For governing boards under the jurisdiction of the council, appropriate progress means an organization has 62funded at least twenty-five percent of the amount needed to 63 64 reach full funding of the salary schedule by July 1, 2013 as calculated pursuant to this subsection; has funded at least 65 fifty percent of the calculated amount by July 1, 2014; has 66 funded at least seventy-five percent of the calculated amount 67 by July 1, 2015 and has funded one hundred percent of the 68 69 calculated amount by July 1, 2016.

70	TEMPORARY HIGHER EDUCATION
71	CLASSIFIED EMPLOYEE
72	ANNUAL SALARY SCHEDULE
73	YEARS OF EXPERIENCE

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74	PAY	0	1	2	3	4	5
75	GRADE						
76	1	12,809	13,094	13,385	13,677	13,968	14,274
77	2	13,465	13,764	14,070	14,376	14,696	15,017
78	3	14,164	14,478	14,798	15,133	15,483	15,832
79	4	14,908	15,250	15,599	15,949	16,313	16,692
80	5	15,696	16,066	16,444	16,837	17,231	17,624
81	6	16,556	16,954	17,362	17,784	18,207	18,644
82	7	17,489	17,915	18,352	18,804	19,255	19,721
83	8	18,495	18,949	19,416	19,896	20,391	20,901
84	9	19,559	20,056	20,566	21,091	21,615	22,168
85	10	19,916	20,421	20,938	21,484	22,029	22,602
86	11	21,107	21,665	22,239	22,812	23,400	24,015
87	12	22,436	23,022	23,624	24,253	24,896	$25,\!554$
88	13	23,837	$24,\!477$	25,134	25,805	26,505	27,218
89	14	25,363	26,057	26,771	27,498	28,253	29,022
90	15	27,015	27,764	28,533	29,330	30,141	30,981
91	16	28,821	29,624	30,449	31,316	32,197	33,092
92	17	30,767	31,638	32,533	33,470	34,421	35,400
93	18	32,868	33,820	34,799	35,806	36,841	37,904
94	19	37,613	38,718	39,855	41,022	42,219	43,460
95	20	40,265	41,471	42,712	43,984	45,301	46,647
96	21	43,171	44,478	45,824	47,216	48,637	50,103
97	22	46,332	47,754	49,220	50,731	52,272	53,873
98	23	49,777	51,330	52,931	54,561	56,252	58,002
99	24	53,552	$55,\!234$	56,970	58,750	60,605	62,505
100	25	57,462	59,483	61,383	63,328	65,348	67,427

101	PAY	6	7	8	9	10	11
$\begin{array}{c} 102 \\ 103 \end{array}$	GRADE 1	14,580	14,900	15,221	15,541	15,876	16,226
104	2	15,352	15,687	16,036	16,386	16,750	17,129
105	3	16,182	16,546	16,925	17,304	17,697	18,090
106	4	17,085	17,478	17,872	18,279	18,702	19139
107	5	18,046	18,469	18,906	19,343	19,794	20,260
108	6	19,081	19,547	20,013	20,479	20,974	21,469
109	7	20,202	20,697	21,192	21,717	22,241	22,780
110	8	21,411	21,950	22,489	23,042	23,610	24,193
111	9	22,722	23,290	23,887	24,484	25,096	25,737
112	10	23,176	23,763	24,379	25,008	25,638	26,295
113	11	24,645	25,288	25,945	26,617	27,316	28,015
114	12	26,225	26,924	27,638	28,365	29,120	29,890
115	13	27,945	28,701	29,470	30,267	31,078	31,918
116	14	29,806	30,631	31,470	32,323	33,204	34,114
117	15	31,834	32,715	33,624	34,561	$35,\!512$	36,505
118	16	34,030	34,981	35,974	36,981	38,030	39,093
119	17	36,421	37,456	38,519	39,624	40,757	41,918
120	18	39,009	40,142	41,303	42,506	43,736	44,995
121	19	44,747	46,064	47,410	48,801	50,238	51,719
122	20	48,038	49,460	50,941	$52,\!452$	54,023	55,623
123	21	51,614	53,170	54,786	56,431	58,137	59,902
124	22	55,534	57,224	58,975	60,785	62,640	64,555
125	23	59,797	61,653	63,568	65,527	67,562	69,656
126	24	64,465	66,485	68,579	70,734	72,948	75,237
127	25	69,567	71,781	74,070	76,419	78,842	81,356

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128	PAY	12	13	14	15
129	GRADE				
130	1	16,575	16,939	17,304	17,682
131	2	17,507	17,886	18,294	18,687
132	3	18,498	18,920	19,343	19,780
133	4	19,576	20,027	20,493	20,959
134	5	20,741	21,222	21,717	22,227
135	6	21,994	22,518	23,057	23,596
136	7	23,334	23,902	24,484	25,081
137	8	24,805	25,416	26,043	26,684
138	9	26,378	27,048	27,732	28,417
139	10	26,980	27,666	28,379	29,106
140	11	28,757	29,498	30,267	31,064
141	12	30,687	31,498	32,323	33,176
142	13	32,771	33,652	34,561	35,484
143	14	35,051	36,002	36,981	38,002
144	15	37,512	38,547	39,624	40,715
145	16	40,198	41,331	42,492	43,694
146	17	43,121	44,352	45,611	46,925
147	18	46,296	47,639	49,023	50,450
148	19	53,230	54,801	56,416	58,062
149	20	57,284	58,990	60,755	62,550
150	21	61,712	63,568	65,482	$67,\!472$
151	22	66,530	68,579	70,674	72,828
152	23	71,826	74,040	76,344	78,708
153	24	77,601	80,039	82,552	85,156
154	25	83,944	86,607	89,360	92,202

# §18B-9-4. Classified employee salary; payment beyond salary schedule; conditions.

1 (a) The current annual salary of a classified employee may 2 not be reduced by the provisions of this article nor by any 3 other action inconsistent with the provisions of this article. 4 (b) Nothing in this article prohibits promotion of a classified employee to a job title carrying a higher pay grade if the 5 promotion is in accordance with the provisions of this 6 7 article, the personnel classification and compensation system 8 and personnel rules of the commission and council.

9 (c) An organization may pay classified employees in excess
10 of the salary established for their pay grade and years of
11 experience indicated on the salary schedule established by
12 section three of this article under the following conditions:
13 (1) The commission or council, as appropriate, certifies that
14 the organization has achieved full funding; and

(2) The governing board has promulgated and adopted a
salary rule in accordance with section six, article one of this
chapter and the rules of the commission and council establishing a procedure to ensure that salary increases above the
temporary salary schedule are distributed equitably and in

# 149 [Com. Sub. for S. B. No. 33020 a manner that is consistent with the uniform classification21 and compensation system.

### ARTICLE 9A. CLASSIFICATION AND COMPENSATION SYSTEM. §18B-9A-1. Legislative intent and purpose.

(a) The intent of the Legislature in enacting this article is
 to establish the classification and compensation system for
 certain employees of higher education organizations and
 apply recognized best human resources practices in order to
 use available resources in the most effective and efficient
 manner for the benefit of the citizens of West Virginia.

7 It is further the intent of the Legislature to establish a plan
8 that is fair, accountable, credible, transparent and system9 atic. In recognition of the importance of these qualities, this
10 article, together with articles seven, eight and nine of this
11 chapter, is designated and may be cited as "FACTs for
12 Higher Education".

(b) In furtherance of the principles described in subsection
(a) of this section, the chief purposes of the classification and
compensation system are to accomplish the following
objectives:

17 (1) Develop and implement a classification and compensa-18 tion system that is fair, transparent, understandable, simple

19 to administer, self-regulating and adaptable to meet future20 goals and priorities;

(2) Provide current, reliable data to governing boards, the 2122commission, the council, the Governor and the Legislature to 23inform the decision-making process of these policymakers; 24(3) Attract well-qualified and diverse job applicants and retain and motivate employees to accomplish the goals, 2526objectives and priorities identified in state law, rules of the 27commission and council, the statewide master plans for higher education and the institutions' compacts; 28

(4) Retain and reward employees who make valuable
contributions to state and organization goals, objectives and
priorities;

32 (5) Compensate employees within an organization fairly in33 relation to one another;

34 (6) Compensate employees across organizations who are35 performing similar work at similar wage rates;

36 (7) Compensate employees at levels that are competitive
37 with appropriate external markets and are fiscally responsi38 ble;

(8) Improve the process for evaluating jobs, including, butnot limited to, mandating training and development in best

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41 human resources practices and directing that key terms, job
42 titles and evaluation forms are consistent across organiza43 tions; and

(9) Ensure that regular market salary analyses are performed to determine how organization compensation for all
classes of employees compares to compensation in relevant
external markets.

#### §18B-9A-2. Definitions.

As used in this article and articles seven, eight and nine of
 this chapter, the following words have the meanings ascribed
 to them unless the context clearly indicates a different
 meaning:

5 (a) "Classification system" means the process by which
6 jobs, job titles, career ladders and assignment to pay grades
7 are determined.

8 (b) "Classified employee" or "employee" means any regular 9 employee of an organization who holds a position that is 10 assigned a particular job and job title within the classifica-11 tion system established by this article, article nine and by 12 duly promulgated and adopted rules of the commission and 13 council.

(c) "Job" means the total collection of tasks, duties andresponsibilities assigned to one or more individuals whosework is of the same nature and level.

17 (d) "Job description" means a summary of the most18 important features of a job, including the general nature and19 level of the work performed.

20 (e) "Job evaluation" means a formal process used to create21 a job worth hierarchy.

(f) "Job family" means a group of jobs having the same
nature of work, but requiring different levels of skill, effort,
responsibility or working conditions.

(g) "Job title" means the descriptive name for the total
collection of tasks, duties and responsibilities assigned to one
or more individuals whose positions have the same nature of
work performed at the same level.

(h) "Job worth hierarchy" means the perceived internal
value of jobs in relation to each other within an organization.
(i) "Nonclassified employee" means an employee of an
organization who holds a position that is not assigned a
particular job and job title within the classification system
established by this article, article nine, and by duly promul-

35 gated and adopted rules of the commission and council and36 who meets one or more of the following criteria:

37 (1) Holds a direct policy-making position at the depart-38 ment or organization level; or

39 (2) Reports directly to the president or chief executive40 officer of the organization.

(j) "Organization" means the commission, the council, an
agency or entity under the respective jurisdiction of the
commission or the council or a state institution of higher
education as defined in section two, article one of this
chapter.

46 (k) "Pay grade" means the level to which a job is assigned47 within a job worth hierarchy.

(1) "Point factor methodology" means a quantitative job
evaluation process in which elements of a job are given a
factor value and each factor is weighted according to its
importance.

(m) "Position description" means a summary of the total
duties and responsibilities of a position based on factors
provided in the position information questionnaire (PIQ).

(n) "Position information questionnaire" or "PIQ" meansa tool used in the creation and evaluation of position descrip-

tions and includes the factors of knowledge, experience,
complexity and problem solving, freedom of action, scope
and effect, breadth of responsibility, intra-systems contacts,
external contacts, direct supervision of personnel, indirect
supervision of personnel and health, safety and physical
considerations.

63 (o) "Step" means a standard progression in pay rate that is64 established within a pay grade.

#### §18B-9A-3. Applicability.

(a) The provisions of this article apply to employees whose
 employment, if continued, accumulates to a minimum total
 of one thousand forty hours during a calendar year and
 extends over at least nine months of a calendar year.

5 (b) Until the commission or council, as appropriate, has certified that an organization has achieved full funding of 6 7 the temporary classified employee annual salary schedule or is making appropriate progress toward attaining full funding 8 as defined by section three, article nine of this chapter, the 9 10 organization is subject to article nine of this chapter and may not exercise flexibility provisions in any area of human 11 12resources identified in this chapter or in commission and 13 council rule.

# §18B-9A-4. Job classification system; job classification committee established; membership; meetings; powers and duties.

(a) The commission and council jointly shall maintain a
 uniform system for classifying jobs and positions of organi zation employees.

4 (b) Pursuant to the rule authorized in section seven of this
5 article, the commission and council jointly shall establish
6 and maintain a job classification committee.

7 The rule shall contain the following provisions related to8 the job classification committee:

9 (A) A systematic method for appointing committee mem-10 bers who are representative of all the higher education 11 organizations and affected constituent groups including 12 specifically providing for membership selections to be made 13 from nominations from these higher education organizations 14 and affected constituent groups;

(B) A requirement that members be approved by the
commission and council before beginning service on the
committee;

18 (C) A requirement that an organization may have no more19 than two members serving on the committee at any time and

20 the combined membership representing various groups or divisions within or affiliated with an organization in total 2122may not constitute a majority of the membership; and 23(D) A requirement that committee members serve staggered terms. One third of the initial appointments shall be 2425for two years, one third for three years and one third for four years. Thereafter, the term is four years. A member may not 2627serve more than four years consecutively. 28 (c) Powers and duties of the committee include, but are not limited to, the following: 29

30 (1) Modifying and deleting jobs and assigning job titles;

(2) Reviewing and revising job titles to make them consistent among organizations, including adopting consistent title
abbreviations;

34 (3) Establishing job worth hierarchies and data lines for35 each job title;

36 (4) Classifying jobs, establishing proper pay grades and
37 placing jobs in pay grades consistent with the job evaluation
38 plan;

39 (5) Determining when new job titles are needed and40 creating new job titles within the system;

(6) Recommending base pay enhancements for jobs for
which the application of point factor methodology produces
significantly lower salaries than external market pricing.
The committee may exercise this authority only if it reevaluates each job annually to make a determination whether the
enhancement should be continued;

47 (7) Recommending a procedure for performing job family48 reviews;

49 (8) Determining appropriate career ladders within the
50 classification system and establishing criteria for career
51 progression; and

(9) Hearing job classification appeals prior to commencement of the formal grievance process pursuant to commission
and council rule.

(d) The committee shall meet monthly if there is business
to conduct and also may meet more frequently at the call of
the chair. A majority of the voting members serving on the
committee at a given time constitutes a quorum for the
purpose of conducting business.

60 (e) When evaluating jobs, the committee shall use the61 following procedure:

62 (1) Each committee member shall classify each job individ-63 ually, independently of other members;

64 (2) The chair shall compile and share the individual65 evaluations with the whole committee; and

66 (3) After discussing the issues and resolving differences,
67 the committee shall make a determination of the appropriate
68 classification for each job.

(f) The commission and council shall use a point factor
methodology to classify jobs. The commission and council
jointly may adjust the job evaluation plan, including the
factors used to classify jobs and their relative values, at any
time.

(g) No later than July 1, 2012, the commission and council
shall have in place an up-to-date job description for every
classified job.

(h) The commission and council shall develop a position
information questionnaire to be used by all organizations to
gather data necessary for classification of positions within
the job worth hierarchy.

# §18B-9A-5. Compensation planning and review committee established; membership; meetings; powers and duties.

(a) Pursuant to the rule authorized in section seven of this
 article, the commission and council jointly shall establish
 and maintain a compensation planning and review commit tee.

5 (b) Within the guidelines established in this article and
6 articles seven, eight and nine of this chapter, the committee
7 shall manage all aspects of compensation planning and
8 review that the commission and council jointly delegate to it.
9 The rule shall contain the following requirements related
10 to the compensation planning and review committee:

(1) A systematic method for appointing committee members who are representative of all the higher education
organizations and affected constituent groups including
specifically providing for membership selections to be made
from nominations from these higher education organizations
and affected constituent groups; and

17 (2) A requirement that members be approved by the18 commission and council before beginning service on the19 committee;

(3) A requirement that an organization may have no more
than two members serving on the committee at any time and
the combined membership representing various groups or

divisions within or affiliated with an organization in total
may not constitute a majority of the membership; and
(4) A requirement that committee members serve staggered
terms. One third of the initial appointments shall be for two
years, one third for three years and one third for four years.
Thereafter, the term is four years. A member may not serve
more than four years consecutively.

30 (c) The committee shall meet at least quarterly and at other
31 times at the call of the chair. A majority of the voting
32 members serving on the committee at a given time consti33 tutes a quorum for the purpose of conducting business.

(d) An institution may not have a majority of the committee
members and the combined membership representing
various groups or divisions within or affiliated with an
organization in total may not constitute a majority of the
membership.

39 (e) The Compensation Planning and Review Committee has
40 powers and duties which include, but are not limited to, the
41 following:

42 (1) Making annual recommendations for revisions in the
43 system compensation plan, based on existing economic,
44 budgetary and fiscal conditions or on market study data.

- 45 (2) Overseeing the five-year external market salary study;
- 46 (3) Overseeing the annual internal market review;

47 (4) Meeting at least annually with the Job Classification Committee to discuss benchmark jobs to be included in 48 salary surveys, market "hot jobs" that may require a tempo-49 rary salary adjustment, results of job family reviews, and 50 assessment of current job titles within the classification 51system for market matches and other issues as the Vice 52Chancellor for Human Resources, in consultation with the 53 chancellors, determines to be appropriate; and 54

(5) Performing other duties as assigned by the commission
and council or as necessary or expedient to maintain an
effective classification and compensation system.

(f) The commission and council may allow the committee
to collapse the three lowest pay grades into a single pay
grade and provide for employees to be paid at rates appropriate to the highest of the three lowest pay grades.

#### §18B-9A-6. Salary structure and salary schedules.

(a) The commission and council shall develop and maintain
 a market salary structure and minimum salary schedules and
 ensure that all organizations under their respective jurisdic-

- 4 tions adhere to state and federal laws and duly promulgated
- 5 and adopted organization rules.
- 6 (b) The commission and council may not delegate any of
- 7 the following duties to the Compensation Planning and
- 8 Review Committee or the Job Classification Committee:
- 9 (1) Approval of a classification and compensation rule;
- 10 (2) Approval of the job evaluation plan;
- 11 (3) Approval of the annual market salary schedule; and
- 12 (4) Approval of the annual minimum salary schedule.
- 13 (c) The market salary structure serves as the basis for the
- 14 following activities:
- 15 (1) Evaluating compensation of classified employees in16 relation to appropriate external markets; and
- 17 (2) Developing the minimum salary schedules to be18 adopted by the commission and council.
- 19 (d) The market salary structure shall meet the following20 criteria:
- (1) Sets forth the number of pay grades and steps to beincluded in the structure;
- (2) Includes a midpoint value for each pay grade whichrepresents the average salary of jobs in that pay grade. The

25 commission and council may choose a midpoint value that is

26 not based exclusively on market salary data; and

(3) Includes minimum and maximum step values based on
an established range spread, as well as values for other steps
in the salary structure.

(e) The commission and council jointly shall contract with
an external vendor to conduct a classified employee market
salary study at least once within each five-year period. At
the conclusion of the study, the commission and council, in
consultation with the Compensation Planning and Review
Committee, may take any combination of the following
actions:

(1) Adjust the number of pay grades and the point values
necessary for a job to be assigned to a particular pay grade;
(2) Adjust the midpoint differentials between pay grades
better to reflect market conditions; or

41 (3) Adjust the range spread for any pay grade.

(f) The commission and council jointly may perform an
annual review of market salary data to determine how
salaries have changed in the external market. Based on data
collected, the commission and council jointly in consultation
with the Compensation Planning and Review Committee,

47 shall adjust the market salary structure, if changes are
48 supported by the data. In the absence of a market salary
49 study conducted by an external vendor, the commission and
50 council may not adjust the midpoint differentials between
51 pay grades unless required to do so by a change in minimum
52 wage or other laws and may not adjust the range spread for
53 any pay grade.

(g) Annually, the commission and council may approve a
minimum salary schedule that sets forth a compensation
level for each step and pay grade below which no organization employee may be paid.

58 (1) The minimum salary floor for each pay grade and step 59 on the minimum salary schedule is determined by applying the percentage fixed by commission and council rule promul-60 gated pursuant to section seven of this article to the annual 61 62 market salary data. The commission and council also shall consider the minimum wage and other laws that ensure that 63 64 employees earn a living wage and shall maintain a salary 65 structure which ensures that the average salary of each class of employees meets relative market equity among employee 66 classes. The commission and council may take into consider-67 ation other factors they consider appropriate. 68

69 (2) The salary of an employee working fewer than thirty-70 seven and one-half hours per week shall be prorated.

(h) The organization rule promulgated pursuant to (d),
section seven of this article may provide for differential pay
for certain employees who work different shifts, weekends or
holidays.

## §18B-9A-7. Classification and compensation rules required; emergency rule authorized.

1 (a) Notwithstanding any provision of law or rule to the 2contrary, the commission and council jointly shall design, develop, implement and administer the personnel system of 3 classification and compensation pursuant to this article and 4 articles seven, eight and nine of this chapter. In developing 5 and designing the system, they shall give careful consider-6 7 ation to the recommendations and supporting documentation 8 contained in the Final Report to the Select Committee on Higher Education Personnel, prepared pursuant to section 9 thirteen, article one-b of this chapter, which was received 10and approved by the Select Committee on January 11, 2010. 11 12(b) Classification and compensation system rule. –

By November 1, 2011, the commission and council shallpropose a joint rule or rules for legislative approval in

accordance with article three-a, chapter twenty-nine-a of 15 16 this code to implement the provisions of this article and 17articles seven, eight and nine of this chapter. The rule shall establish a classification and compensation system that 18 incorporates best human resources practices and takes into 1920consideration the recommendations of the Legislative Select Committee on Higher Education Personnel. At a minimum, 2122the system rule shall address the areas of organization 23accountability, employee classification and compensation, 24performance evaluation and development of organization 25 rules.

26 (1) Organization accountability. –

The system rule shall provide a procedure for correcting deficiencies identified in the human resources reviews conducted pursuant to section nine, article seven of this chapter. The procedure shall include, but is not limited to, the following components:

32 (A) Specifying a reasonable time for organizations to33 correct deficiencies uncovered by a review;

34 (B) Applying sanctions when major deficiencies are not35 corrected within the allotted time:

36 (i) For purposes of this subsection, a major deficiency
37 means an organization has failed to comply with federal or
38 state law or with personnel rules of the commission and
39 council.

(ii) When a major deficiency is identified, the commission
or council, as appropriate, shall notify the governing board
of the institution in writing, giving particulars of the deficiency and outlining steps the governing board is required to
take to correct the deficiency.

(iii) The governing board shall correct the major deficiency
within four months and shall notify the commission or
council, as appropriate, when the deficiency has been
corrected.

49 (iv) If the governing boards fail to correct the major 50 deficiency or fails to notify the commission or council, as 51 appropriate, that the deficiency has been corrected within a 52 period of four months from the time the governing board 53 receives notification, the commission or council shall apply 54 sanctions as specified:

(I) A formal reprimand shall be placed in the personnel fileof each key administrator who shares responsibility and has

57 operational authority in the area of the identified deficiency;58 and

(II) Other sanctions may include, but are not limited to,
suspending new hiring by the organization and prohibiting
compensation increases for key administrators who have
authority over the areas of major deficiency until the
identified deficiencies are corrected.

64 (C) Certifying that an organization has achieved full
65 funding of the temporary annual classified employee salary
66 schedule or is making appropriate progress toward achieving
67 full funding pursuant to section three, article nine of this
68 chapter.

69 (2) Employee classification and compensation. — The
70 system rule shall establish a classification and compensation
71 system to accomplish the following objectives:

(A) Moving classified employees through the classification
system based on performance and other objective, measurable factors including education, years of experience in
higher education and experience above position requirements;

(B) Achieving and maintaining appropriate levels ofemployee dispersion across steps;

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79 (C) Assigning each current employee to an initial step for his or her pay grade that is closest to and exceeds his or her 80 current salary regardless of previous education, experience 81 82 or performance. The rule shall provide that the salary of a 83 current employee may not be reduced by a job reclassification, a modification of the market salary schedule, or other 84 conditions that the commission and the council consider 85 86 appropriate and reasonable;

(D) Establishing a job worth hierarchy and identifying the
factors to be used to classify jobs and their relative values
and determining the number of points that are necessary to
assign a job to a particular pay grade;

91 (E) Establishing an objective standard to be used in
92 determining when a job description or a position description
93 is up-to-date;

94 (F) Providing a procedure whereby a classified employee or
95 a supervisor who believes that changes in the job duties and
96 responsibilities of the employee justify a position review may
97 request that a review be done at any time;

98 (G) Specifying that the acceptable period that may elapse99 between the time when an employee files a formal request100 for a position review and the time when the review is

101 completed may not exceed forty-five days. An organization
102 that fails to complete a review within the specified time shall
103 provide the employee back pay from the date the request for
104 review was received if the review, when completed, produces
105 a reclassification of the position into a job in a higher pay
106 grade;

(H) Providing a procedure by which employees may file
appeals of job classification decisions for review by the Job
Classification Committee prior to filing a formal grievance.
The committee shall render a decision within sixty days of
the date the appeal is filed with the commission or the
council;

(I) Providing for recommendations from the Compensation
Planning and Review Committee and the Job Classification
Committee to be considered by the commission and the
council and to be included in the legislative reporting
process pursuant to section eight, article seven of this
chapter; and

(J) Establishing and maintaining the job classificationcommittee mandated in section four of this article.

121 (3) *Performance evaluations.* — The system rule shall
122 provide for developing and implementing a consistent,

123 objective performance evaluation model and shall mandate
124 that training in conducting performance evaluations be
125 provided for all organization personnel who hold supervisory
126 positions.

127 (c) Emergency rule. -

(1) The Legislature hereby finds that an emergency exists and, therefore, the commission and council shall propose a joint emergency rule or rules by November 1, 2011, in accordance with article three-a, chapter twenty-nine-a of this code to implement the provisions of this article and articles seven, eight and nine of this chapter.

(2) The commission and council shall file the emergency
rule or rules with the Legislative Oversight Commission on
Education Accountability by the date specified in subdivision (1) of this subsection and may not implement the
emergency rule or rules without prior approval.

139 (d) Organization rules. --

(1) Each organization shall promulgate and adopt a rule or
rules in accordance with the provisions of section six, article
one of this chapter to implement requirements contained in
the classification and compensation system rule or rules of
the commission and council. The commission and council

shall provide a model personnel rule for the organizationsunder their jurisdiction and shall provide technical assis-tance in rulemaking as requested.

(2) The initial organization rule shall be adopted not later 148 than six months following the date on which the commission 149150and council receive approval to implement the emergency rule promulgated pursuant to this section. Additionally, each 151152organization shall amend its rule to comply with mandated 153changes not later than six months after the effective date of any change in statute or rules, unless a different compliance 154155date is specified within the statute or rule containing the 156 requirements or mandate.

(3) An organization may not adopt a rule under this sectionuntil it has consulted with the appropriate employee classaffected by the rule's provisions.

(4) If an organization fails to adopt a rule or rules as
mandated by this subsection, the commission and council
may prohibit it from exercising any flexibility or implementing any discretionary provision relating to human resources
contained in statute or in a commission or council rule until
the organization's rule requirements have been met.

(5) Additional flexibility or areas of operational discretion
identified in the system rule or rules may be exercised only
by an organization which meets the following requirements:
(A) Receives certification from the commission or council,
as appropriate, that the organization has achieved full
funding of the temporary salary schedule or is making
appropriate progress toward achieving full funding pursuant
to section three, article nine of this chapter;

(B) Promulgates a comprehensive classification andcompensation rule as required by this section;

(C) Receives approval for the classification and compensation rule from the appropriate chancellor in accordance with
this section; and

(D) Adopts the rule by vote of the organization's governingboard.

(6) Notwithstanding any provision of this code to the contrary, each chancellor, or his or her designee, has the authority and the duty to review each classification and compensation rule promulgated by an organization under his or her jurisdiction and to recommend changes to the rule to bring it into compliance with state and federal law, commission and council rules or legislative, commission and council

intent. Each chancellor may reject or disapprove any rule, in
whole or in part, if he or she determines that it is not in
compliance with law or rule or if it is inconsistent with
legislative, commission and council intent.

# §18B-9A-8. Implementation of classification and compensation system.

1 (a) Sweeping cultural changes are needed to implement the 2 recommendations of the Select Committee on Higher 3 Education Personnel and the provisions of this article and 4 articles seven, eight and nine of this code. These kinds of changes require dedication and cooperation from all em-5 ployee classes across the two systems of public higher 6 education, the commission, council and state policymakers. 7 8 The primary responsibility for implementation, however, 9 rests with the commission and the council who shall provide leadership and assistance to the human resources profession-10 als within each organization to bring about the changes 11 12successfully.

13 (b) The implementation process shall be carried out in
14 incremental steps, some of which may occur simultaneously.
15 The steps include the following:

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16 (1) Communicating with organization employees and administrators to acquaint them with the guiding principles 1718 of the classification and compensation system. The principles which undergird the policy changes are designed to promote 19fairness, accountability, credibility, transparency and a 20systematic approach to progress (FACTS for Higher Educa-21tion). The discussion shall explain the origin of changes in 2223law and policy and show how these are the result of four years of study culminating in the findings and recommenda-2425tions contained in the Final Report to the Select Committee 26on Higher Education Personnel (January 11, 2010).

27(2) Seeking out credentialed, experienced human resources 28professionals to provide staff support to the commission, 29council and organizations, pursuant to section two-a, article four of this chapter, who are committed to creating a culture 30 of constant improvement in a complex and rapidly changing 31 32environment. These professionals are catalysts to promote the Fair, Accountable, Credible, Transparent, and System-33 atic (FACTs) principles and to serve the organizations by 3435assisting them in developing and maintaining best human 36 resources practices.

37 (3) Conducting a review of the human resources function at
38 each organization pursuant to section nine, article seven of
39 this chapter to identify best practices and areas of defi40 ciency.

(4) Developing and implementing employee training and
professional development pursuant to section six, article
seven of this chapter to assist organization professionals in
applying the Fair, Accountable, Credible, Transparent, and
Systematic principles to all human resources functions.

46 (5) Preparing a request for a proposal (RFP) for a human
47 resources information system capable of meeting a wide
48 range of data requirements to support personnel and policy
49 initiatives.

(6) Establishing the Compensation Planning and Review
Committee pursuant to section five of this article and the Job
Classification Committee pursuant to section four of this
article whose members participate and represent a broad
range of higher education interests in the decision and
policy-making process.

56 (7) Providing data throughout the implementation process
57 to the Legislative Oversight Commission on Education
58 Accountability to inform state policymakers of progress and

# 177 [Com. Sub. for S. B. No. 33059 to provide a forum for further discussion of higher education60 personnel issues and employee concerns.

## ARTICLE 10. FEES AND OTHER MONEY COLLECTED AT STATE INSTITUTIONS OF HIGHER EDUCATION.

## §18B-10-1. Enrollment, tuition and other fees at education institutions; refund of fees.

(a) Each governing board shall fix tuition and other fees
 for each school <u>academic</u> term for the different classes or
 categories of students enrolling at each the state institution
 of higher education under its jurisdiction and may include
 among the tuition and fees any one or more of the following
 as defined in section one-b of this article:

- 7 (1) Tuition and required educational and general fees;
- 8 (2) Auxiliary and auxiliary capital fees; and

9 (3) Required educational and general capital fees.

 $10 \qquad (b) \, \underline{\text{An institution}} \, \underline{\text{A governing board}} \, \underline{\text{may establish a single}}$ 

- 11 special revenue account for each of the following classifica-
- 12 tions of fees:
- 13 (1) All tuition and required educational and general fees14 collected;

15 (2) All auxiliary and auxiliary capital fees collected; and

16 (3) All required educational and general capital fees
17 collected to support existing systemwide and institutional
18 debt service and future systemwide and institutional debt
19 service, capital projects and campus renewal for educational
20 and general facilities.

(4) Subject to any covenants or restrictions imposed with
respect to revenue bonds payable from the accounts, an
institution a governing board may expend funds from each
special revenue account for any purpose for which funds
were collected within that account regardless of the original
purpose for which the funds were collected.

27(c) The purposes for which tuition and fees may be ex-28 pended include, but are not limited to, health services, 29student activities, recreational, athletic and extracurricular activities. Additionally, tuition and fees may be used to 30 finance a student's students' attorney to perform legal 31 services for students in civil matters at the institutions. 3233 *Provided*, That The legal services are limited only to those types of cases, programs or services approved by the admin-3435 istrative head president of the institution where the legal 36 services are to be performed.

(d) <u>By October 1, 2011</u>, the commission and council jointly
<u>each</u> shall propose a rule for legislative approval in accordance with the provisions of article three-a, chapter twentynine-a of this code to govern the fixing, collection and
expenditure of tuition and other fees <u>by the governing boards</u>
<u>under their respective jurisdictions.</u>

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(e) The schedule of all tuition and fees, and any changes in
the schedule, shall be entered in the minutes of the meeting
of the appropriate governing board and the board shall file
with the commission or council, or both, as appropriate, and
the Legislative Auditor a certified copy of the schedule and
changes.

49 (f) The governing boards shall establish the rates to be
50 charged full-time students, as defined in section one-b of this
51 article, who are enrolled during a regular academic term.

(1) Undergraduate students taking fewer than twelve credit
hours in a regular term shall have their fees reduced pro rata
based upon one twelfth of the full-time rate per credit hour
and graduate students taking fewer than nine credit hours in
a regular term shall have their fees reduced pro rata based
upon one ninth of the full-time rate per credit hour.

(2) Fees for students enrolled in summer terms or other
nontraditional time periods shall be prorated based upon the
number of credit hours for which the student enrolls in
accordance with the provisions of this subsection.

62 (g) All fees are due and payable by the student upon63 enrollment and registration for classes except as provided in64 this subsection:

(1) The governing boards shall permit fee payments to be
made in installments over the course of the academic term.
All fees shall be paid prior to the awarding of course credit
at the end of the academic term.

(2) The governing boards also shall authorize the acceptance of credit cards or other payment methods which may
be generally available to students for the payment of fees.
The governing boards may charge the students for the
reasonable and customary charges incurred in accepting
credit cards and other methods of payment.

(3) If a governing board determines that a student's
finances are affected adversely by a legal work stoppage, it
may allow the student an additional six months to pay the
fees for any academic term. The governing board shall

(4) The commission and council jointly shall propose a rule
in accordance with the provisions of article three-a, chapter
twenty-nine-a of this code defining conditions under which
an institution a governing board may offer tuition and fee
deferred payment plans through the institution itself or
through third parties.

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87 (5) An institution <u>A governing board</u> may charge interest
88 or fees for any deferred or installment payment plans.

89 (h) In addition to the other fees provided in this section, 90 each governing board may impose, collect and distribute a 91fee to be used to finance a nonprofit, student-controlled 92 public interest research group if the students at the institution demonstrate support for the increased fee in a manner 93 and method established by that institution's elected student 94 95 government. The fee may not be used to finance litigation 96 against the institution.

97 (i) Institutions Governing boards shall retain tuition and
98 fee revenues not pledged for bonded indebtedness or other
99 purposes in accordance with the tuition rule rules proposed
100 by the commission and council jointly pursuant to this

101 section. The tuition rule <u>rules</u> shall <u>address the following</u>102 areas:

103 (1) Provide Providing a basis for establishing nonresident
104 tuition and fees;

(2) <u>Allow institutions Allowing governing boards</u> to charge
different tuition and fees for different programs;

107 (3) Provide that a board of Governors may <u>Authorizing a</u>
108 <u>governing board to</u> propose to the commission, council or
109 both, as appropriate, a mandatory auxiliary fee under the
110 following conditions:

(A) The fee shall be approved by the commission, council
or both, as appropriate, and either the students below the
senior level at the institution or the Legislature before
becoming effective;

(B) Increases may not exceed previous state subsidies bymore than ten percent;

(C) The fee may be used only to replace existing state funds
subsidizing auxiliary services such as athletics or bookstores;
(D) If the fee is approved, the amount of the state subsidy
shall be reduced annually by the amount of money generated
for the institution by the fees. All state subsidies for the

(E) The commission or council or both, as appropriate,
shall certify to the Legislature annually by <u>October 1</u> the
amount of fees collected for each of the five years;

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(4) Establish Establishing methodology, where applicable,
to ensure that, within the appropriate time period under the
compact, community and technical college tuition rates for
community and technical college students in all independently accredited community and technical colleges will be
commensurate with the tuition and fees charged by their
peer institutions.

134(j) A penalty may not be imposed by the commission or council upon any institution governing board based upon the 135136 number of nonresidents who attend the institution unless the commission or council determines that admission of nonresi-137 dents to any institution or program of study within the 138 institution is impeding unreasonably the ability of resident 139students to attend the institution or participate in the 140141 programs of the institution. The institutions governing 142 boards shall report annually to the commission or council on

143 the numbers of nonresidents and such any other enrollment

144 information <del>as</del> the commission or council may request.

(k) Tuition and fee increases of the governing boards,
except for including the governing boards of the state
institutions of higher education known as Marshall University and West Virginia University, are subject to rules
adopted by the commission and council jointly pursuant to
this section and in accordance with the provisions of article
three-a, chapter twenty-nine-a of this code. The commission
or council, as appropriate, shall examine individually each
request from a governing board for an increase and make its
determinations as follows:

(1) Subject to the provisions of subdivisions (4) and (8) of
this subsection, a governing board of an institution under the
jurisdiction of the commission may propose tuition and fee
increases of up to nine and one-half percent for undergraduate resident students for any fiscal year. The nine and onehalf percent total includes the amount of increase over
existing tuition and fees, combined with the amount of any
newly established specialized fee which may be proposed by
a governing board.

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(2) A governing board under the jurisdiction of the council may propose tuition and fee increases of up to four and three-quarters percent for undergraduate resident students for any fiscal year, except a governing board may propose increases in excess of four and three-quarters percent if existing tuition and fee rates at the institution are below the state average for tuition and fees at institutions under the jurisdiction of the council. The four and three-quarters percent total includes the amount of increase over existing tuition and fees, combined with the amount of any newly established, specialized fee which may be proposed by a governing board.

176 (3) The commission or council, as appropriate, shall
177 examine individually each request from a governing board
178 for an increase.

(4) Subject to the provisions of subdivision (8) of this
subsection, the governing boards of Marshall University and
West Virginia University, as these provisions relate to the
state institutions of higher education known as Marshall
University and West Virginia University, each may annually:
(A) Increase tuition and fees for undergraduate resident
students to the maximum allowed by this section without
seeking approval from the commission; and

(B) Set tuition and fee rates for post-baccalaureate resident
students and for all nonresident students, including establishing regional tuition and fee rates, reciprocity agreements
or both.

(C) The provisions of this subdivision do not apply to
tuition and fee rates of the administratively linked institution known as Marshall Community and Technical College,
the administratively linked institution known as the Community and Technical College at West Virginia University
Institute of Technology, the regional campus known as West
Virginia University at Parkersburg and, until the first day of
July, two thousand seven, the regional campus known as
West Virginia University Institute of Technology.

(5)(1) Any proposed <u>A</u> tuition and fee increase <u>greater than</u>
three percent for resident students proposed by a governing
board for state institutions of higher education other than
the state institutions of higher education known as <u>except</u>
the governing boards of Marshall University, West Virginia
School of Osteopathic Medicine and West Virginia University, requires the approval of the commission or council, as
appropriate.

187 [Com. Sub. for S. B. No. 330] 208 (2) A tuition and fee increase greater than five percent for resident students proposed by the governing boards of 209210Marshall University, West Virginia School of Osteopathic Medicine and West Virginia University requires the approval 211212of the commission. 213 (3) A fee used solely for the purpose of complying with the athletic provisions of 20 U.S.C. 1681, et seq., known as Title 214215IX of the Education Amendment of 1972, is exempt from the

216 <u>limitations on fee increases set forth in this subsection for</u>

217 three years from the effective date of the section.

218(4) In determining whether to approve or deny the a governing board's request <u>for a tuition and/or fee increase</u> 219220 for resident students greater than the increases granted 221pursuant to subdivisions (1) and (2) of this subsection, the 222commission or council shall determine the progress the 223institution governing board has made toward meeting the conditions outlined in this <del>subdivision</del> subsection and shall 224make this determination the predominate factor in its 225226decision. The commission or council shall consider the 227degree to which each institution governing board has met the 228 following conditions:

(A) Has Maximized <u>Maximizes</u> resources available through
nonresident tuition and fee charges to the satisfaction of the
commission or council;

(B) Is Consistently achieving <u>achieves</u> the benchmarks
established in the compact of the institution pursuant to the
provisions of article one-a <u>one-d</u> of this chapter;

(C) Is Continuously pursuing pursues the statewide goals
for post-secondary education and the statewide compact
established in articles one and one-a of this chapter;

(D) Has demonstrated <u>Demonstrates</u> to the satisfaction of
the commission or council that an increase will be used to
maintain high-quality programs at the institution;

(E) Has demonstrated <u>Demonstrates</u> to the satisfaction of the commission or council that the <u>institution governing</u> <u>board</u> is making adequate progress toward achieving the goals for education established by the southern regional education board;

(F) Demonstrates to the satisfaction of the commission or
council that the governing board has considered the average
per capita income of West Virginia families and their ability
to pay for any increases; and

189 [Com. Sub. for S. B. No. 330 (G) Demonstrates to the satisfaction of the commission or council that base appropriation increases have not kept pace with recognized nation-wide inflationary benchmarks; (F) To the extent authorized, will increase by up to five percent the available tuition and fee waivers provided by the institution. The increased waivers may not be used for

256 athletics.

(6) (5) This section does not require equal increases among
institutions governing boards or nor does it require any level
of increase at an institution by a governing board.

(7) (6) The commission and council shall report to the
Legislative Oversight Commission on Education Accountability regarding the basis for <u>approving or denying</u> each
approval or denial <u>request</u> as determined using the criteria
established in <del>subdivision (5) of</del> this subsection.

(8) Notwithstanding the provisions of subdivisions (1) and
(4) of this subsection, tuition and fee increases at state
institutions of higher education which are under the jurisdiction of the commission, including the state institutions of
higher education known as Marshall University and West
Virginia University, are subject to the following conditions:

271(A) Institutions may increase tuition and fees for resident, 272 undergraduate students by no more than an average of seven 273 and one-half percent per year during any period covering 274 four consecutive fiscal years, with the first fiscal year of the first four fiscal-year cycle beginning on July 1, 2007; 275276(B) The seven and one-half percent average cap does not 277 apply to an institution for any fiscal year in which the total 278 state base operating budget appropriations to that institution 279 are less than the total state base operating budget appropria-280 tions in the fiscal year immediately preceding; 281(C) A new capital fee or an increase in an existing capital 282 fee is excluded from the tuition and fee increase calculation 283 in this subdivision: 284(i) If the new fee or fee increase is approved by an institu-285 tional <u>a</u> governing board or by a referendum of an institu-286 tion's undergraduate students, or both, on or before February 287 1, 2006; or 288 (ii) If the following conditions are met:

(I) The new fee or fee increase was approved by an institutional a governing board or by a referendum of an institution's undergraduate students, or both, on or before July 1,
2006;

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293 (II) The institution for which the capital fee is approved
294 has been designated a university pursuant to the provisions
295 of section six, article two-a of this chapter by the effective
296 date of this section; and

297 (III) The institutional board of Governors previously
298 oversaw a community and technical college that achieved
299 independent accreditation and consequently acquired its
300 own board of Governors;

(D) Institutions shall provide, in a timely manner, any data
on tuition and fee increases requested by the staff of the
commission. The commission shall: (i) collect the data from
any institution under its jurisdiction; and (ii) Annually by
July 1, provide a detailed analysis of the institutions'
compliance with the provisions of this subdivision to the
Legislative Oversight Commission on Education Accountability.

## ARTICLE 19. CAPITAL PROJECTS AND FACILITIES NEEDS.

## §18B-19-10. Authorization to sell property; use of proceeds.

(a) Notwithstanding any other provision of law or this code
 to the contrary, the commission, council and governing
 boards each may sell, lease, convey or otherwise dispose of
 all or part of any real property that it owns, either by

5 contract or at public auction, and retain the proceeds of the6 transaction.

7 (1) The commission, council and governing boards may not
8 sell<del>, lease, convey or otherwise dispose of</del> any real property
9 without first performing the following steps:

(A) Providing for property appraisal by two independent
licensed appraisers. The property may not be sold for less
than the average of the two appraisals;

(B) Providing notice to the public in the county in which
the real property is located by a Class II legal advertisement
pursuant to section two, article three, chapter fifty-nine of
this code;

17 (C) Holding a public hearing on the issue in the county in18 which the real property is located; and

19 (D) In the case of the commission, notifying the Joint20 Committee on Government and Finance.

(2) Any proceeds from the sale, lease, conveyance or other
disposal of real property that is used jointly by institutions
or for statewide programs under the jurisdiction of the
commission or the council shall be transferred to the General
Revenue Fund of the state.

26(b) (2) The commission, council or a governing board shall 27deposit the net proceeds from the sale lease, conveyance or 28other disposal of real property into a special revenue account in the State Treasury to be appropriated by the Legislature 29in the annual budget bill for the purchase of additional real 30 31property, equipment or technology, or for capital improvements or maintenance at the institution that sold the surplus 3233 real property.

(b) Notwithstanding any other provision of law or this code
to the contrary, for purposes that further the state goals,
objectives and priorities for higher education set out in this
code, the commission, council and each governing board may
lease, as lessor, any real property that it owns, either by
contract or at public auction, and retain the proceeds of the
lease.

41 (c) Notwithstanding any other provision of law or this code
42 to the contrary, the commission, council and each governing
43 board may convey, transfer or exchange any real property it
44 owns to any other public body.

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NOTE: The purpose of this bill is to create "FACTS for Higher Education" by establishing fair, accountable, credible, transparent and systematic mechanisms to determine classification status and compensation for classified employees in public higher education organizations. It repeals certain provisions relating to higher education personnel generally, moves several current provisions to new locations and rewrites three existing articles. The bill sets forth certain specific powers, duties and limitations of the Higher Education Policy Commission, the Council for Community and Technical College Education and each state institution of higher education relating to personnel. It makes legislative findings, defines terms, provides for promulgation of rules, requires regular reviews of human resources functions and describes and establishes dates for periodic reports to the Legislature. The bill sets percentage limits for certain types of employees; establishes implementation and effective dates, requires review and approval of certain budget and rule-making functions; provides terms and conditions for certain employment practices; requires salary comparisons among classes of employees and certain of their peers; and authorizes and requires certain employee benefits and rights. The bill removes codified salary caps for classified employees under specific circumstances, provides for establishing market salary structures and a minimum salary schedule, requires periodic market salary studies and specifies uses for study findings. The bill requires employee performance evaluations and training for supervisory personnel who administer evaluations, sets limits for exercising certain operational flexibilities, establishes implementation goals for certain statutes and rules and assigns certain implementation responsibilities. The bill also establishes graduation rates that certain governing boards must meet, repeals sunset provision for pilot investment program for Marshall University and West Virginia University; extends their authority to increase certain types of investment with approval of the Policy Commission; and clarifies authority of the Policy Commission, the Council and governing boards regarding leasing, renting and selling property.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added. \$18B-7-1, \$18B-7-2, \$18B-7-3, \$18B-7-4, \$18B-7-5, \$18B-7-6, \$18B-7-7, \$18B-7-8, \$18B-7-9, \$18B-7-10, \$18B-7-11 and \$18B-7-12; \$18B-8-1, \$18B-8-3, \$18B-8-4, \$18B-8-5 and \$18B-8-6; and \$18B-9-1, \$18B-9-2, \$18B-9-3 and \$18B-9-4 have been completely rewritten; \$18B-4-2a; \$18B-7-13, \$18B-7-14, \$18B-7-15 and \$18B-7-16; and \$18B-9A-1, \$18B-9A-2, \$18B-9A-3, \$18B-9A-4, \$18B-9A-4, \$18B-9A-5, \$18B-9A-6, \$18B-9A-7 and \$18B-9A-8 are new; therefore, strike-throughs and underscoring have been omitted.