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AGENCY REVIEW

THE HIGHER EDUCATION POLICY COMMISSION AND THE COUNCIL FOR COMMUNITY AND TECHNICAL COLLEGE EDUCATION

AUDIT OVERVIEW

The Higher Education Policy Commission and the Council for Community and Technical College Education Are Not Providing the Statutorily Mandated Oversight of West Virginia's Higher Education



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EXECUTIVE SUMMARY

The Legislative Auditor conducted a Performance Review of the West Virginia Higher Education Policy Commission (Commission) and the West Virginia Council for Community and Technical College Education (Council) authorized pursuant to West Virginia Code §4-10-8. The objective of this review is to examine the performance of the Commission and Council with respect to following statutory requirements in the approval process of academic program reviews, tuition and fee increases, and capital and operating budgets.

Report Highlights

Issue 1: The Higher Education Policy Commission and the Council for Community and Technical College Education Are Not Providing the Statutorily Mandated Oversight of West Virginia's Higher Education.

- The Legislature created the Commission and Council to function as an overseer of higher education institutions and to establish a system of accountability in achieving state education goals and affordability. However, the Legislative Auditor finds that the Commission and Council are functioning in an advisory capacity only.
- The Commission and Council are not following statutory requirements in the approval process of academic program reviews, tuition increases over five percent, capital budgets, and the distribution of incentive and performance-based funds.
- The Commission and Council's process for approving tuition and fee increases over five percent for resident students has resulted in no difference between what institutional governing boards proposed and what the Commission and Council approved for academic years 2012 to 2015. Furthermore, the approval of tuition increases over five percent without receiving requested justification statements indicates that the Commission and Council do not hold their institutions accountable, nor are they giving consideration to the affordability of tuition for resident students.
- The Legislative Auditor concludes that the \$3.5 million appropriated to the Commission and Council is excessive for an advisory function, and that the Legislature should consider restructuring the agencies in order to have limited functions and authority, and divesting certain functions back to the institutions of higher education.

PERD Evaluation of the Agencies' Written Response

PERD received the Commission and Council's written response to the draft report on August 9, 2016. The Commission and Council indicate that they disagree with the assertions made in the report. In their response, the Commission and Council make the following arguments:

- The Commission and Council indicate that they disagree with the findings of the final report and suggest that PERD has a misunderstanding of the agencies' statutory authority, and the

Legislature’s will and history in funding colleges and universities through state appropriations. The Commission and Council also indicate that the review presents limited understanding of the structure of the two higher education systems and how the current coordinating function was established and operates in West Virginia.

PERD’s Response: It is the Legislative Auditor’s opinion that statute clearly indicates the roles and responsibilities of the Commission and Council, and over the course of the review, neither agency provided documentation to indicate that they are performing their duties as statutorily required. Furthermore, the agencies’ written response fails to refute the factual assertions made in the report. It is important to note that, in order to do our analysis, we relied on documentation and information that Commission and Council officials provided as the basis of our determinations.

- In regards to the review’s finding that the Commission and Council do not oversee institutions’ academic program reviews in accordance with statute, the agencies state in their response that *“We have been given no statutory authority to discontinue academic and technical programs, only to review existing programs and approve certain new ones. Once the Commission and Council recommend that a program be discontinued, it is the responsibility of the governing board of the institution in question to carry out that recommendation.”*

PERD’s Response: It is the opinion of the Legislative Auditor that the agencies do have the authority as stated in West Virginia Code. As addressed in the review, pursuant to W.Va. §18B-1B-4(b)(4) and §18B-2B-6(d)(4) both the Commission and Council have the authority for,

*Academic program review and approval for the institutions under its jurisdiction, including the use of institutional missions as a template to judge the appropriateness of both new and existing programs and the **authority to implement needed changes.***

In addition, regarding the Council, W.Va. §18B-2B-6(a) states:

*The council is the sole agency responsible for administration of vocational-technical-occupational education and community and technical college education in the state. **The council has jurisdiction and authority over community and technical colleges and the statewide network of independently accredited community and technical colleges as a whole, including community and technical college education programs....***

It is the opinion of the Legislative Auditor that the Commission and Council do have the authority to discontinue academic and technical programs, however, the agencies do not enforce it.

- Regarding the finding that the Commission and Council always grant tuition and fee increases over five percent and they do not consider statutory criteria in their decisions, the agencies state in their response that,

“The review seems to imply that lack of strenuous oversight is evidenced by what is or is not contained in meeting minutes of the Commission and Council. The review did not consider that appropriate criteria were actually addressed by staff, followed by responses from the institutions, placed before the Commission and Council members, reviewed in work sessions and ultimately voted on during official meetings. Meeting minutes could not possibly capture the thought processes of individual Commission and Council members and they considered evidence and recommendations that evolved over several months.”

PERD’s Response: The Legislative Auditor agrees that meeting agendas and minutes do not capture the complete thought process of the individual Commission and Council members during their decision process. However, as addressed in the report, in order to gain an understanding of what was considered in approving tuition increases, PERD requested all documentation of what each governing board submitted with its tuition and fee request along with all documentation related to what the Commission and Council used in its consideration when approving tuition and fee increases. The documentation provided to PERD was limited to Commission and Council meeting agendas and minutes which contained some institution’s tuition and fee request justifications. Although some institutions did submit the requested increase justification statement, some did not, and among those that did, the justification statements were incomplete. Ultimately, the fact remains that for academic years 2012 through 2015, the Commission and Council approved every governing board tuition and fee increase proposal over five percent regardless of what was submitted by the institutions.

- When addressing the review’s finding that the Commission’s and Council’s budget review and approval process does not consider achievement of institutional compacts, the agencies state that *“The Auditor’s report seems to imply that compacts should be considered concurrently with budget approvals, however, there is no requirement in Code for this assumption.”*

PERD’s Response: It is the opinion of the Legislative Auditor that W.Va. Code states that institutional compacts should be considered during the budget approval process. For the Commission, W.Va. §18B-1B-4(b)(12)(A) implies this by referring to incentive and performance-based funding which would be directly related to institutional compact performance. The Code states:

*For all governing boards under its jurisdiction, except the governing boards of Marshall University and West Virginia University, **the commission shall review institutional operating budgets, review and approve capital budgets, and distribute incentive and performance-based funds.***

To further illustrate this point, W.Va. §18B1B-4(a)(3) states that both the Commission and Council are responsible for:

Holding the governing boards and higher education systems as a whole accountable for accomplishing their missions and implementing their compacts.

For the Council W.Va. §18B-2B-6(c)(25) states that it is required to:

Develop and submit to the commission, a single budget for community and technical college education that reflects recommended appropriations for community and technical colleges and that meets the following conditions:

(A) Incorporates the provisions of the financing rule mandated by this section to measure and provide performance funding to institutions which achieve or make significant progress toward achieving established state objectives and priorities;

(B) Considers the progress of each institution toward meeting the essential conditions set forth in section three, article three-c of this chapter, including independent accreditation; and

(C) Considers the progress of each institution toward meeting the goals, objectives, and priorities established in article one-d of this chapter and its approved institutional compact.

Additionally, for both the Commission and Council W.Va. §18B-1A-5(d) states:

Allocation of appropriations to the institutions. -- Appropriations in this section shall be allocated to the state institutions of higher education in the following manner:

(1) Each fiscal year appropriations from the funds shall be allocated only to institutions which have:

(A) Approved compacts, pursuant to section two of this article; and

(B) Achieved their annual benchmarks for accomplishing the goals of their compacts, as approved by the commission or council.

(2) If an institution has not achieved all of its annual benchmarks, the commission or council may distribute a portion of the funds to the institution based on its progress as the commission or council determines appropriate. The commission and council each shall establish by rule, pursuant to subsection (f), section two of this article, the method for measuring the progress of each institution toward meeting the benchmarks of its institutional compact.

The Legislative Auditor also believes that these citations also address the agencies' argument of a misconception about the current ability of the Commission and Council to control appropriations to higher education institutions.

- Additionally, in regards to the institutional budget review and approval process, the agencies state in their written response that,

“In 2000, the statute which created the Commission and Council intended for our agencies to receive appropriations from the Legislature, and then to distribute those funds to the institutions, based on their meeting certain

standards. However, that funding scheme never materialized and, since that time, the Legislature has provided line-item appropriations directly to the institutions.”

PERD’s Response: It is the opinion of the Legislative Auditor that the agencies have known what their authority and responsibilities are in regards to institutional budgets, but have chosen not to take any action to develop a process that complies with Code.

- Finally, concerning the last finding that the Commission and Council do not conduct reviews of institutional reported data to ensure performance data are accurate, the agencies state that the

“... review falsely presumes that the Commission and Council merely reformat submitted data from the institutions without reviewing for accuracy when, in fact, our staff work closely with staff at each of the institutions to ensure the data is [sic] submitted to the Commission and Council is as accurate as possible.”

PERD’s Response: Although the agencies have processes in place to address completeness and consistency of data once submitted by each institution, the agencies do not have a formal process in place to ensure accuracy of the data. The agencies’ Division of Policy and Planning (Division) has stated that after the institutional data passes through the automated edit checks, a Division staff member compares the data to the previous year. If changes or possible errors are identified, the Division staff member contacts the institutions via telephone or email to ask for reasoning behind the changes or errors. There is no formal documentation process and all notes are claimed to be kept by the Division staff member. As stated in the review, the Commission and Council do not review a sample of data collected from each institution to access accuracy of data submitted by the institution. Nevertheless, the agencies state in their written response that they have begun modifying their processes to improve upon the reported shortcomings which may include visiting the institutions for random audit samples of reported data to confirm accuracy.

Recommendation

1. *The Legislative Auditor recommends that the Legislature consider restructuring the Higher Education Policy Commission and Council for Community and Technical College Education in order to have limited functions and authority, and divesting certain functions back to the institutions of higher education.*

ISSUE1

The Higher Education Policy Commission and the Council for Community and Technical College Education Are Not Providing the Statutorily Mandated Oversight of West Virginia’s Higher Education Institutions.

Issue Summary

The Legislature created the Higher Education Policy Commission (Commission) and the Council for Community and Technical College Education (Council) in 2000 and 2004 respectively to function as an overseer of higher education institutions, and to establish a system of accountability in achieving state education goals and affordability. However, the Legislative Auditor finds that the Commission and the Council are functioning in an advisory capacity only. The Commission and Council are not following statutory requirements in the approval process of academic program reviews, tuition increases and capital and operating budget. We find that institutions’ requests for tuition increases above five percent are invariably approved by the Commission and Council. Academic program reviews conducted and submitted by each institution are virtually always accepted by the Commission and Council. Capital and operating budgets submitted by individual schools do not always contain statutorily required academic achievement measures. Moreover, a 2015 PERD report indicates that the Council does neither ensure that institutional compacts address each of the legislative goals established in Code, nor take action in response to instances in which institutions do not meet their compact benchmarks. As a result, higher education institutions are not being held accountable and the achievement of State educational goals are not being enforced. **The Legislative Auditor concludes that the \$3.5 million appropriated to the Commission and the Council is excessive for an advisory function, and that the Legislature should consider restructuring the agencies in order to have limited functions and authority, and divesting certain functions back to the institutions of higher education.**

The Commission and Council Do Not Oversee Institutions’ Academic Program Reviews In Accordance with Statute.

The Commission and Council have not reviewed existing academic programs in accordance with W. Va. Code and procedural rules. PERD found that the Commission and Council are not ensuring that institutions:

- review academic programs each year,
- review academic programs in an objective manner,

The Legislature created the Higher Education Policy Commission (Commission) and the Council for Community and Technical College Education (Council) in 2000 and 2004 respectively to function as an overseer of higher education institutions, and to establish a system of accountability in achieving state education goals and affordability.

The Commission and Council are not following statutory requirements in the approval process of academic program reviews, tuition increases and capital and operating budget.

Higher education institutions are not being held accountable and the achievement of State educational goals are not being enforced.

- review at least 20 percent of its academic programs each year,
- review every academic program at least once in a five-year time frame, or
- discontinue non-productive academic programs.

Pursuant to W. Va. Code the Commission and Council have the authority for “*Academic program review and approval for the institutions under its jurisdiction, including the use of institutional missions as a template to judge the appropriateness of both new and existing programs and the authority to implement needed changes.*” According to procedural rules, the Commission and Council are responsible for annually reviewing each institution’s reported program-review actions. The Commission and Council’s procedural rules specify that each institution is to select approximately 20 percent of its programs for review each year. Institutions are required by W.Va. Code to review all of its academic programs at least every five years. According to documentation provided by the Commission and Council, the agencies have failed to ensure that governing boards are complying with W.Va. Code and procedural rules.

According to W. Va. Code, institutions themselves are to utilize the academic program review to address the necessity of the programs in relation to established state goals. The Commission and Council’s responsibility is to continuously audit academic programs to identify programs whose viability, adequacy and necessity should be scrutinized. In addition, the Commission and Council have the statutory authority to allow institutions to add or delete academic programs. However, according to documentation provided by the Commission and Council, the Legislative Auditor determined that the agencies rely solely on the institutions’ corrective actions and do not utilize its statutory authority other than to request follow-up reports for programs with concerns identified by the institution. Therefore, there is no independent review of program necessity.

PERD reviewed the Commission and Council’s minutes and agendas for FY 2011 through FY 2014 and found no indication the institutions submit 20 percent of its programs for annual review. In addition, PERD requested documentation for how the Commission and Council ensure that institutional governing boards review 20 percent of programs and that each program is reviewed every five years. In response, both the Commission and Council provided PERD with a “Degree Inventory as of November 20, 2015” which represents a current program inventory showing programs that the agencies have identified as being reviewed during the most recent five-year cycle. This list provides insufficient evidence mandated reviews are occurring.

Pursuant to W. Va. Code the Commission and Council have the authority for “Academic program review and approval for the institutions under its jurisdiction, including the use of institutional missions as a template to judge the appropriateness of both new and existing programs and the authority to implement needed changes.”

According to documentation provided by the Commission and Council, the agencies have failed to ensure that governing boards are complying with W.Va. Code and procedural rules.

According to documentation provided by the Commission and Council, the Legislative Auditor determined that the agencies rely solely on the institutions’ corrective actions and do not utilize its statutory authority other than to request follow-up reports for programs with concerns identified by the institution. Therefore, there is no independent review of program necessity.

Table 1 shows a breakdown of the data contained in the program inventories provided to PERD by the Commission and Council as of November 20, 2015. The program inventory provided by the Commission indicated that out of the 586 total programs available at the four-year institutions, an average of 70 percent of programs have been identified as being reviewed by an institutional governing board during the most recent five-year cycle. As for the program inventory provided by the Council, the data indicated that of 436 total programs at the two-year institutions, an average of 42 percent of the programs have been identified as being reviewed by an institutional governing board during the most recent five-year cycle.

Since there are no dates to indicate when a program was reviewed, the list is inadequate for the Commission and Council to determine if each institution is reviewing 20 percent of its programs each year as required; or if programs are being reviewed in a five year cycle.

Table 1 Percentage of Programs Identified as Being Reviewed in a Five-Year Cycle by the Commission and Council		
	Total Number of Programs	Average Percentage of Programs Identified as Reviewed In Five-Year Cycle
Commission	586*	70.43%
Council	436**	41.78%

Source: PERD's analysis of the Commission and Council's Degree Inventory as of November 20, 2015.
**Includes associates, bachelors, masters, and doctorate degrees programs*
***Includes certificate, associates, and bachelor degree programs.*

According to the Commission and Council, programs that are highlighted in the inventories submitted to PERD represent programs from each institution that have been reviewed by an institutional governing board during the most recent program review cycle. However, there is no indication of when each highlighted program was reviewed or a due date for when it should be reviewed. Since there are no dates to indicate when a program was reviewed, the list is inadequate for the Commission and Council to determine if each institution is reviewing 20 percent of its programs each year as required; or if programs are being reviewed in a five year cycle.

The program inventory provided by the Commission indicated that out of the 586 total programs available at the four-year institutions, an average of 70 percent of programs have been identified as being reviewed by an institutional governing board during the most recent five-year cycle. As for the program inventory provided by the Council, the data indicated that of 436 total programs at the two-year institutions, an average of 42 percent of the programs have been identified as being reviewed by an institutional governing board during the most recent five-year cycle.

According to the Commission and Council, the reason for programs not being reviewed will be unique for every program. Reasons indicated by the Commission and Council for why programs not being reviewed are:

- Many of the programs are relatively new and may have not yet come up in the cycle;
- Virtually all new programs are considered occupational programs and thus are not required to be approved by the

Council prior to implementation;

- Programs that are accredited by a specialized accreditation agency are exempt from certain aspects of the program review process; and
- There may be programs on the state program inventory that are no longer being offered by the institution and notification of termination of the programs was not communicated to the Commission and Council staff in a timely fashion.

These reasons may indicate why institutional governing boards are not reviewing certain programs. However, it does not excuse the Commission and Council from its statutory responsibilities and procedural rules to ensure that institutional governing boards are reviewing 20 percent of their programs each year so all programs are reviewed every five years. The Commission and Council need to have a program inventory that consists of the date of when the program was implemented, a five-year due date to indicate when a program is up for review, and a date indicating when the program was last reviewed. Without an adequate program inventory, non-productive programs may not be reviewed and act as a burden on the institution. The Commission and Council need to have a willingness to know how programs are performing and which are in demand.

PERD reviewed Commission and Council meeting minutes and agendas from calendar years 2011 through 2014 and found no evidence that some institutions conduct reviews of academic programs or submit those reviews to the Commission or Council. There were several indications that the Council recognized when institutions failed to submit program reviews or that the Council had not requested those reviews. For instance, as seen in Table 2, the governing boards for a few community and technical colleges did not submit a program review to the Council multiple times for the representative dates of academic years 2010 to 2014. As for the four-year institutions, there were only two instances for the same time period where the institutional governing board did not submit a program review to the Commission, or the reviews were not reported by the Commission in its meeting agenda – Bluefield State college for academic year 2010 and Potomac State College of West Virginia University for academic year 2013.

The Commission and Council need to have a program inventory that consists of the date of when the program was implemented, a five-year due date to indicate when a program is up for review, and a date indicating when the program was last reviewed.

PERD reviewed Commission and Council meeting minutes and agendas from calendar years 2011 through 2014 and found no evidence that some institutions conduct reviews of academic programs or submit those reviews to the Commission or Council.

<p align="center">Table 2 Two-Year Institutions That Did Not Submit Program Reviews to the Council for AY 2010 to AY 2014</p>					
	AY 2010	AY 2011	AY 2012	AY 2013	AY 2014
<p>Institutions That Did Not Submit a Program Review</p>	Bridgemont CTC	Mountwest CTC	Eastern CTC	Eastern CTC	Mountwest CTC
	New River CTC	New River CTC	New River CTC	Mountwest CTC	
				New River CTC	
<p><i>Source: PERD's analysis of Council meeting agendas for calendar years 2011 to 2015.</i></p>					

Furthermore, the Council noted in its August 2014 meeting minutes that it was the fifth year in a row that New River Community and Technical College had failed to submit program reviews and that it had notified the community college. When asked to explain what it meant when an institution is not scheduled for a program review for a particular year, as indicated in meeting agendas, the Council stated:

While institutions generally attempt to review an equal number of programs each year, it is not always possible. Some institutions may have a small inventory with programs grouped in a limited number of areas. Dividing the programs equally across five years is not always practical when there is a desire to review like programs together. This may result in years in which there may be no reviews.

However, evidence suggests that the Commission and Council are allowing the institutions to operate however they determine is appropriate, regardless of what is required.

Based on Commission and Council statements along with its meeting agendas and minutes, the Legislative Auditor concludes that the Commission and Council rely on institutional governing boards to comply with their own statutory requirements rather than actively requiring the governing boards to comply with procedural rules. West Virginia Code and the Commission's and Council's procedural rules grant them with the authority to implement needed changes. However, according to evidence provided by the Commission and Council, the agencies have failed to utilize this authority. It is unclear the reason(s) the Commission and Council had for not taking an active role of the institutions within its jurisdiction. Furthermore, there is a lack of evidence indicating that the

The Council noted in its August 2014 meeting minutes that it was the fifth year in a row that New River Community and Technical College had failed to submit program reviews and that it had notified the community college.

Based on Commission and Council statements along with its meeting agendas and minutes, the Legislative Auditor concludes that the Commission and Council rely on institutional governing boards to comply with their own statutory requirements rather than actively requiring the governing boards to comply with procedural rules.

Commission and Council know whether or not the institutions conduct their academic program reviews in the required objective manner. Finally, the Commission and Council do not monitor whether or not the institutions discontinue non-viable academic programs.

The Commission and Council Always Grant Tuition and Fees Increases Over Five Percent and They Do Not Consider Statutory Criteria in Their Decisions.

By law, the Commission and the Council are required to examine their respective governing boards' requests for tuition and fee increases, and such requests are subject to rules adopted by the Commission and Council. The law also specifies that proposed tuition and fee increases above five percent for resident students must be approved by the Commission or Council using statutory criteria. PERD reviewed the legislative rules governing tuition and fee increases, and the process by which the Commission and Council examine and approve tuition and fee increase requests. PERD finds that:

- the Commission and Council rules allow governing boards to increase tuition and fees each fiscal year by as much as five percent on resident students,
- the process of approving tuition and fee increases above five percent is only a formality since the Commission and Council approved every governing board proposal over the past four fiscal years, and
- the Commission and Council do not use the statutory criteria in approving tuition and fee increases above five percent.

Each year, the Commission and Council receive all requests for tuition and fee increases regardless of the amount. The Commission and Council do not discuss or review increase requests of five percent or less as they allow governing boards to approve such increases. However, for requests above five percent, the Commission and Council are required by law to approve them. **Tables 3 and 4 show that the approval process has resulted in no difference between what governing boards proposed and what the Commission and Council approved for the past four academic years (2012 through 2015).** According to the evidence provided by the agencies, the Legislative Auditor determines the approval process to be automatic and without substantive discussion of the merits or drawbacks of such significant increases.

By law, the Commission and the Council are required to examine their respective governing boards' requests for tuition and fee increases, and such requests are subject to rules adopted by the Commission and Council. The law also specifies that proposed tuition and fee increases above five percent for resident students must be approved by the Commission or Council using statutory criteria.

The Commission and Council do not discuss or review increase requests of five percent or less as they allow governing boards to approve such increases.

According to the evidence provided by the agencies, the Legislative Auditor determines the approval process to be automatic and without substantive discussion of the merits or drawbacks of such significant increases.

**Table 3
West Virginia Higher Education Policy Commission
Requested and Approved Tuition and Fee Increases Above 5 Percent
Academic Years 2012-2015**

	Governing Board Requested Resident Tuition/Fee Increase		Commission Approved Resident Tuition/Fee Increase	Difference Between Requested and Commission Approved
AY 2012-13				
West Liberty University	\$664	12.6%	12.6%	0
West Virginia State University	\$404	8.0%	8.0%	0
AY 2013-14				
Bluefield State College	\$384	7.4%	7.4%	0
Fairmont State University	\$400	7.5%	7.5%	0
Shepherd University	\$412	7.1%	7.1%	0
West Virginia State University	\$490	9.0%	9.0%	0
West Virginia University	\$366	6.0%	6.0%	0
AY 2014-15				
Fairmont State University	\$386	6.6%	6.6%	0
Fairmont State University (Nursing)	\$886	15.2%	15.2%	0
Fairmont State University (Business)	\$686	11.8%	11.8%	0
West Virginia University	\$504	7.8%	7.8%	0
AY 2015-16				
West Virginia State University	\$434	7.0%	7.0%	0
West Virginia University	\$672	9.7%	9.7%	0
WVU- Potomac State College	\$288	8.1%	8.1%	0

Source: West Virginia Higher Education Policy Commission meeting agenda and minutes for fiscal years 2012-2015.

Table 4 shows that two-year institutions made more frequent requests for tuition increases; nevertheless, the Council approved each request as proposed by the governing boards. West Virginia University at Parkersburg received tuition increases above five percent in each fiscal year, and other institutions received increases in three of the four years.

Table 4
West Virginia Council for Community and Technical College Education
Requested and Approved Tuition and Fee Increases Above 5 Percent
Academic Years 2012-2015

	Institution Requested Resident Tuition Increase		Council Approved Resident Tuition Increase	Difference Between Requested and Council Approved
AY 2012-13				
Eastern Community College	\$240	11.0%	11.0%	0
Southern Community College	\$216	9.4%	9.4%	0
WVU-Parkersburg (Bachelor Degree)	\$314	10.1%	10.1%	0
WVU-Parkersburg (Associate Degree)	\$220	9.7%	9.7%	0
AY 2013-14				
Eastern Community College	\$264	10.9%	10.9%	0
Kanawha Valley Community College	\$324	10.0%	10.0%	0
Mountwest Community College	\$306	10.0%	10.0%	0
New River Community College	\$226	7.0%	7.0%	0
Pierpont Community College	\$290	7.5%	7.5%	0
Southern Community College	\$384	15.2%	15.2%	0
Northern Community College	\$244	9.6%	9.6%	0
WVU-Parkersburg (Bachelor Degree)	\$309	9.0%	9.0%	0
WVU-Parkersburg (Associate Degree)	\$225	9.0%	9.0%	0
AY 2014-15				
Blue Ridge Community College	\$312	10.0%	10.0%	0
Eastern Community College	\$312	11.6%	11.6%	0
New River Community College	\$176	5.1%	5.1%	0
Pierpont Community College	\$290	7.0%	7.0%	0
Northern Community College	\$270	9.7%	9.7%	0
WVU-Parkersburg (Bachelor Degree)	\$300	8.0%	8.0%	0
WVU-Parkersburg (Associate Degree)	\$216	8.0%	8.0%	0
AY 2015-16				
Blue Ridge Community College	\$264	7.7%	7.7%	0
Northern Community College	\$300	9.8%	9.8%	0
WVU-Parkersburg (Bachelor Degree)	\$406	10.1%	10.1%	0
WVU-Parkersburg (Associate Degree)	\$298	10.2%	10.2%	0

Source: West Virginia Council for Community and Technical College Education meeting agenda and minutes for fiscal years 2012-2015.

Any discussions that may have occurred among Commission or Council members concerning tuition increases were not documented in the minutes. Generally, the minutes record a motion to approve in one vote all requests above five percent as proposed by each governing board, and the motion passes. There are usually one or two dissenting votes. One ex-officio member consistently voted against motions to approve tuition and fee requests over five percent. The member expressed to PERD concern that tuition increases are making higher education unaffordable and are contributing to rising student loan debt. The member stated:

I have often stated (and have voted accordingly) that given the annual requests from institutions for tuition and fee increases, I vote against these increases in defense of the monetary wherewithal of students and their families. I further posit, that the resultant drain on their finances these increases impose through the repayment of student loans, make it sadly difficult to attract our graduates to needed fields such as teaching and social work. The abundance of student loans, and the broken promise occasioned by the substantial reduction, through capping the award originally legislatively enacted for Promise Scholarship students who once received the promised exempted tuition and fees charges at out in-state institutions, has had a negative effect on college entry and completion.

The member further indicated that since the Commission allows governing boards to approve tuition increases up to five percent each year without Commission approval, that these automatic increases should be adequate.

In order to gain an understanding of what was considered in approving tuition increases, PERD requested documentation of what each governing board submitted with its tuition and fee request for FY 2004 to FY 2015, along with documentation from the Commission and Council on what they considered in approving tuition and fee increases. The documentation provided to PERD was limited to Commission and Council meeting minutes and agendas that consist of tuition and fee request justifications from some of the governing boards. However, the meeting minutes and agendas do not include the Commission's and Council's rationale behind their decisions to approve increases.

By law (W. Va. Code §18B-10-1(k)(3)), the Commission and Council are required to make their determination to approve tuition and fee increases above five percent for resident students based on the following statutory criteria:

... the commission or council shall determine the progress the governing board has made toward meeting the

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conditions outlined in this subsection and shall make this determination the predominate factor in its decision. The commission or council shall consider the degree to which each governing board has met the following conditions:

(A) Maximizes resources available through nonresident tuition and fee charges to the satisfaction of the commission or council;

(B) Consistently achieves the benchmarks established in the compact pursuant to article one-d of this chapter;

(C) Continuously pursues the statewide goals for post-secondary education and the statewide compact established in this chapter;

(D) Demonstrates to the satisfaction of the commission or council that an increase will be used to maintain high-quality programs at the institution;

(E) Demonstrates to the satisfaction of the commission or council that the governing board 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

(G) Demonstrates to the satisfaction of the commission or council that base appropriation increases have not kept pace with recognized nation-wide inflationary benchmarks.

Due to the insufficient documentation provided by the Commission and the Council, PERD concludes that they are not basing their decisions on statutory criteria. In fact, some of the criteria listed above were previously reviewed by PERD in a November 2015 report (see Appendix C), which stated that the Council had not adequately implemented the higher education accountability system established in West Virginia Code, resulting in institutions not being held accountable for failure to meet the State's higher education goals. Furthermore, the 2015 report determined that the Council's review process for institutional compacts has led to many compacts being approved that do not include all statutorily required elements. Since the Council is not holding institutions accountable for meeting their compact responsibilities, it is doubtful that it is using the information in its consideration as required by statute. Therefore, the Council does not adequately consider state goals and benchmarks in institution compacts as part of the process of approving tuition increases above five percent.

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The Commission and Council used a limited amount of information from the institutions and as well as its own calculations when approving tuition increases. For academic years 2012 through 2015, the Commission and Council instructed institutions to follow guidelines as indicated by its legislative rules by submitting a “concise justification” when requesting a tuition increase over five percent for resident students. The guidelines for the four-year and two-year institutions are similar in content. However, some of the institutions did not follow these guidelines and instead provided other information in their justification statement.

Table 5 shows that from AY 2012 to 2015, out of 12 institutions requesting a tuition and fees increase over five percent there is documentation for only 6 institutions submitting a request justification to the Commission. In addition, out of the six institutions that submitted a request justification, the data requested by the Commission were not reported in most of the institutions’ justification for a tuition and fee increase. Nevertheless, the Commission approved all of the tuition and fee requests.

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Table 5
Number of Commission Institutions That Included Institutional Benchmarks and Guidelines in Their Tuition Justification
AY 2012 through 2015

	2012	2013	2014	2015
Number of Institutions Requesting Tuition Increase	2	5	2	3
Number of Institutions Approved for Tuition Increase	2	5	2	3
Number of Institutions that Have Documented Justification for Increase	0	5	1	0
Institutional Benchmarks/Guidelines for Consideration				
The HEPI, or other inflationary benchmark, which new appropriations to the institution's base budget for the corresponding fiscal year did not offset.	0	1	0	0
Continued achievement of benchmarks in institutional compact.	0	2	1	0
Institutional pursuit of the statewide compact for postsecondary education.	0	2	1	0
The per capita income of West Virginia families and their ability to pay for college, statewide and specifically as to the county(ies) in which 75 percent of the institution's in-state students reside.	0	2	1	0
Institutional distance of the sum of appropriations and tuition and fee revenues from peer equity levels as defined by the peer equity model.	0	1	1	0
Institutional and state funding per full-time equivalent student.	0	1	1	0
Most recent three-year history of tuition rates and increases.	0	1	0	0
Total sources of student generated revenue, including special fee and program fee rates.	0	1	1	0
Other factors as requested or deemed relevant by the Commission or in response to any new statutory language.	N/A	N/A	N/A	N/A
<i>Source: West Virginia CSR §133-32-4.2.b; Institutional instructions; Commission meeting agendas and minutes for 2012 to 2015.</i>				

The same can be said for institutions under the Council's jurisdiction. Table 6 indicates that from AY 2012 to 2015, 20 community and technical colleges made tuition increase requests. Out of those 20 requests, there is documentation from 16 that submitted an increase request justification. However, as Table 6 shows, few of the requested data were present in the institutions' tuition and fee request justifications.

From AY 2012 to 2015, 20 community and technical colleges made tuition increase requests. Out of those 20 requests, there is documentation from 16 that submitted an increase request justification. However, as Table 6 shows, few of the requested data were present in the institutions' tuition and fee request justifications.

However, the Council approved all of the tuition and fee increase requests over five percent for this time period.

**Table 6
Number of Council Institutions That Included Institutional Benchmarks
and Guidelines in Their Tuition Justification
AY 2012 through 2015**

	2012	2013	2014	2015
Number of Institutions Requesting Tuition Increase	3	8	6	3
Number of Institutions Approved for Tuition Increase	3	8	6	3
Number of Institutions that Have Documented Justification for Increase	0	8	5	3
Institutional Benchmarks/Guidelines for Consideration				
The HEPI, or other inflationary benchmark, which any new state allocations to the institution’s base budget for the next fiscal year did not offset.	0	2	2	0
Continued achievement of benchmarks in the approved institutional compact.	0	0	0	0
Comparison of the most recent year change in the average West Virginia student’s net tuition with change in the West Virginia’s median household income to determine whether a community and technical college education is costing families more or less over time and thus impacting the ability of families to pay for college.	0	0	0	0
Institutional distance from peer equity levels	0	0	0	0
Institutional and state funding per full-time equivalent student.	0	3	3	2
Most recent three-year history of tuition rates and increases.	0	3	3	0
Institutional implementation of new, high cost programs as defined by the Council.	0	3	4	2
Total sources of student generated revenue, including special and program fees.	0	1	1	2
Other factors as requested or deemed relevant by the Council, or in response to any new statutory language.	N/A	N/A	N/A	N/A

Source: West Virginia CSR §135-32-5.1.a; Institutional instructions; CCTCE meeting agendas and minutes for 2012 to 2015.

Tables 5 and 6 demonstrate that the Commission's and Council's approval processes of tuition and fee increases above five percent are merely a formality. Some schools submitted tuition justification statements, while some did not, and among those that did, the justification statements were incomplete. Yet, all received the requested tuition and fee increases. **Moreover, approving tuition increases without receiving requested justification statements indicates that the Commission and Council do not hold their institutions accountable, nor are they giving consideration to the affordability of tuition for resident students.**

The Commission's and Council's Budget Review and Approval Process Does Not Consider Achievement of Institutional Compacts.

The Commission and Council are responsible for developing a budget for the state system of higher education, which includes allocating state appropriations to each institution. Therefore, the Commission and Council must review institutional operating budgets, review and approve capital budgets, and distribute incentive and performance-based funds for all governing boards, except Marshall University and West Virginia University. The Commission and Council are required to consider various performance factors in order to determine the allocation of state resources. Consequently, the law requires institutions submit to the Commission and Council documentation on factors including measurable attainment in fulfilling state priorities, performance of increased productivity and academic quality.

PERD finds that the institutions provide some of the information required by law to the Commission and Council. According to W.Va. Code, each institution is required annually to create and submit to the Commission or Council for approval an institutional compact with strategies and benchmarks for achieving the State's Vision 2020 goals. Once approved by the Commission or Council, each compact constitutes a negotiated contract between the institution and the agency. However, in the process of reviewing and approving institutions' budgets, performance factors that show progress toward mission enhancement or achievement of an institution's compact goals and benchmarks are not referenced in the Commission's or Council's meeting minutes or agendas. There is no documentation from Commission or Council staff that indicates how performance indicators were used as a means to determine the distribution of state allocations.

As previously mentioned, a November 2015 PERD report (see Appendix C) determined that the Council does not ensure that institutional compacts address each of the legislative goals established in Code. The

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In the process of reviewing and approving institutions' budgets, performance factors that show progress toward mission enhancement or achievement of an institution's compact goals and benchmarks are not referenced in the Commission's or Council's meeting minutes or agendas. There is no documentation from Commission or Council staff that indicates how performance indicators were used as a means to determine the distribution of state allocations.

report also concluded that the Council does not take any action in response to institutions not meeting compact benchmarks.

In regards to the Council’s consideration for approving institutional capital budgets and its review of operating budgets, it stated that *“the Council has historically placed great emphasis on examining the institutions’ operating audits each year to help ensure that money is not being spent inappropriately. Every community college president attends the Council meeting during which the audits are presented, and when the Council has questions, concerns, or recommendations, it addresses individual presidents directly, in open forum, at the Council meeting.”* Although reviewing an institution’s independent audit as part of the budget review has some value, this does not meet the statutory requirement of submitting documentation of factors including measurable attainment in fulfilling state priorities, performance of increased productivity and academic quality.

The Commission’s procedural rule indicates it is to release state resources when it certifies an institution is meeting the objectives established in its compact¹. According to the Commission, prior to its regular meetings, informal briefings with Commissioners and selected institutional representatives are conducted on an annual basis for selected institutions to provide justifications for their operating budgets and tuition and fee increases, which provide an in-depth review of institutional requests. Again, there is no documentation on how the Commission factored in the statutory components it is required to consider in the budget review process.

The Commission and Council reviewed and approved all capital budgets as presented by institutional governing boards and staff formulated proposals since 2012². However, the Commission and Council do not have a matrix that tracks state objectives met by institution. Furthermore, Commission and Council decisions were not fully documented to support approvals and provide the related explanations or justifications. After reviewing Commission and Council approved budgets from FY 2012 through FY 2014, PERD concludes that the processes for reviewing and approving budgets are neither sufficient nor transparent.

Although reviewing an institution’s independent audit as part of the budget review has some value, this does not meet the statutory requirement of submitting documentation of factors including measurable attainment in fulfilling state priorities, performance of increased productivity and academic quality.

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After reviewing Commission and Council approved budgets from FY 2012 through FY 2014, PERD concludes that the processes for reviewing and approving budgets are neither sufficient nor transparent.

¹ PERD has not evaluated whether or not the Commission ensures that institutional compacts address each of the legislative goals established in Code, or whether or not it takes any actions in response to instances in which institutions do not meet their compact benchmarks.

² Commission mainly reviews and comments on WVU and Marshall’s institutional operating budgets and capital budgets. During the 2011 regular session, the Legislature passed Senate Bill 330 that amended Code requiring the Commission and the Council to review operating budgets and review and approve capital budgets for all governing boards.

The Commission and Council Do Not Conduct Reviews of Institutional Reported Data to Ensure Performance Data Are Accurate.

The Commission and Council do not perform oversight activities designed to ensure the accuracy of institutions' performance data. Instead, the Commission and Council reformat collected data from institutions into designated reports such as the state Report Card. According to W. Va. Code, the Commission and Council have a duty to maintain a statewide data system ". . . that facilitate long-term planning and accurate measurement of strategic outcomes and performance indicators." Furthermore, W. Va. Code requires that the Commission and Council have legislative rules to provide for the collection, analysis and dissemination of information on the performance of the state institutions of higher education. One objective of the rules is to ". . . to ensure that the Legislative Oversight Commission on Education Accountability and others . . . are provided with full and accurate information while minimizing the institutional burden of recordkeeping and reporting." However, the Commission's and Council's rules do not address accuracy. Instead, the rules address consistency and comparability among the institutions. The rules state that Higher Education staff will provide technical assistance in data collection and reporting.

The Commission and Council do not review a sample of each institution's data files periodically to assess institutional performance. The Commission's and Council's analysis of the data is limited to computerized edit checks for completeness and consistency of the data once submitted by the institutions. The Commission's and Council's limited guidance on collecting and reporting the data allows variation in how some data elements are defined, collected, and reported. This flexibility involves variations in data reporting that may contribute to inconsistencies among institutions regarding performance. Moreover, the Commission's and Council's limited guidance is open to interpretation, leaving it to each individual institution to define criteria such as institutional readiness in English, math, and reading; which could further contribute to data inconsistencies. In addition, the institutions' information systems used to collect and report data may have limitations that hamper the institution's ability to report uniform and complete data. Having inconsistent and incomplete data would make it difficult for the Commission and Council to report accurate system-level performance data. Ultimately, the Legislative Auditor concludes that if the Commission and Council are only reformatting submitted data from institutions into designated reports and not reviewing for accuracy, then this data collection is a task that could be reassigned.

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Ultimately, the Legislative Auditor concludes that if the Commission and Council are only reformatting submitted data from institutions into designated reports and not reviewing for accuracy, then this data collection is a task that could be reassigned.

Conclusion

The State appropriates \$3.5 million to the Commission and Council to provide oversight and accountability of the higher education system. The Legislative Auditor finds that the Commission and Council do not provide oversight or accountability. This report and previous PERD reports indicate that when institutions fail to conduct program reviews, fail to submit appropriate justification for tuition increases, or fail to meet compact requirements, the Commission and Council take no enforcement actions. Moreover, the tuition increase process and budget reviews are simply formalities and do not function as statutorily intended.

By their own admission, the Commission and Council do not function as an overseer of higher education. The agencies indicated to PERD that they consider themselves as “*coordinating boards that have limited centralized governance of individual institutions.*” However, statutory language suggests that the Legislature created the agencies to be more than coordinating boards. The enabling statutes for the Commission and Council require them to “*oversee and advance the public policy agenda*” of the State and hold institutions “*accountable for accomplishing their missions and implementing their compacts.*” The Commission also has authority to “*withdraw specific powers of a governing board under its jurisdiction for a period not to exceed two years*” if the governing board has failed for two consecutive years to develop or implement an institutional compact as required by law, and the Council’s role in setting the State’s policy agenda is to serve “*as an agent of change.*” It is the Legislative Auditor’s determination that if certain functions of the Commission and Council are not critical, then they should be removed and made solely the responsibility of the institutional governing boards.

This report along with previous PERD reports demonstrate that the Commission and Council are not operating as the Legislature has intended, which as a result, could be inhibiting statewide outcomes. The Legislative Auditor is presently conducting other reviews of the Commission and Council in order to fully determine the impact the agencies have on the state.

The cost of sustaining two coordinating boards exceeds the benefit the State receives. **It is the Legislative Auditor’s recommendation that the Legislature consider restructuring the Commission and Council in order to have limited functions and authority, and divesting certain functions back to the institutions of higher education.**

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This report and previous PERD reports indicate that when institutions fail to conduct program reviews, fail to submit appropriate justification for tuition increases, or fail to meet compact requirements, the Commission and Council take no enforcement actions. Moreover, the tuition increase process and budget reviews are simply formalities and do not function as statutorily intended.

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It is the Legislative Auditor’s determination that if certain functions of the Commission and Council are not critical, then they should be removed and made solely the responsibility of the institutional governing boards.

Recommendation

1. *The Legislative Auditor recommends that the Legislature consider restructuring the Higher Education Policy Commission and Council for Community and Technical College Education in order to have limited functions and authority, and divesting certain functions back to the institutions of higher education.*

Appendix A Transmittal Letters

WEST VIRGINIA LEGISLATURE *Performance Evaluation and Research Division*

Building 1, Room W-314
1900 Kanawha Boulevard, East
Charleston, West Virginia 25305-0610
(304) 347-4890
(304) 347-4939 FAX



John Sylvia
Director

January 8, 2016

Dr. Paul L. Hill, Chancellor
Higher Education Policy Commission
1018 Kanawha Blvd., E., Suite 700
Charleston, WV 25301

Dear Chancellor Hill:

This is to transmit a draft copy of the Agency Review of the Higher Education Policy Commission. The report is scheduled to be presented to the Joint Committees on Government Operations, and Government Organization on Tuesday, January 12, 2016 between 2 and 3 p.m. in the House Chamber. This report is also tentatively scheduled to be presented to the Legislative Oversight Commission on Education Accountability on Monday, January 11, 2016 between 10 a.m. and 12 noon in the Senate Finance Room. It is expected that a representative from your agency be present at these meetings to orally respond to the report and answer any questions committee members may have during or after the meeting.

Due to the short amount of time, we cannot schedule an exit conference to discuss the report or request your written response. However, this may be done at a later date. If your agency would like to distribute additional material to the Joint Committee on Government Organization, please contact the House Government Organization staff at 304-340-3192 by Monday, January 11, 2016 to make arrangements.

We request that your personnel not disclose the report to anyone not affiliated with your agency. Thank you for your cooperation.

Sincerely,

A handwritten signature in blue ink that reads "John Sylvia".

John Sylvia

Enclosure

_____ *Joint Committee on Government and Finance* _____

WEST VIRGINIA LEGISLATURE
Performance Evaluation and Research Division

Building 1, Room W-314
1900 Kanawha Boulevard, East
Charleston, West Virginia 25305-0610
(304) 347-4890
(304) 347-4939 FAX



John Sylvia
Director

January 8, 2016

Dr. Sarah Armstrong Tucker, Chancellor
Council for Community and Technical College Education
1018 Kanawha Blvd., E., Suite 700
Charleston, WV 25301

Dear Chancellor Tucker:

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Sincerely,


John Sylvia

Enclosure

_____ *Joint Committee on Government and Finance* _____

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Performance Evaluation and Research Division

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1900 Kanawha Boulevard, East
Charleston, West Virginia 25305-0610
(304) 347-4890
(304) 347-4939 FAX



John Sylvia
Director

July 11, 2016

Dr. Paul L. Hill, Chancellor
Higher Education Policy Commission
1018 Kanawha Blvd., E., Suite 700
Charleston, WV 25301

Dear Chancellor Hill:

As you are aware, the Joint Committee on Government Operations, and the Joint Committee on Government Organization granted the Higher Education Policy Commission more time to respond to the agency review that was presented during the January 2016 interim meetings. A response to the report is scheduled to be presented during the August 21-23, 2016 interim meetings of the Joint Committee on Government Operations, and the Joint Committee on Government Organization. We will inform you of the exact time and location once the information becomes available. It is expected that a representative from your agency be present at the meeting to orally respond to the report and answer any questions committee members may have during or after the meeting.

Given that we were unable to have an exit conference with you in January, we would like to schedule one to discuss any concerns you may have with the report. We would like to have the meeting between July 14, 2016 and July 28, 2016. Please notify us to schedule an exact time. In addition, we need your revised written response by noon on Tuesday, August 9, 2016 in order for it to be included in the final report. If your agency intends to distribute additional material to committee members at the meeting, please contact the House Government Organization staff at 304-340-3192 by Thursday, August 18, 2016 to make arrangements.

We request that your personnel not disclose the report to anyone not affiliated with your agency. Thank you for your cooperation.

Sincerely,

A handwritten signature in blue ink that reads "John Sylvia".

John Sylvia

Enclosure

Joint Committee on Government and Finance

WEST VIRGINIA LEGISLATURE
Performance Evaluation and Research Division

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1900 Kanawha Boulevard, East
Charleston, West Virginia 25305-0610
(304) 347-4890
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John Sylvia
Director

July 11, 2016

Dr. Sarah Tucker, Chancellor
Council for Community and Technical College Education
1018 Kanawha Blvd., E., Suite 700
Charleston, WV 25301

Dear Chancellor Tucker:

As you are aware, the Joint Committee on Government Operations, and the Joint Committee on Government Organization granted the Council for Community and Technical College Education more time to respond to the agency review that was presented during the January 2016 interim meetings. A response to the report is scheduled to be presented during the August 21-23, 2016 interim meetings of the Joint Committee on Government Operations, and the Joint Committee on Government Organization. We will inform you of the exact time and location once the information becomes available. It is expected that a representative from your agency be present at the meeting to orally respond to the report and answer any questions committee members may have during or after the meeting.

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Sincerely,

John Sylvia

Enclosure

Joint Committee on Government and Finance

Appendix B

Objective, Scope and Methodology

The Performance Evaluation and Research Division (PERD) within the Office of the Legislative Auditor conducted this performance audit of the West Virginia Higher Education Policy Commission (Commission) and the Council for Community and Technical College Education (Council) as required and authorized by the West Virginia Performance Review Act, Chapter 4, Article 10, of the West Virginia Code, as amended. The Commission and Council, as established in W.Va. Code §18B-1-1a(e)(2) are to serve the State by ensuring that institutions are progressing towards meeting established state goals; evaluating and reporting on progress in implementing the public policy agenda; and providing objective recommendations to aid elected state officials in making policy decisions.

Objective

The objective of this review is to examine the performance of the Commission and Council with respect to following statutory requirements in the approval process of academic program reviews, tuition and fee increases, and capital and operating budgets.

Scope

The scope of this review consists of academic program reviews, tuition increase requests, and operational and capital budgets submitted by each public institution of higher education institution from academic years 2010-11 through 2014-15. The scope includes an examination of the Commission and Council's review process and documentation for approving each submitted program review, tuition increase request and operating and capital budget. The scope also includes an examination of the communication between the Council and Commission and the institutions as it pertains to the Council and Commission's requested tuition increases. Additionally the scope includes an examination of the Commission and Council's information system process controls of the system performance measure data. The audit does not determine whether any Commission or Council approvals, modifications or denials were appropriate. The audit also does not confirm the accuracy of the data the Commission and Council receives from the institutions.

Methodology

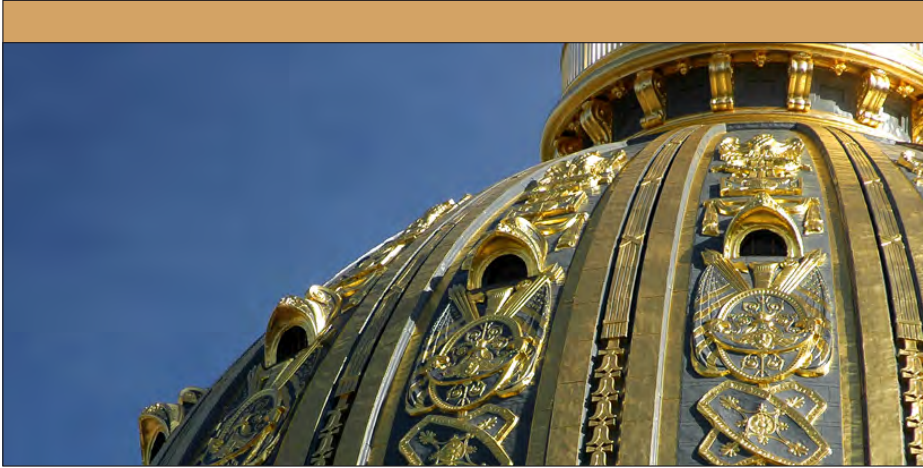
PERD gathered and analyzed several sources of information and conducted audit procedures to assess the sufficiency and appropriateness of the information used as audit evidence. We gathered testimonial evidence through interviews with the Commission and Council's staff. The purpose for testimonial evidence was to gain a better understanding or clarification of certain issues, to confirm the existence or non-existence of a condition, or to understand the respective agency's position on an issue. Written statements confirmed such testimonial evidence. In order to assess the condition of the Commission and Council's accountability system, PERD requested that the Commission and Council provide all institution submitted tuition increase requests, and capital and operating budgets for each institution during the scope of the audit. PERD analyzed the academic program reviews, tuition increase requests, and capital and operating budgets to determine whether each of the statutorily required elements were included. These sources of data and tests of evidence provided reasonable assurance of the conditions. In order to establish a lack of accountability for meeting state goals and objectives, PERD conducted an analysis of the Council and Commission's meeting minutes, agendas, instructions to institutions and institutional documents submitted in response to Commission and Council requests. The Commission and Council provided the data used by PERD in response to PERD's request for documentation of the Commission and Council's approval process. In addition, PERD analyzed

the Commission and Council's documentation to access any instance of modifications or disapproval of requests actions taken by the Commission or Council. In order to establish that the Council and Commission could not provide reasonable assurance that they were making objective recommendations to elected state officials PERD .

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives.

We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix C
Council For Community and Technical College Education Report
November 2015



November 2015
PE 15-13-580

AGENCY REVIEW

THE WEST VIRGINIA COUNCIL FOR COMMUNITY
AND TECHNICAL COLLEGE EDUCATION

AUDIT OVERVIEW

The West Virginia Council for Community and Technical College Education Has Not Fully or Adequately Implemented the Higher Education Accountability System Established in West Virginia Code. As a Result, Institutions Are Not Held Accountable for Not Meeting the State's Higher Education Goals



WEST VIRGINIA LEGISLATIVE AUDITOR
PERFORMANCE EVALUATION & RESEARCH DIVISION

JOINT COMMITTEE ON GOVERNMENT OPERATIONS

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 Chris Walters, Vice-Chair
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WEST VIRGINIA LEGISLATIVE AUDITOR

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EXECUTIVE SUMMARY

The Legislative Auditor conducted a Performance Review of the West Virginia Council for Community and Technical College Education Council authorized pursuant to West Virginia Code §4-10-8. The objective of this review is to examine the performance of the Council with respect to the implementation of the higher education accountability system, and to determine whether institutions are being held accountable for meeting the State's higher education goals. The findings of this review are highlighted below.

Report Highlights

Issue 1: The West Virginia Council for Community and Technical College Education Has Not Fully or Adequately Implemented the Higher Education Accountability System Established in West Virginia Code. As a Result, Institutions Are Not Held Accountable for Not Meeting the State's Higher Education Goals.

- The Council's review process for institutional compacts has led to many compacts being approved that do not include each of the statutorily required elements. In addition, the Council is not adhering to the statutory provision that institutional compacts be submitted and approved on an annual basis.
- The Council's documentation of its review and approval process for institutional compacts indicates that few actions have been taken in response to institutions not achieving a majority of their benchmarks. Only minor compact revisions have been required by the Council.
- The Legislative Auditor recommends that the Council provide the Legislative Oversight Committee on Educational Attainment with a detailed report on how each institution performs in meeting its compact benchmarks.

PERD Evaluation of the Department's Written Response

PERD received the Council's written response to the draft on November 13, 2015. The Council indicates that it is in agreement with the finding that no specific report is given to LOCEA regarding each school's performance in meeting annual compact benchmarks, and any actions taken by the Council to ensure progress. The Council further indicates it is in agreement that there is no formal documentation of instances in which the Chancellor works with institutions, and that no specific remediation plans have been put into place.

The Council respectfully disagrees that it is not complying with the statutory May 1 deadline. The Council indicates that it interprets the May 1 deadline as the deadline by which the back-and-forth compact modifications must be completed. However, the Legislative Auditor believes that Code sets May 1 as the deadline for final approval of all compacts. Furthermore, the Council's documentation provided to PERD demonstrates that even following the Council's interpretation of Code, the deadline is still not being met.

The Council also respectfully disagrees with the finding that its compact review process omits certain Vision 2020 goals. The Council believes that the omitted goal listed in the report does not fall under the purview of the Council. However, the expected outcomes listed in W. Va. Code 18B-1D-3(b)(9) indicate that it is primarily under the purview of the Council. Therefore, the Legislative Auditor recommends that the Council include all relevant Vision 2020 goals in its institutional compacts.

Recommendations

1. *The Council should ensure that each institutional compact addresses, at a minimum, all of the goals established in W. Va. Code §18B-1D-3, in addition to any other goals established by the Council in its System Master Plans.*
2. *The Council should ensure that institutional compacts are submitted annually, and include each of the elements required by §18B-1D-7.*
3. *The Legislative Auditor recommends that the Council provide the Legislative Oversight Committee on Educational Accountability with a detailed report on how each institution performs in meeting its compact benchmarks.*
4. *The Council should adhere to statutory deadlines.*
5. *The Legislative Auditor recommends that the Council take the necessary actions authorized in C.S.R. §135-49-5.4.3 to ensure institutions are making adequate progress toward achieving state goals.*

ISSUE 1

The West Virginia Council for Community and Technical College Education Has Not Fully or Adequately Implemented the Higher Education Accountability System Established in West Virginia Code. As a Result, Institutions Are Not Held Accountable for Not Meeting the State’s Higher Education Goals.

Issue Summary

The West Virginia Council for Community and Technical College Education (Council) is responsible for implementing an accountability system in accordance with W. Va. Code §18B-1D (Higher Education Accountability) that holds each institution under its jurisdiction accountable for meeting the Legislature’s goals for higher education. However, the accountability system implemented by the Council does not comply with statutory requirements. Furthermore, there is no remediation or corrective action taken by the Council for instances in which institutions do not meet performance benchmarks, or whose progress toward state goals is insufficient. The Legislative Auditor finds that:

- the Council’s implementation of the institutional compact process does not ensure that compacts are submitted by each institution on an annual basis, and include each of the compact elements required under W. Va. Code §18B-1D-7;
- the Council does not ensure that compacts address each of the legislative goals established in W. Va. Code §18B-1D-3;
- the Council does not take any actions in response to instances in which institutions do not meet their compact benchmarks, even when an institution does not meet more than 50 percent of these benchmarks.

The Council’s implementation of the institutional compact process does not ensure that compacts are submitted by each institution on an annual basis, and include each of the compact elements required under W. Va. Code §18B-1D-7.

The Council does not take any actions in response to instances in which institutions do not meet their compact benchmarks, even when an institution does not meet more than 50 percent of these benchmarks.

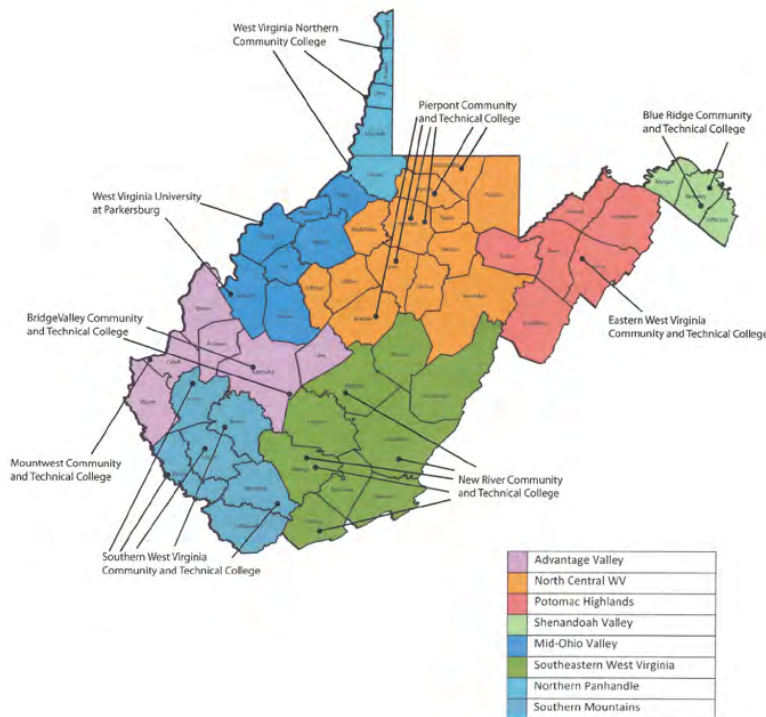
The Council Oversees 9 Community and Technical Colleges With 27 Locations Throughout West Virginia.

Community and technical colleges (CTCs) in West Virginia each operate between one and six permanent campuses or satellite facilities. Each institution has a main campus location at which most course-curricula are offered. In addition, some institutions maintain specialized technical centers or satellite facilities at which limited or specialized course offerings are available. Permanent satellite facility locations may include locations owned and operated by the affiliated community and technical college, such as a technical center, a county community center,

or a local high school. In addition to these permanent satellite facilities, institutions may offer limited courses from semester to semester at local high schools within their consortia district. The availability of these additional satellite locations vary from semester to semester and do not constitute permanent locations.

Each of West Virginia’s nine community colleges, and their affiliated campuses and facilities are broken up into one of eight geographic consortia districts. Figure 1 provides an overview of the counties in each consortia district, the community and technical colleges responsible for serving the district, and the location of each permanent campus or facility within the district. Appendix C provides a more detailed listing of each institution’s permanent locations.

Figure 1



Community and technical colleges (CTCs) in West Virginia each operate between one and six permanent campuses or satellite facilities. Each institution has a main campus location at which most course-curricula are offered.

West Virginia Ranks Last in the Nation in Higher Education Attainment.

In fiscal year 2016, the Legislature appropriated a total of \$66,352,867 to the Council and the 9 community and technical colleges under the Council’s jurisdiction (see Table 1).

Council for CTC Education	\$7,349,728
Mountwest CTC	\$5,687,484
New River CTC	\$5,676,500
Pierpont CTC	\$7,664,596
Blue Ridge CTC	\$4,949,710
West Virginia University-Parkersburg	\$10,094,237
Southern West Virginia CTC	\$8,203,924
West Virginia Northern CTC	\$7,099,616
Eastern West Virginia CTC	\$1,887,174
Bridge Valley CTC	\$7,739,898
CTC Total	\$66,352,867

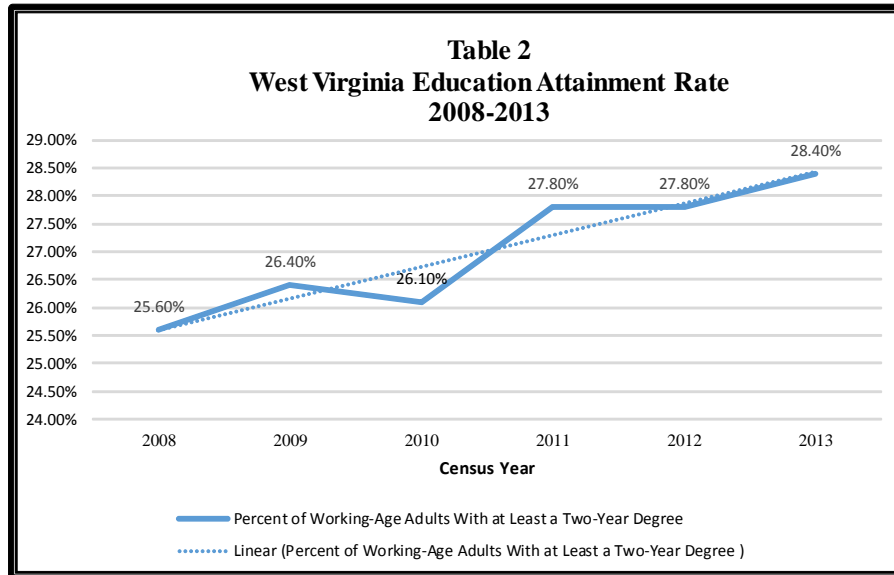
Source: Enrolled H.B. 2016—Budget Bill

According to the U.S. Census Bureau, the national average education attainment rate for working-age adults (age 25-64) in the U.S. is 40 percent. According to the 2013 U.S. Census data, only 28.4 percent of West Virginia’s working-age adults have obtained at least a two-year degree or higher.

Despite investing nearly 10 percent of the State’s general revenue funds in higher education, West Virginia continues to lag behind the national average in educational attainment—the percentage of the population that holds a two-year or four-year college degree or other postsecondary credential. According to the U.S. Census Bureau, the national average education attainment rate for working-age adults (age 25-64) in the U.S. is 40 percent. According to the 2013 U.S. Census data, only 28.4 percent of West Virginia’s working-age adults have obtained at least a two-year degree or higher.

According to a number of national labor market studies, more than half of all jobs in the U.S. economy will require some form of postsecondary education and training by 2020, with an estimated 30 percent of those jobs requiring an associate’s degree or some form of postsecondary certification.

The state’s 2013 educational attainment rate is an improvement from the prior year, and West Virginia’s education attainment is trending upward (see Table 2). However, progress has been slow, and West Virginia still ranks last in the nation in education attainment. West Virginia community colleges have a unique role to play in providing the education and training for the workforce development needs of the state’s growing industries, such as oil and gas, advanced manufacturing, and the healthcare sectors. According to a number of national labor market studies, more than half of all jobs in the U.S. economy will require some form of postsecondary education and training by 2020, with an estimated 30 percent of those jobs requiring an associate’s degree or some form of postsecondary certification.



Source: U.S. Census Bureau data reported in the Lumina Foundation’s 2015 policy brief on West Virginia’s education attainment rate.

State Law Requires the Council to Implement an Accountability System That Hold Institutions Accountable for Meeting State Goals.

The Legislature established the Council as an independent government entity in 2004, drawing upon a large body of academic research that, in part, called attention to the need for greater support and accountability for community and technical colleges in West Virginia. West Virginia Code §18B-2B(c)(3)(C) establishes that the Council has as one of its duties, “*Holding each community and technical college and the statewide network of independently accredited community and technical colleges as a whole accountable for accomplishing their missions and achieving the goals and objectives established in article one, one-d, and three-c of this chapter.*”

Once approved by the Council, each compact constitutes a negotiated contract between the individual institution of higher education and the Council.

W. Va. Code §18B-1D-3 establishes the Vision 2020 objectives for public higher education. According to W. Va. Code §18B-1D-7, each institution under the Council’s jurisdiction is required annually to create and submit for Council approval an institutional compact with strategies and benchmarks for achieving the State’s Vision 2020 goals. Once approved by the Council, each compact constitutes a negotiated contract between the individual institution of higher education and the Council. W. Va. Code §18B-1D-7 contains 15 required elements that each institutional compact must contain. These elements are:

1. the institution’s strategies for achieving legislative goals established in §18B-1D-3;
2. the council strategies for supporting institutions;
3. the institution’s mission statement which addresses changes needed to meet state goals;
4. a discussion of the compact’s alignment with the institution’s master plan;
5. an assessment of the needs within an institution’s geographic area of responsibility;
6. the institution’s strategies to ensure access within its region of the state;
7. any provisions for collaborations, when necessary;
8. the provision of optimal levels of student support;
9. the institution’s strategies for using existing infrastructure to increase access and control cost;
10. any additional objectives adopted by the Council;
11. the requirement that compacts must be updated annually and include all required elements;
12. the benchmarks measuring programs and services in an institution’s assigned area;
13. the benchmarks to determine progress toward state goals;
14. the performance indicators to measure achievement of goals; and
15. a discussion of the barriers to accomplishing goals.

W. Va. Code §18B-1D-7 establishes the institutional compact process as the Council’s main tool for measuring each institution’s performance toward the state goals for higher education, and holding them accountable for their progress.

W. Va. Code §18B-1D-7(B)(4) mandates that a compact for each institution must be approved annually by the Council by the first of May. If an institution’s submitted compact has not been approved by the first of May, then the Council is empowered and directed to develop and adopt a compact for the institution. The elements of the higher education accountability system are established in W. Va. Code §18B-1D, and the corresponding legislative rule, C.S.R. §135-49. W. Va. Code §18B-1D-7 establishes the institutional compact process as the Council’s main tool for measuring each institution’s performance toward the state goals for higher education, and holding them accountable for their progress.

PERD’s analysis finds that the Council approved institutional compacts that did not contain each of the 15 required compact elements.

The Council’s Implemented Process for Reviewing and Approving Institutional Compacts Does Not Ensure That Each Compact Complies With West Virginia Code.

The Performance Evaluation and Research Division (PERD) analyzed each institution’s compacts for academic years 2010-11 through 2014-15. PERD’s analysis finds that the Council approved institutional compacts that did not contain each of the 15 required compact elements. A majority of the institutional compacts approved by the Council did not

include over half of the elements each compact is required to include (see Table 3). Some elements, such as a geographic assessment of needs and a discussion of the barriers to achieving the compact's goals were omitted from each of the compacts analyzed by PERD. In addition, the Council-approved compacts did not address each of the Legislature's Vision 2020 goals established in W. Va. Code §18B-1D-3. While the approved compacts generally address most of the Vision 2020 goals, some goals, such as increasing the percentage of functionally literate adults, are omitted in all of the compacts. **Therefore, the Legislative Auditor recommends that the Council ensure that each institutional compact addresses, at a minimum, all of the goals established in W. Va. Code §18B-1D-3, in addition to any other goals established by the Council in its System Master Plans.**

Some elements, such as a geographic assessment of needs and a discussion of the barriers to achieving the compact's goals were omitted from each of the compacts analyzed by PERD.

Table 3
Number of Required Elements Included in Institutional Compacts
Academic Years 2010-11 Through 2014-15

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Blue Ridge	5	0	7	7	7
Bridgemont	6	0	7	7	*
Kanawha Valley	6	0	7	8	*
Eastern	6	0	7	7	7
Mountwest	6	0	7	11	11
New River	6	0	7	7	7
Pierpont	6	0	7	7	7
Southern	6	0	6	6	7
Northern	6	0	7	7	6
WVU-Parkersburg	6	0	7	7	7
BridgeValley*	*	*	*	*	7

Source: PERD's analysis of the contents of each institutional compact for all CTC institutions for academic years 2010-11 through 2014-15.

**Kanawha Valley CTC and Bridgemont CTC combined in FY 2015 to become BridgeValley CTC.*

A majority of the compacts approved by the Council for academic years 2010-11 through 2014-15 contain only a set of completed, ongoing, and planned future strategies for achieving each institution's established compact goals. In addition, most of the approved compacts reviewed by PERD lacked any benchmarks or performance measures to gauge an institution's progress toward state goals as required in §18B-1D-7(g). Instead, the Council approves one institutional compact for each institution with benchmarks to cover a five-year period (set to coincide with the Council's five-year System Master Plan) and only requires each institution to update its compact strategies each subsequent year. Compact benchmarks do not appear in these institutional compact strategy updates

In addition, most of the approved compacts reviewed by PERD lacked any benchmarks or performance measures to gauge an institution's progress toward state goals.

for any school with the exception of Mountwest CTC in academic years 2013-14 and 2014-15.

The Council did not provide PERD with any compacts for the academic year 2011-12. In addition, the Council's compact review and approval documentation shows that no compacts were submitted or approved for this academic year. When asked why there were no institutional compacts for academic year 2011-12, the Council reported that, "Updates were not required for the 2011-12 academic year, because of the transition between Master Plan cycles." However, West Virginia Code mandates that a new compact be submitted by each institution annually regardless of the conclusion of a five-year cycle of a system master plan. **Therefore, the Legislative Auditor recommends that the Council ensure that institutional compacts are submitted annually, and include each of the elements required by §18B-1D-7.**

The Council did not provide PERD with any compacts for the academic year 2011-12. In addition, the Council's compact review and approval documentation shows that no compacts were submitted or approved for this academic year.

Furthermore, while the Council provides data for many performance benchmarks through its annual Higher Education Report Card and the annual System Performance Update, the Council does not provide the Legislature with any report specifically detailing how each institution performed against all of its compact benchmarks and the extent to which each institution is meeting its own goals. Moreover, the Council does not report any accountability measures it could take to improve an institution's insufficient progress such as remediation plans, withholding approval for salary increases of an institution's president, or other actions deemed necessary as authorized by rule (C.S.R. §135-49-5.4.3). Although salary increases of school presidents have not risen significantly, there is no evidence of remediation plans imposed by the Council. **Essentially, the Council simply moves on to the next five-year plan without any documentation expressing concern for the lack of progress made in the previous five-year plan.** Therefore, the Legislative Auditor recommends that the Council provide the Legislative Oversight Committee on Educational Accountability with a detailed report on how each institution performed in meeting its compact benchmarks and any appropriate action of accountability the Council plans for each institution.

The Council does not provide the Legislature with any report specifically detailing how each institution performed against all of its compact benchmarks and the extent to which each institution is meeting its own goals.

The Council Has Not Fully Implemented the Compact Review Process Prescribed by Law.

Pursuant to W. Va. Code §18B-1D-7(e), the Council transmits to each institution a standardized template for institutional compacts, which includes a submission deadline and an instructions page. Submission deadlines generally fall between early April and mid-May of each year. Submitted compacts are then reviewed by the Council's Compact Review Committee, which approves or returns the compacts for revision. Upon approval by the Compact Review Committee, the compacts are taken before the Council for final adoption. PERD's analysis finds that

for academic years 2010-11 through 2014-15, the Council adopted the institutional compacts in mid-June, well after the statutorily required May 1 deadline. **Therefore, the Legislative Auditor recommends that the Council should adhere to statutory deadlines, and fully implement the statutory review process on each institution's progress in meeting compact benchmarks.**

The Absence of Any Specific Actions by the Council to Address Insufficient Progress Contributes to a Lack of Accountability for Institutions in Meeting State Goals.

The Council's incomplete implementation of the accountability system established in West Virginia Code hinders the Council's ability to fully and accurately assess the challenges and needs of each institution, and therefore provide guidance and accountability to address insufficient progress. The Council does not take specific action in instances in which institutions do not meet their own performance benchmarks.

PERD analyzed the institutional performance data used by the Council when approving institutional compacts. The Council's compact review documentation shows 23 performance benchmarks for each institution in each academic year. PERD compared each institution's performance against their agreed-upon compact benchmarks over the last four years (see Table 4).

The Council's incomplete implementation of the accountability system established in West Virginia Code hinders the Council's ability to fully and accurately assess the challenges and needs of each institution, and therefore provide guidance and accountability to address insufficient progress.

Table 4
Percentage of Compact Benchmarks Achieved
Academic Years 2010-11 Through 2013-14

	2010-2011	2011-2012	2012-2013	2013-2014	% Change
Blue Ridge	78.3%	78.3%	73.9%	69.6%	(8.7)%
Bridgemont	52.2%	43.8%	56.5%	60.9%	8.7%
Kanawha Valley	47.8%	52.2%	43.5%	39.1%	(8.7)%
Eastern	56.5%	69.6%	78.3%	82.6%	26.1%
Mountwest	60.9%	52.2%	56.5%	39.1%	(21.8)%
New River	47.8%	47.8%	56.5%	43.5%	(4.3)%
Pierpont	47.8%	52.2%	47.8%	30.4%	(17.4)%
Southern	39.1%	39.1%	34.8%	39.1%	-
Northern	34.8%	52.2%	13.0%	17.4%	(17.4)%
WVU-Parkersburg	60.9%	34.8%	17.4%	8.7%	(52.2)%
BridgeValley*	-	-	-	-	-

Source: PERD's analysis of institutional performance data and compact benchmarks for academic years 2010-11 through 2014-15.

**Kanawha Valley CTC and Bridgemont CTC combined in FY 2015 to become BridgeValley CTC.*

Of the nine (formerly ten) community and technical colleges, only two achieved a higher percentage of their performance benchmarks in academic year 2013-14 than in 2010-11. Seven of the institutions achieved a lower percentage of their benchmarks, including Mountwest Community and Technical College (-21.8 percent) and West Virginia University-Parkersburg (-52.2 percent). Southern West Virginia Community and Technical College remained the same with 39.1 percent of their compact benchmarks being achieved. In total, PERD finds 21 instances in which an institution did not achieve at least 50 percent of its compact benchmarks.

Performance indicator data and compact benchmarks from each institution are to be used by the Council in determining whether each institution is making adequate progress toward meeting the State’s goals. C.S.R. §135-49 also mandates that each institution provide a progress update to the Council each year by August 1. The Council shall, by December 31st of each year, review the performance data of each institution to assess its progress toward the compact goals. According to C.S.R. §135-49-5.4.3:

“If the Council determines that an institution is not making sufficient progress overall or in a particular area, the Council may: Direct the institution to modify its compact implementation strategies; Direct the institution to develop an overall remediation plan or a remediation plan in a particular focus area; Direct the Chancellor to work with the institution’s board of governors and or president to remedy the deficiencies or to develop a remediation plan; Withhold the approval of a salary increase for the institution’s president; and/or Take whatever other action the Council deems necessary or appropriate to ensure that adequate progress is made in the future.”

The Council has requested compact modification nine times between academic year 2010-11 and 2014-15. PERD’s review of these instances finds that none of them specifically relate to an instance in which an institution did not meet particular compact goal or make adequate overall progress toward state goals. Instead, two of the requested revisions relate to instances in which an institution’s compact omitted entire goals. The seven other instances of requested compact revisions broadly state that, *“The strategies for each of the goals should be further developed.”* Institutions such as Pierpont CTC and West Virginia Northern CTC were not required to revise any of their institutional compacts between academic year 2010-11 and 2013-14, despite sharp declines in the overall percentage of compact benchmarks met by the respective institutions.

The Council’s documentation shows that it has taken no other authorized actions to specifically address an institution’s progress toward state goals. PERD reviewed salary information for each community college president from academic year 2010 through 2015 to determine

In total, PERD finds 21 instances in which an institution did not achieve at least 50 percent of its compact benchmarks.

PERD’s review of these instances finds that none of them specifically relate to an instance in which an institution did not meet particular compact goal or make adequate overall progress toward state goals.

whether presidential salaries increased significantly in spite of an institution not achieving its compact benchmarks. PERD's review finds that presidential salaries have not risen significantly over the scope of the audit. **The Legislative Auditor recommends that the Council take the necessary actions authorized in C.S.R. §135-49-5.4.3 to ensure institutions are making adequate progress toward achieving state goals.**

Conclusion

One of the duties of the Council is to ensure that each community and technical college under its jurisdiction is adequately progressing toward achieving the state's goals for public higher education by holding each institution accountable for its progress. It is the opinion of the Legislative Auditor that the Council's implemented accountability system, in which institutions must only update broad sets of strategies from time-to-time, will not be enough to ensure that each institution makes the kind of progress that will meet the workforce development needs of the state and produce a workforce that meets the demands of the new economy. To achieve this, the Council must properly and fully implement an accountability system that provides for a robust process of evaluating educational needs, provides for specific strategies and resource allocations to aid each institution in overcoming its unique barriers to success and progressing toward achieving its goals, and provides for a data-driven, annual analysis that not only measures each institution's overall progress, but also identifies specific areas for improvement.

One of the duties of the Council is to ensure that each community and technical college under its jurisdiction is adequately progressing toward achieving the state's goals for public higher education by holding each institution accountable for its progress.

Recommendations

1. *The Legislative Auditor recommends that the Council ensure that each institutional compact addresses, at a minimum, all of the goals established in W. Va. Code §18B-1D-3, in addition to any other goals established by the Council in its System Master Plans.*
2. *The Legislative Auditor recommends that the Council ensure that institutional compacts are submitted annually, and include each of the elements required by §18B-1D-7.*
3. *The Legislative Auditor recommends that the Council provide the Legislative Oversight Committee on Educational Accountability with a detailed report on how each institution performs in meeting its compact benchmarks.*

4. *The Legislative Auditor recommends that the Council adhere to statutory deadlines.*
5. *The Legislative Auditor recommends that the Council take the necessary actions authorized in C.S.R. §135-49-5.4.3 to ensure institutions are making adequate progress toward achieving state goals.*

Appendix A Transmittal Letter

WEST VIRGINIA LEGISLATURE *Performance Evaluation and Research Division*

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John Sylvia
Director

October 30, 2015

Sarah Armstrong Tucker, PH.D., Chancellor
Council for Community and Technical College Education
1018 Kanawha Boulevard, East, Suite 700
Charleston, WV 25301

Dear Dr. Tucker:

This is to transmit a draft copy of the Agency Review of the Council for Community and Technical College Education. This report is tentatively scheduled to be presented during the November 15-16, 2015 interim meetings of the Joint Committee on Government Operations, and the Joint Committee on Government Organization. We will inform you of the exact time and location once the information becomes available. It is expected that a representative from your agency be present at the meeting to orally respond to the report and answer any questions committee members may have during or after the meeting.

If you would like to schedule an exit conference to discuss any concerns you may have with the report, please notify us by Tuesday, November 3, 2015. In addition, we need your written response by noon on Monday, November 9, 2015 in order for it to be included in the final report. If your agency intends to distribute additional material to committee members at the meeting, please contact the House Government Organization staff at 304-340-3192 by Thursday, November 12, 2015 to make arrangements.

We request that your personnel not disclose the report to anyone not affiliated with your agency. Thank you for your cooperation.

Sincerely,

A handwritten signature in blue ink that reads "John Sylvia".

John Sylvia

Enclosure

Joint Committee on Government and Finance

Appendix B

Objective, Scope and Methodology

The Performance Evaluation and Research Division (PERD) within the Office of the Legislative Auditor conducted this performance audit of the West Virginia Council for Community and Technical College Education (Council) as required and authorized by the West Virginia Performance Review Act, Chapter 4, Article 10, of the West Virginia Code, as amended. The purposes of the Council, as established in West Virginia Code §18B-2B-1(d), are to provide a leadership and support mechanism for community colleges, and provide assistance and accountability for meetings state goals.

Objective

The objective of this review is to examine the performance of the Council with respect to the implementation of the higher education accountability system, and to determine whether institutions are being held accountable for meeting the State's higher education goals.

Scope

The scope of this review consists of institutional compacts submitted by each community college from academic years 2010-11 through 2014-15. The scope includes an examination of the Council's review process and documentation for approving each submitted compact. The scope also includes an examination of how each community college performed against its compact benchmarks. The audit does not determine the sufficiency or accuracy of any performance measures or confirm the accuracy of the data the Council receives from the colleges. In addition, the scope will examine the extent to which the Council took authorized actions to hold schools accountable for meeting state goals.

Methodology

PERD gathered and analyzed several sources of information and conducted audit procedures to assess the sufficiency and appropriateness of the information used as audit evidence. Testimonial evidence was gathered through interviews with the Council's staff. The purpose for testimonial evidence was to gain a better understanding or clarification of certain issues, to confirm the existence or non-existence of a condition, or to understand the respective agency's position on an issue. Such testimonial evidence was confirmed by written statements.

In order to assess the condition of the Council's accountability system, PERD requested that the Council submit all approved institutional compacts for each institution for academic years 2010-11 through 2014-15. PERD confirmed that the Council did not require or approve any compacts for academic year 2011-12 through written confirmation from the Council. PERD analyzed the compacts to determine whether each of the statutorily required elements were included. These sources of data and tests of evidence provided reasonable assurance of the conditions.

In order to establish a lack of accountability for progress toward compact benchmarks, PERD conducted an analysis of each institution's performance with respect to meeting its compact benchmarks from 2010-11 through 2014-15. The performance data used by PERD were provided by the Council in response to PERD's request for documentation of the Council's approval process. In addition, PERD analyzed the Council's documentation to access any instance of corrective actions taken by the Council.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix C



WEST VIRGINIA COUNCIL FOR COMMUNITY AND TECHNICAL COLLEGE EDUCATION

Clarence B. Pennington, Chair • James L. Skidmore, Chancellor

TO: Adam Fridley
Research Analyst, Legislative Auditor's Office

FROM: James L. Skidmore
Chancellor

DATE: June 17, 2015

SUBJECT: **Response to June 10, 2015 Information Request**

This is in response to your request to Dr. Sarah Tucker dated June 10, 2015, regarding permanent locations of campuses and instruction sites for community and technical colleges. The System consists of nine colleges, of which some have multiple campuses while others have locations that are instructional sites and not classified as a campus.

Attached for your reference is a listing of community colleges and their multiple campuses. All of the sites listed are permanent. Colleges may offer courses at other sites; ie county buildings, high schools, etc, that are not considered a permanent site and will vary from semester to semester.

Should you have questions or need additional information, please contact me.

cc: Dr. Sarah Tucker



1.866.TWO.YEAR
Blue Ridge Community and Technical College
www.blueridgectc.edu

13650 Apple Harvest Drive
Martinsburg, WV 25403
Phone: 304.260.4380

Technology Center

5550 Winchester Avenue
Martinsburg, WV 25405

BridgeValley Community and Technical College
www.bridgevalley.edu
South Charleston Campus

2001 Union Carbide Drive
Building 2000
South Charleston, WV 25303
Phone: 304.205.6600

Montgomery Campus

619 2nd Avenue
Montgomery, WV 25136
Phone: 304.734.6600

Eastern WV Community and Technical College
www.eastern.edu

316 Eastern Drive
Moorefield, WV 26836
Phone: 304.434.8000

Mountwest Community and Technical College
www.mctc.edu

2205 5th Street Road
Huntington, WV 25701
Phone: 866.676.5533

New River Community and Technical College
www.newriver.edu
Beckley Campus

280 University Drive
Beaver, WV 25813
Phone: 304.929.5450

Greenbrier Valley Campus

101 Church Street
Lewisburg, WV 24901
Phone: 304.647.6560

Nicholas County Campus

6101 Webster Road
Summersville, WV 26651
Phone: 304.872.1236

Advanced Technology Center

527 Odd Road
PO Box 307
Ghent, WV 25843
Phone: 304-929-3300

Mercer County Campus

1397 Stafford Drive
Princeton, WV 24740
Phone: 304.425.5858

Pierpont Community and Technical College
www.pierpont.edu
Fairmont Campus

320 Adams Street, Room 407
Fairmont, WV 26554
Phone: 800.641.5678

Braxton County Center (High School)

205 Jerry Burton Drive
Sutton, WV 26601
Phone: 304.765.7300

Lewis County Center (High School)

205 Minuteman Drive
Weston, WV 26452
Phone: 304.269.6389



1.866.TWO.YEAR

(Pierpont Community and Technical College Continued)

Monongalia County Center (MTEC)

100 Mississippi Drive
Morgantown, WV 26501
Phone: 304.291.9240

Gaston Caperton Center

120 Caperton Center
Clarksburg, WV 26301
Phone: 304.623.5721

Robert C. Byrd National Aerospace Education Center

1050 East Benedum Industrial Drive
Bridgeport, WV 26330
Phone: 304.367.4225

Southern WV Community and Technical College

www.southernwv.edu

Logan Campus

2900 Dempsey Branch Road
Mount Gay, WV 25637
Phone: 304.792.7098
TTY: 304.792.7054

Boone/Lincoln Campus

3505 Daniel Boone Parkway, Suite A
Foster, WV 25081
Phone: 304.369.2952
TTY: 304.369.2960

Wyoming/McDowell Campus

128 College Drive
Soulsville, WV 25876
Phone: 304.294.8346
TTY: 304.294.8520

Williamson Campus

1601 Army Drive
Williamson, WV 25661
Phone: 304.235.6046
TTY: 304.235.6056

Lincoln Location (High School)

81 Lincoln Panther Way
Hamlin, WV 25523
Phone: 304.307.0710

West Virginia Northern Community College

www.wvncc.edu

Wheeling Campus

1704 Market Street
Wheeling, WV 26003
Phone: 304.233.5900

New Martinsville Campus

141 Main Street
New Martinsville, WV 26155
Phone: 304.455.4684

Weirton Campus

150 Park Avenue
Weirton, WV 26062
Phone: 304.723.2210

West Virginia University at Parkersburg

www.wvup.edu

300 Campus Drive
Parkersburg, WV 26104
Phone: 304.424.8000

Jackson County Center

105-107 Academy Drive
Ripley, WV 25271
Phone: 304.372.6992

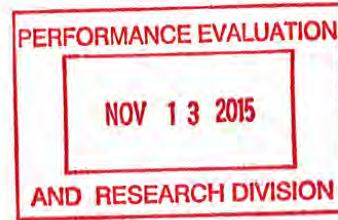
Appendix D Agency Response



WEST VIRGINIA COUNCIL FOR COMMUNITY AND TECHNICAL COLLEGE EDUCATION
Clarence B. Pennington, Chair · Sarah Armstrong Tucker, Chancellor

November 13, 2015

Mr. John Sylvia
Director, Performance Evaluation and Research Division
Building 1, Room W-314
State Capitol Complex
Charleston, West Virginia 25305



Dear Mr. Sylvia,

This is in response to your request dated October 30, 2015, regarding the draft report of the Agency Review of the WV Council for Community and Technical College to be presented to the Joint Committee on Government Operations, and the Joint Committee on Government Organization during November 2015 Interims.

Per your request, attached is a response to each of the issues posed in the draft report. Should you have questions or need clarification, please do not hesitate to contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read "Sarah Armstrong Tucker".

Sarah Armstrong Tucker
Chancellor

Issue 1: The West Virginia Council for Community and Technical College Education Has Not Fully or Adequately Implemented the Higher Education Accountability System Established in West Virginia Code. As a Result, Institutions Are Not Held Accountable for Meeting the State's Higher Education Goals.

Issue Summary

The West Virginia Council for Community and Technical College Education (Council) is responsible for implementing an accountability system in accordance with W. Va. Code §18B-1D (Higher Education Accountability) that holds each institution under its jurisdiction accountable for meeting the Legislature's goals for higher education. However, the accountability system implemented by the Council does not comply with statutory requirements. Further, there is no remediation or corrective action taken by the Council for instances in which institutions do not meet performance benchmarks, or whose progress toward state goals is insufficient. The Legislative Auditor found that:

- the Council's implementation of the institutional compact process does not ensure that compacts are submitted by each institution on an annual basis, and include each of the compact elements required under W. Va. Code §18B-1D-7;
- the Council does not ensure that compacts address each of the legislative goals established in W. Va. Code §18B-1D-3;
- the Council's review process does not include a mid-year progress update on each institution's performance against compact benchmarks, as required by legislative rule; and
- the Council does not take any actions in response to instances in which institutions do not meet their compact benchmarks, even when an institution does not meet more than 50 percent of these benchmarks.

The Council should ensure that institutional compacts are submitted by each institution annually, and that each compact contains all of the elements required by West Virginia Code. Additionally, the Legislative Auditor concludes that the Council should implement a mid-year update process as provided for in C.S.R. §135-49, and that the Council should take actions to hold institutions accountable for insufficient progress toward state goals.

COUNCIL RESPONSE:

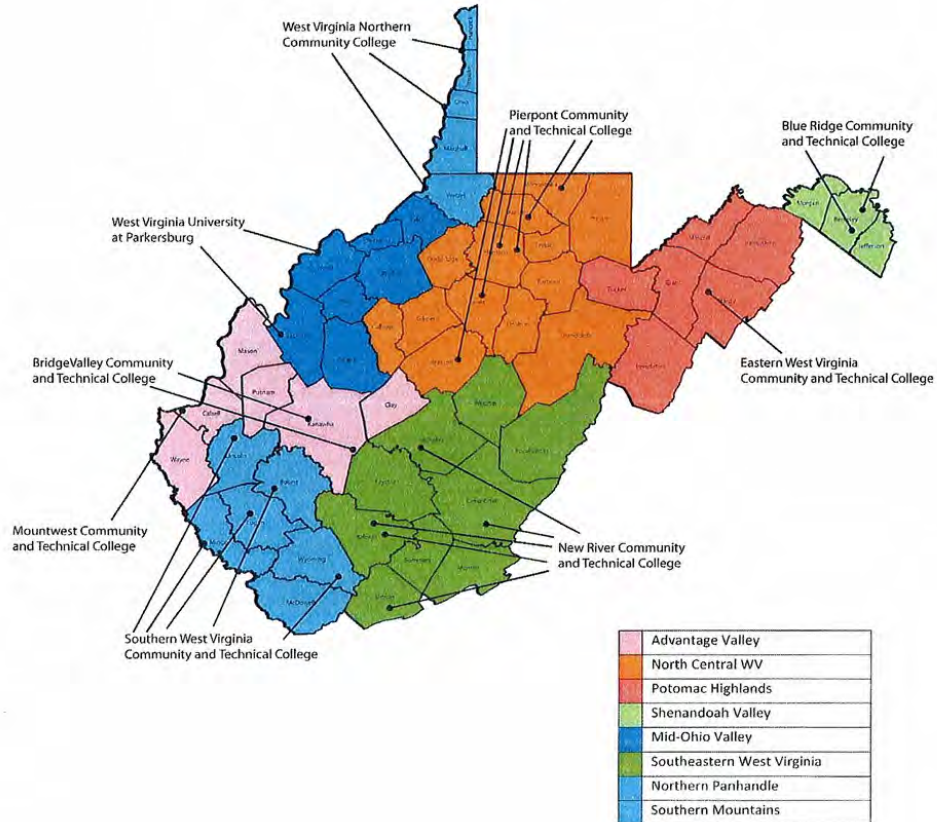
There is no mid-year update process provided for in C.S.R. §135-49. This rule simply states that the Council will analyze institutional performance indicator data and review compact progress reports no later than December 31st annually. This date does not establish a mid-year update process. It merely sets a deadline for when the Council needs to be updated on institutions annual progress. The compact indicators are all annual indicators with annual benchmarks, and are thus only addressed annually.

The Council Oversees 9 Community and Technical Colleges With 27 Locations Throughout West Virginia.

Community and technical colleges (CTCs) in West Virginia each operate between one and six permanent campuses or satellite facilities. Each institution has a main campus location at which most course-curricula are offered. In addition, some institutions maintain specialized technical centers or satellite facilities at which limited or specialized course offerings are available. Permanent satellite facility locations may include locations owned and operated by the affiliated community and technical college, such as a technical center, a county community center, or a local high school. In addition to these permanent satellite facilities, institutions may offer limited courses from semester to semester at local high schools within their consortia district. The availability of these additional satellite locations vary from semester to semester and do not constitute permanent locations.

Each of West Virginia's nine community colleges, and their affiliated campuses and facilities are broken up into one of eight geographic consortia districts. Figure 1 provides an overview of the counties in each consortia district, the community and technical colleges responsible for serving the district, and the location of each permanent campus or facility within the district.

Figure 1



West Virginia Ranks Last in the Nation in Higher Education Attainment.

In fiscal year 2016, the Legislature appropriated a total of \$66,352,867 to the Council and the 9 community and technical colleges under the Council’s jurisdiction (see Table 1).

Council for CTC Education	\$7,349,728
Mountwest CTC	\$5,687,484
New River CTC	\$5,676,500
Pierpont CTC	\$7,664,596
Blue Ridge CTC	\$4,949,710
West Virginia University-Parkersburg	\$10,094,237
Southern West Virginia CTC	\$8,203,924
West Virginia Northern CTC	\$7,099,616
Eastern West Virginia CTC	\$1,887,174
Bridge Valley CTC	\$7,739,898
CTC Total	\$66,352,867

Source: Enrolled H.B. 2016—Budget Bill

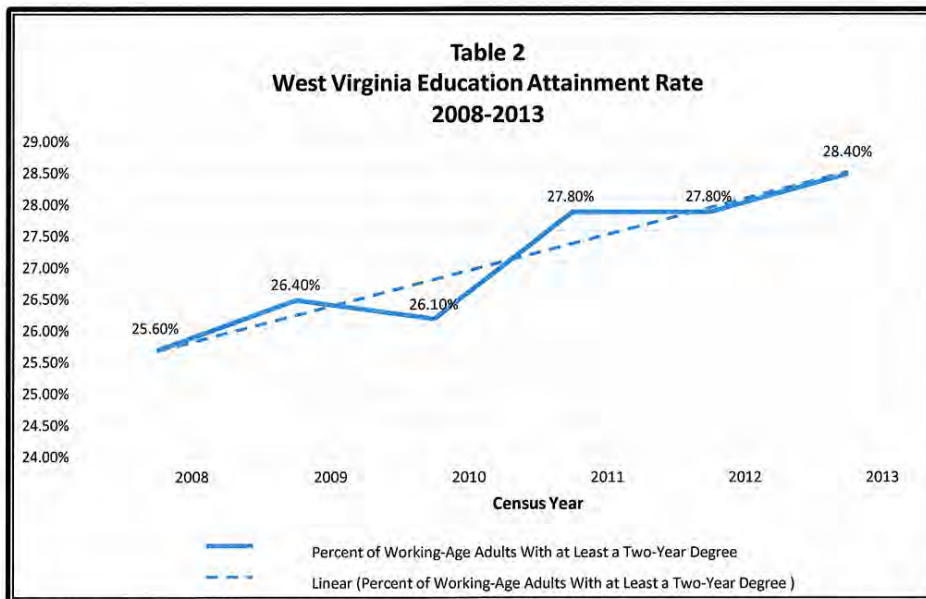
COUNCIL RESPONSE:

Please see the actual FY 2016 appropriations provided to the Council and the community colleges. These appropriations account for approximately 1.5 percent of the State’s general revenue funds.

	Actual FY 16 Appropriations	FY 16 Appropriations After 4% Mid-Year Reduction
Council for CTC Education (including grant programs)	\$ 7,349,729	\$ 7,055,740
Blue Ridge CTC	\$ 4,607,544	\$ 4,423,242
Bridge Valley CTC	\$ 7,719,911	\$ 7,411,115
Eastern CTC	\$ 1,881,834	\$ 1,806,561
Mountwest CTC	\$ 5,687,484	\$ 5,459,985
New River CTC	\$ 5,641,703	\$ 5,416,035
Pierpont CTC	\$ 7,530,761	\$ 7,229,531
Southern WV CTC	\$ 8,203,924	\$ 7,875,767
WV Northern CC	\$ 7,075,033	\$ 6,792,032
WVU at Parkersburg	\$ 9,788,994	\$ 9,397,434
TOTAL	\$65,486,917	\$62,867,442

Despite investing nearly 10 percent of the State’s general revenue funds in higher education, West Virginia continues to lag behind the national average in educational attainment— the percentage of the population that holds a two-year or four-year college degree or other postsecondary credential. According to the U.S. Census Bureau, the national average education attainment rate for working-age adults (age 25-64) in the U.S. is 40 percent. According to the 2013 U.S. Census data, only 28.4 percent of West Virginia’s working-age adults have obtained at least a two-year degree or higher.

The state’s 2013 educational attainment rate is an improvement from the prior year, and West Virginia’s education attainment is trending upward (see Table 2). However, progress has been slow, and West Virginia still ranks last in the nation in education attainment. West Virginia community colleges have a unique role to play in providing the education and training for the workforce development needs of the state’s growing industries, such as oil and gas, advanced manufacturing, and the healthcare sectors. According to a number of national labor market studies, more than half of all jobs in the U.S. economy will require some form of postsecondary education and training by 2020, with an estimated 30 percent of those jobs requiring an associate’s degree or some form of postsecondary certification.



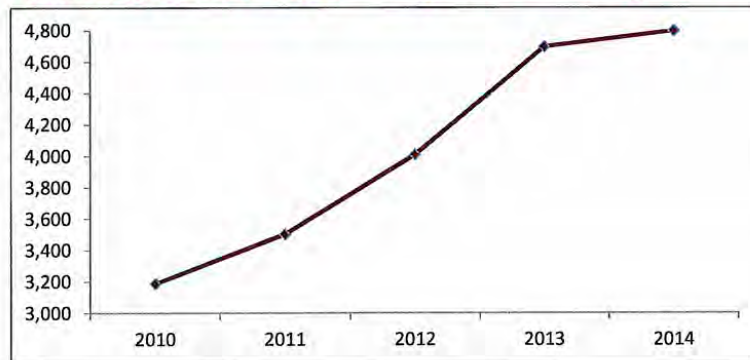
Source: U.S. Census Bureau data reported in the Lumina Foundation’s 2015 policy brief on West Virginia’s education attainment rate.

COUNCIL RESPONSE:

We agree that the college attainment rate of adults in West Virginia is a serious concern and it is a problem that we will continue to try to remedy. Over the past six years the attainment rate has increased by nearly 3%. It is important to note that every one percentage point increase represents approximately 10,000 West Virginians aged 25 to 64, who have entered and graduated from higher education AND chosen to remain in the state of West Virginia upon graduation. Therefore, this three percent increase represents approximately 30,000 West Virginian adults who have been educated and retained in the State. While we still clearly have work to do, we are proud to be moving in the correct direction.

Table 3 represents the increased number of degrees awarded by community and technical colleges in West Virginia, an increase of 50.5 percent over the five year period.

Table 3: Degrees Awarded by Community and Technical Colleges 2010-14



State Law Requires the Council to Implement an Accountability System That Hold Institutions Accountable for Meeting State Goals.

The Legislature established the Council as an independent government entity in 2004, drawing upon a large body of academic research that, in part, called attention to the need for greater support and accountability for community and technical colleges in West Virginia. West Virginia Code §18B-2B(c)(3)(C) establishes that the Council has as one of its duties, *“Holding each community and technical college and the statewide network of independently accredited community and technical colleges as a whole accountable for accomplishing their missions and achieving the goals and objectives established in article one, one-d, and three-c of this chapter.”*

W. Va. Code §18B-1D-3 establishes the Vision 2020 objectives for public higher education. According to W. Va. Code §18B-1D-7, each institution under the Council's jurisdiction is required annually to create and submit for Council approval an institutional compact with strategies and benchmarks for achieving the State's Vision 2020 goals. Once approved by the Council, each compact constitutes a negotiated contract between the individual institution of higher education and the Council. W. Va. Code §18B-1D-7 contains 15 required elements that each institutional compact must contain. These elements are:

1. the institution's strategies for achieving legislative goals established in §18B-1D-3;
2. the council strategies for supporting institutions;
3. the institution's mission statement which addresses changes needed to meet state goals;
4. a discussion of the compact's alignment with the institution's master plan;
5. an assessment of the needs within an institution's geographic area of responsibility;
6. the institution's strategies to ensure access within its region of the state;
7. any provisions for collaborations, when necessary;
8. the provision of optimal levels of student support;
9. the institution's strategies for using existing infrastructure to increase access and control cost;
10. any additional objectives adopted by the Council;
11. the requirement that compacts must be updated annually and include all required elements;
12. the benchmarks measuring programs and services in an institution's assigned area;
13. the benchmarks to determine progress toward state goals;
14. the performance indicators to measure achievement of goals; and
15. a discussion of the barriers to accomplishing goals.

W. Va. Code §18B-1D-7(B)(4) mandates that a compact for each institution must be approved annually by the Council by the first of May. If an institution's submitted compact has not been approved by the first of May, then the Council is empowered and directed to develop and adopt a compact for the institution. The elements of the higher education accountability system are established in W. Va. Code §18B-1D, and the corresponding legislative rule, C.S.R. §135-49.

W. Va. Code §18B-1D-7 establishes the institutional compact process as the Council's main tool for measuring each institution's performance toward the state goals for higher education, and holding them accountable for their progress.

The Council's Implemented Process for Reviewing and Approving Institutional Compacts Does Not Ensure That Each Compact Complies With West Virginia Code.

The Performance Evaluation and Research Division (PERD) analyzed each institution's compacts for academic years 2010-11 through 2014-15. PERD's analysis finds that the Council approved institutional compacts that did not contain each of the 15 required compact elements. A majority of the institutional compacts approved by the Council did not include over half of the elements each compact is required to include (see Table 3). Some elements, such as a geographic assessment of needs and a discussion of the barriers to achieving the compact's goals were omitted from each of the compacts analyzed by PERD. In addition, the Council approved compacts did not address each of the Legislature's Vision 2020 goals established in W. Va. Code §18B-1D-3. While the approved compacts generally address most of the Vision 2020 goals, some goals, such as increasing the percentage of functionally literate adults, are omitted in all of the compacts.

COUNCIL RESPONSE:

Vision 2020 outlines a comprehensive vision for higher education in West Virginia, with goals that cross multiple State agencies. There are many goals established in Vision 2020 that are not under the purview of the Council. An example of this is increasing the percentage of functionally literate adults. This goal is the responsibility of Adult Basic Education, which comes under the purview of the Department of Education. Another example of this is improving student preparation for graduate study and improving teacher education preparation. This goal is the responsibility of the Higher Education Policy Commission. The Council believes that it focused the Master Plan on the four areas of Vision 2020 that directly pertained to community and technical colleges.

These areas are: 1) Access; 2) Workforce Development; 3) Student Success; and 4) Resource Development. The Council’s plan for measuring each college’s progress in these areas was outlined in C.S.R. §135-49, which was passed by the Council, LOCEA, and the legislature. The System Master Plan, which establishes each institution’s goals and annual benchmarks, was also passed by the Council, LOCEA, and the legislature. At no point during this process was any feedback provided that the goals and benchmarks were not representative of the legislature’s intent in Vision 2020. If there are specific areas of concern outlined in Vision 2020, that are under the Council’s purview that have not been addressed, the Council will provide updates on any of those items to the legislature at their request.

Therefore, the Legislative Auditor recommends that the Council ensure that each institutional compact addresses, at a minimum, all of the goals established in W. Va. Code §18B-1D-3, in addition to any other goals established by the Council in its System Master Plans.

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Blue Ridge	5	0	7	7	7
Bridgemont	6	0	7	7	*
Kanawha Valley	6	0	7	8	*
Eastern	6	0	7	7	7
Mountwest	6	0	7	11	11
New River	6	0	7	7	7
Pierpont	6	0	7	7	7
Southern	6	0	6	6	7
Northern	6	0	7	7	6
WVU-Parkersburg	6	0	7	7	7
BridgeValley*	*	*	*	*	7

Source: PERD’s analysis of the contents of each institutional compact for all CTC institutions for academic years 2010-11 through 2014-15.
**Kanawha Valley CTC and Bridgemont CTC combined in FY 2015 to become BridgeValley CTC.*

A majority of the compacts approved by the Council for academic years 2010-11 through 2014-15 contain only a set of completed, ongoing, and planned future strategies for achieving each institution’s established compact goals. In addition, most of the approved compacts reviewed by PERD lacked any benchmarks or performance measures to gauge an institution’s progress toward state goals as required in §18B-1D-7(g). Instead, the Council approves one institutional compact for each institution with benchmarks to cover a five-year period (set to coincide with the Council’s five-year System Master Plan) and only requires each institution to update its compact strategies each subsequent year. Compact benchmarks do not appear in these institutional compact strategy updates for any school with the exception of Mountwest CTC in academic years 2013-14 and 2014-15.

COUNCIL RESPONSE:

Attachment A: Please see Attachment A for an example of an institution's compact update, which includes annual benchmark measures for the college. These updates, which include benchmarks, are reported annually to both the Council and LOCEA.

The Council did not provide PERD with any compacts for the academic year 2011-12. In addition, the Council's compact review and approval documentation shows that no compacts were submitted or approved for this academic year. When asked why there were no institutional compacts for academic year 2011-12, the Council reported that, "Updates were not required for the 2011-12 academic year, because of the transition between Master Plan cycles." However, West Virginia Code mandates that a new compact be submitted by each institution annually regardless of the conclusion of a five-year cycle of a system master plan. **Therefore, the Legislative Auditor recommends that the Council ensure that institutional compacts are submitted annually, and include each of the elements required by §18B-1D-7.**

COUNCIL RESPONSE:

Each institution did provide the data for compact updates for the 2011-12 academic year, which were presented to the Council and LOCEA. However, in this year, they were not required to submit a strategy update due to the transition between Master Plan cycles.

Furthermore, while the Council provides data for many performance benchmarks through its annual Higher Education Report Card and the annual System Performance Update, the Council does not provide the Legislature with any report specifically detailing how each institution performed against all of its compact benchmarks and the extent to which each institution is meeting its own goals. Moreover, the Council does not report any accountability measures it could take to improve an institution's insufficient progress such as remediation plans, withholding approval for salary increases of an institution's president, or other actions deemed necessary as authorized by rule (C.S.R. §135-49-5.4.3). Although salary increases of school presidents have not risen significantly, there is no evidence of remediation plans imposed by the Council. **Essentially, the Council simply moves on to the next five-year plan without any documentation expressing concern for the lack of progress made in the previous five-year plan.** Therefore, the Legislative Auditor recommends that the Council provide the Legislative Oversight Committee on Educational Accountability with a detailed report on how each institution performed in meeting its compact benchmarks and any appropriate action of accountability the Council plans for each institution.

COUNCIL RESPONSE:

Annually, by December 31, the Council provides LOCEA a report that updates them on the overall System performance and each institution's performance including their performance relative to their annual benchmarks. An example of that report is attached to this memo. On an annual basis the Council reports to LOCEA about any areas of concern found in the compact updates, and these concerns are then addressed in the institutions strategies for the next year. Further, at the end of a Master Planning cycle, LOCEA is provided with a report regarding each institution's progress as it relates to their final five year goal. It is agreed however, that a detailed report, which traces specific areas of concern across years, has not occurred. We will do so in the future.

It is not the case that the Council moves from one Master Planning cycle to the next without consideration of previous Master Plan. When planning a new Master Plan, the Council relies heavily on the information provided in the previous five year Master Plan. Campus and legislative representatives, as well as pertinent additional parties, thoroughly examine the progress made in the previous planning cycle as they develop the next five year plan. Areas that are of specific interest or concern from the previous planning cycle are included in the new planning cycle, and areas that are no longer of interest or concern are eliminated.

The Council Has Not Fully Implemented the Compact Review Process Prescribed by Law.

Pursuant to W. Va. Code §18B-1D-7(e), the Council transmits to each institution a standardized template for institutional compacts, which includes a submission deadline and an instructions page. Submission deadlines generally fall between early April and mid-May of each year. Submitted compacts are then reviewed by the Council's Compact Review Committee, which approves or returns the compacts for revision. Upon approval by the Compact Review Committee, the compacts are taken before the Council for final adoption. PERD's analysis finds that for academic years 2010-11 through 2014-15, the Council adopted the institutional compacts in mid- June, well after the statutorily required May 1 deadline.

Therefore, the Legislative Auditor recommends that the Council should adhere to statutory deadlines.

COUNCIL RESPONSE:

The Council has a different interpretation of this code which is explained below:

§18B-1D-7. Findings; establishment of institutional compacts; compact elements; submission date; review and approval process; rule required.

(e) Development and updating of the institutional compacts is subject to the following conditions:

(1) The ultimate responsibility for developing and updating the compacts at the institutional level resides with the board of advisors or the board of governors, as appropriate. It is the responsibility of the commission or council to provide technical assistance as requested and to negotiate with the institution development of the strategies to promote and support the institution pursuant to subsection (b) of this section;

(2) The commission and the council each shall establish a date by which institutions under their respective jurisdictions shall submit their compacts to the commission or council pursuant to the provisions of this article. The date established by each state-level coordinating board shall apply uniformly to all institutions under the jurisdiction of that coordinating board and shall meet the following additional conditions:

(A) Allow sufficient time for careful analysis of the compacts by the central office staff and for review by members of the commission or the council, as appropriate; and

(B) Allow sufficient time for the institutions to make necessary revisions to the compacts as provided in this section.

(3) The commission and council shall review each compact from the institutions under their respective jurisdictions and either adopt the compact or return it with specific comments for change or improvement. The commission and council, respectively, shall continue this process as long as each considers advisable;

(4) By the first day of May annually, if the institutional compact of any institution as presented by that institution is not adopted by the respective commission or council, then the commission or council is empowered and directed to develop and adopt the institutional compact for the institution and the institution is bound by the compact so adopted; and

§18B-1D-7(e) (2) clearly states that the Council is responsible for establishing a date by which institutions shall submit their compacts. The Council set this date in C.S.R. §135-49 as August 1. As the code continues, it outlines the legislature's intent that once institutions have submitted their compacts there will be back and forth between the Council and the institutions if institutions are asked to make revisions to their compacts, and that this back and forth may continue until the first of May. If the issues are not resolved by the first of May, the Council may develop and adopt a compact for the institution. Based on this interpretation, the Council believes it is adhering to statutory deadlines as outlined in §18B-1D-7.

The Absence of Any Specific Actions by the Council to Address Insufficient Progress Contributes to a Lack of Accountability for Institutions in Meeting State Goals.

The Council's incomplete implementation of the accountability system established in West Virginia Code hinders the Council's ability to fully and accurately assess the challenges and needs of each institution, and therefore provide guidance and accountability to address insufficient progress. The Council does not take specific action in instances in which institutions do not meet their own performance benchmarks.

PERD analyzed the institutional performance data used by the Council when approving institutional compacts. The Council's compact review documentation shows 23 performance benchmarks for each institution in each academic year. PERD compared each institution's performance against their agreed-upon compact benchmarks over the last four years (see Table 4).

	2010-2011	2011-2012	2012-2013	2013-2014	% Change
Blue Ridge	78.3%	78.3%	73.9%	69.6%	(8.7)%
Bridgemont	52.2%	43.8%	56.5%	60.9%	8.7%
Kanawha Valley	47.8%	52.2%	43.5%	39.1%	(8.7)%
Eastern	56.5%	69.6%	78.3%	82.6%	26.1%
Mountwest	60.9%	52.2%	56.5%	39.1%	(21.8)%
New River	47.8%	47.8%	56.5%	43.5%	(4.3)%
Pierpont	47.8%	52.2%	47.8%	30.4%	(17.4)%
Southern	39.1%	39.1%	34.8%	39.1%	-
Northern	34.8%	52.2%	13.0%	17.4%	(17.4)%
WVU-Parkersburg	60.9%	34.8%	17.4%	8.7%	(52.2)%
BridgeValley*	-	-	-	-	-

Source: PERD's analysis of institutional performance data and compact benchmarks for academic years 2010-11 through 2014-15.
*Kanawha Valley CTC and Bridgemont CTC combined in FY 2015 to become BridgeValley CTC.

Of the nine (formally ten) community and technical colleges, only two achieved a higher percentage of their performance benchmarks in academic year 2013-14 than in 2010-11. Seven of the institutions achieved a lower percentage of their benchmarks, including Mountwest Community and Technical College (-21.8 percent) and West Virginia University-Parkersburg (-52.2 percent). Southern West Virginia Community and Technical College remained the same with 39.1 percent of their compact benchmarks being achieved. In total, PERD finds 21 instances in which an institution did not achieve at least 50 percent of its compact benchmarks.

Performance indicator data and compact benchmarks from each institution are to be used by the Council in determining whether each institution is making adequate progress toward meeting the State's goals. C.S.R. §135-49 also mandates that each institution provide a progress update to the Council each year by August 1. The Council shall, by December 31st of each year, review the performance data of each institution to assess its progress toward the compact goals. According to C.S.R. §135-49-5.4.3:

"If the Council determines that an institution is not making sufficient progress overall or in a particular area, the Council may: Direct the institution to modify its compact implementation strategies; Direct the institution to develop an overall remediation plan or a remediation plan in a particular focus area; Direct the Chancellor to work with the institution's board of governors and or president to remedy the deficiencies or to develop a remediation plan; Withhold the approval of a salary increase for the institution's president; and/or Take whatever other action the Council deems necessary or appropriated to ensure that adequate progress is made in the future."

The Council has requested compact modification nine times between academic year 2010-11 and 2014-15. PERD's review of these instances finds that none of these instances specifically relate to an instance in which an institution did not meet particular compact goal or make adequate overall progress toward state goals. Instead, two of the requested revisions relate to instances in which an institution's compact omitted entire goals.

The seven other instances of requested compact revisions broadly state that, *"The strategies for each of the goals should be further developed."* Institutions such as Pierpont CTC and West Virginia Northern CTC were not required to revise any of their institutional compacts between academic year 2010-11 and 2013-14, despite sharp declines in the overall percentage of compact benchmarks met by the respective institutions.

The Council's documentation shows that it has taken no other authorized actions to specifically address an institution's progress toward state goals. PERD reviewed salary information for each community college president from academic year 2010 through 2015 to determine whether presidential salaries increased significantly in spite of an institution not achieving its compact benchmarks. PERD's review finds that presidential salaries have not risen significantly over the scope of the audit. **The Legislative Auditor recommends that the Council take the necessary actions authorized in C.S.R. §135-49-5.4.3 to ensure institutions are making adequate progress toward achieving state goals.**

COUNCIL RESPONSE:

The Council and the Chancellor's office routinely meet with the Presidents to discuss a variety of issues. When there is a concern as it relates to the compacts, the Chancellor does work with the Presidents to try to make improvements in areas of concern. The Chancellor's office regularly provides professional development opportunities for institutions on areas like retention, enrollment, and developmental education reform, to expose the colleges to best practices in these areas so that they might be adopted on their campus. However, the Council agrees with the Legislative Auditor that there is no formal documentation of these efforts that can be directly tied back to the compact review process. Further, the Council agrees that specific remediation plans have not been requested outside the compact strategy updates. We will do so in the future.

Conclusion

One of the duties of the Council is to ensure that each community and technical college under its jurisdiction is adequately progressing toward achieving the state's goals for public higher education by holding each institution accountable for its progress. It is the opinion of the Legislative Auditor that the Council's implemented accountability system, in which institutions must only update broad sets of strategies from time-to-time, will not be enough to ensure that each institution makes the kind of progress that will meet the workforce development needs of the state and produce a workforce that meets the demands of the new economy. To achieve this, the Council must properly and fully implement an accountability system that provides for a robust process of evaluating educational needs, provides for specific strategies and resource allocations to aid each institution in overcoming its unique barriers to success and progressing toward achieving its goals, and provides for a data-driven, annual analysis that not only measures each institution's overall progress, but also identifies specific areas for improvement.

Recommendations

1. *The Legislative Auditor recommends that the Council ensure that each institutional compact addresses, at a minimum, all of the goals established in W. Va. Code §18B-1D-3, in addition to any other goals established by the Council in its System Master Plans.*
2. *The Legislative Auditor recommends that the Council ensure that institutional compacts are submitted annually, and include each of the elements required by §18B-1D-7.*
3. *The Legislative Auditor recommends that the Council provide the Legislative Oversight Committee on Educational Accountability with a detailed report how each institution performs in meeting its compact benchmarks.*

4. *Therefore, the Legislative Auditor recommends that the Council adhere to statutory deadlines.*
5. *The Legislative Auditor recommends that the Council take the necessary actions authorized in C.S.R. §135-49-5.4.3 to ensure institutions are making adequate progress toward achieving state goals.*

ATTACHMENT A

Example of an institution's compact update, which includes annual benchmark measures for the college.

WV COMMUNITY AND TECHNICAL COLLEGE SYSTEM
System Performance Report

Academic Years 2012 - 2013 and 2013 - 2014

**ANNUAL
BENCHMARK**

**5 YEAR
GOAL**

Blue Ridge Community and Technical College

Measure	Actual 2012-13	Actual 2013-14	Increase/ Decrease from 12-13	Compact Goals 2013-14	Compact Goals 2014-15
Goal 1. Student Success					
a. Total degrees awarded	802	763	-39	380	401
i. Associate degrees	366	401	35	212	220
ii. Certificate degrees	436	362	-74	168	181
b. Student success rate	32.4%	37.1%	4.7	35.2%	36.2%
c. Retention rate	48.1%	55.3%	7.2	63.1%	65.1%
d. Licensure passage rate	87.6%	79.1%	-8.5	90.0%	90.0%
e. Placement rate: employment	59.3%	61.5%	2.2	80.0%	83.0%
f. Percentage of students enrolled in developmental math successfully completed next college-level course within two years of first enrolling	10.0%	18.9%	8.9	27.0%	29.0%
g. Percentage of students enrolled in developmental English successfully completed next college-level course within two years of first enrolling	27.1%	34.6%	7.5	60.0%	62.0%
Goal 2. Workforce Development					
a. Training contact (clock) hours delivered	200,413	260,564	60,151	28,309	28,875
b. Number of employers directly provided workforce education / training	20	19	-1	16	17
c. Total career-technical degrees awarded	594	455	-139	334	350
i. Career-technical associate degrees	322	356	34	185	194
ii. Career-technical certificate degrees	272	99	-173	149	156
d. Career-technical skill set certificates awarded	4,288	5,298	1,010	792	832
e. New technical programs implemented	1	0	-1	1	2
f. Regional industry sector partnerships	3	6	3	3	3
Goal 3. Access					
a. Annual headcount enrollment	5,888	6,172	284	4,458	4,482
i. Age 25 and older	4,270	4,468	198	2,985	3,001
b. Headcount enrollment in underserved counties	n/a	n/a	n/a	n/a	n/a
c. Student financial aid participation rate	29.3%	30.5%	1.2	36.3%	38.3%
Goal 4. Resource Development / Technology					
a. Percentage of classified employees fully funded on classified staff salary schedule	100.0%	100.0%	0.0	100.0%	100.0%
b. Credit hours earned through distance education and hybrid courses	5,408	7,473	2,065	4,305	4,385

ATTACHMENT B

Example of CTC System Performance Report submitted to the
Legislative Oversight Commission on Education Accountability (LOCEA)
in December 2014.



**Report to the Legislative Oversight Commission
on Education Accountability**

December 15, 2014

**SYSTEM PERFORMANCE REPORT
WV Code §18B-2B-6(c)(10)**

WV COUNCIL FOR COMMUNITY AND TECHNICAL COLLEGE EDUCATION

Certificate Degrees Awarded 2008-09 to 2012-13

Institution	2008-09	2009-10	2010-11	2011-12	2012-13	% Change 11-12 to 12-13	% Change 08-09 to 12-13
Blue Ridge CTC	51	126	147	211	436	106.6%	754.9%
Bridgemont CTC	17	9	9	8	38	375.0%	123.5%
Eastern WV CTC	0	4	11	16	37	131.3%	n/a
Kanawha Valley CTC	18	16	25	44	119	170.5%	561.1%
Mountwest CTC	64	17	69	76	28	-63.2%	-56.3%
New River CTC	39	23	27	71	66	-7.0%	69.2%
Pierpont CTC	118	122	63	47	63	34.0%	-46.6%
Southern WV CTC	53	27	32	37	38	2.7%	-28.3%
WV Northern CC	111	112	110	131	117	-10.7%	5.4%
WVU at Parkersburg	26	83	98	123	142	15.4%	446.2%
Total	497	539	591	764	1,084	41.9%	118.1%

WV COUNCIL FOR COMMUNITY AND TECHNICAL COLLEGE EDUCATION

Associate Degrees Awarded 2008-09 to 2012-13

Institution	2008-09	2009-10	2010-11	2011-12	2012-13	% Change 11-12 to 12-13	% Change 08-09 to 12-13
Blue Ridge CTC	142	181	229	376	366	-2.7%	157.7%
Bridgmont CTC	142	126	147	108	159	47.2%	12.0%
Eastern WV CTC	27	47	51	75	71	-5.3%	163.0%
Kanawha Valley CTC	235	281	252	282	282	0.0%	20.0%
Mountwest CTC	327	257	307	331	342	3.3%	4.6%
New River CTC	144	133	113	118	221	87.3%	53.5%
Pierpont CTC	273	281	252	333	361	8.4%	32.2%
Southern WV CTC	270	225	203	206	199	-3.4%	-26.3%
WV Northern CC	258	295	309	292	298	2.1%	15.5%
WVU at Parkersburg	367	424	560	387	375	-3.1%	2.2%
Total	2,185	2,250	2,423	2,508	2,674	6.6%	22.4%

WV COUNCIL FOR COMMUNITY AND TECHNICAL COLLEGE EDUCATION

Certificate and Associate Degrees Awarded 2008-09 to 2012-13

Institution	2008-09	2009-10	2010-11	2011-12	2012-13	% Change 11-12 to 12-13	% Change 08-09 to 12-13
Blue Ridge CTC	193	307	376	587	802	36.6%	315.5%
Bridgemont CTC	159	135	156	116	197	69.8%	23.9%
Eastern WV CTC	27	51	62	91	108	18.7%	300.0%
Kanawha Valley CTC	253	297	277	326	401	23.0%	58.5%
Mountwest CTC	391	274	376	407	370	-9.1%	-5.4%
New River CTC	183	156	140	189	287	51.9%	56.8%
Pierpont CTC	391	403	315	380	424	11.6%	8.4%
Southern WV CTC	323	252	235	243	237	-2.5%	-26.6%
WV Northern CC	369	407	419	423	415	-1.9%	12.5%
WVU at Parkersburg	393	507	658	510	517	1.4%	31.6%
Total	2,682	2,789	3,014	3,272	3,758	14.9%	40.1%

WV COMMUNITY AND TECHNICAL COLLEGE SYSTEM
System Performance Report
Academic Years 2012 – 2013 and 2013 – 2014

Positive Achievements

- a. Total degrees awarded increased by 18% from 2012-13 to 2013-14.
 - 3,758 to 4,425
- b. The associate degrees awarded increased by 10% from 2012-13 to 2013-14.
 - 2,674 to 2,949
- c. Total certificate degrees awarded increased by 36% over the two-year period.
 - 1,084 to 1,476
- d. The cumulative degrees awarded surpassed the cumulative compact goal for 2013-14 by 1,943.
 - 14,469 (degrees awarded) to 12,526 (cumulative goal)
- e. The student success rate increased by 1.2 percentage points over the two-year period.
 - 32.4% to 33.6%
- f. The percentage of students enrolled in developmental math and English successfully completing the next college-level course within two years of first enrolling increased.
 - Math: 14.3% to 16.4%
 - English: 37.3% to 41.8%
- g. The workforce training contact hours delivered increased by 41,999 hours from 2012-13 to 2013-14.
 - 867,650 to 909,539
- h. Cumulative career-technical degrees awarded surpassed the 2013-14 cumulative compact goal by 1,350.
 - 12,460 (degrees awarded) to 11,110 (cumulative compact goal)
- i. Cumulative career-technical skill-set certificates awarded surpassed the 2013-14 compact goal by 8,576 and the final compact goal by 706 in 2014-15.
 - 38,313 (skill-set certificates awarded) to 29,737 (13-14 cumulative goal)
 - 38,313 (skill-set certificates awarded) to 37,607 (final compact goal)
- j. The regional industry sector partnerships (30 in 2013-14) surpassed the 2014-15 final compact goal of 29.
- k. Annual headcount enrollment in underserved counties increased by 145 in 2013-14.
 - 1,621 to 1,766

Areas of Concern

- a. The licensure passage rate decreased from 2012-13 to 2013-14 by 3.9 percentage points.
 - 87.7% to 83.8%
- b. The annual headcount enrollment for the 2013-14 academic year decreased by 2,613 from the previous year. We are in jeopardy of not meeting future compact goals.
 - 34,323 to 31,710
- c. The adult student population enrollment for the 2013-14 academic year decreased by 1,863 from the previous year. We are in jeopardy of not meeting future compact goals.
 - 17,347 to 15,484

WV COMMUNITY AND TECHNICAL COLLEGE SYSTEM
System Performance Report
Academic Years 2012 - 2013 and 2013 - 2014

WV Community and Technical College System

Measure	Actual 2012-13	Actual 2013-14	Increase/Decrease from 12-13	Cumulative Totals 2010 - 2014	Compact Goals 2013-14	Compact Goals 2014-15
Goal 1. Student Success						
a. Total degrees awarded	3,758	4,425	667	14,469	12,526	16,036
i. Associate degrees	2,674	2,949	275	10,554	9,937	12,674
ii. Certificate degrees	1,084	1,476	392	3,915	2,589	3,362
b. Student success rate	32.4%	33.6%	1.2		34.0%	36.0%
c. Retention rate	45.3%	45.4%	0.1		64.0%	66.0%
d. Licensure passage rate	87.7%	83.8%	-3.9		89.0%	90.0%
e. Placement rate: employment	70.6%	72.3%	1.7		80.0%	83.0%
f. Percentage of students enrolled in developmental math successfully completed next college-level course within two years of first enrolling	14.3%	16.4%	2.1		26.0%	28.0%
g. Percentage of students enrolled in developmental English successfully completed next college-level course within two years of first enrolling	37.3%	41.8%	4.5		45.0%	47.0%
Goal 2. Workforce Development						
a. Training contact (clock) hours delivered	867,540	909,539	41,999	3,513,097	3,400,000	4,358,317
b. Number of employers directly provided workforce education / training	511	388	-123		674	690
c. Total career-technical degrees awarded	3,267	3,601	334	12,460	11,110	14,248
i. Career-technical associate degrees	2,409	2,565	156	9,252	8,674	11,121
ii. Career-technical certificate degrees	858	1,036	178	3,208	2,436	3,127
d. Career-technical skill set certificates awarded	7,911	9,806	1,895	38,313	29,737	37,607
e. New technical programs implemented	12	10	-2		21	24
f. Regional industry sector partnerships	21	30	9		29	29
Goal 3. Access						
a. Annual headcount enrollment	34,323	31,710	-2,613		36,838	37,041
i. Age 25 and older	17,347	15,484	-1,863		17,840	17,938
b. Headcount enrollment in underserved counties	1,621	1,766	145		2,156	2,312
c. Student financial aid participation rate	47.2%	47.5%	-0.6		52.0%	54.0%
Goal 4. Resource Development / Technology						
a. Percentage of classified employees fully funded on classified staff salary schedule	98.9%	98.8%	-0.1		99.4%	100.0%
b. Credit hours earned through distance education and hybrid courses	47,367	45,717	-1,650		47,855	48,742

WV COMMUNITY AND TECHNICAL COLLEGE SYSTEM
System Performance Report
Academic Years 2012 - 2013 and 2013 - 2014

Blue Ridge Community and Technical College

Measure	Actual 2012-13	Actual 2013-14	Increase/ Decrease from 12-13	Compact Goals 2013-14	Compact Goals 2014-15
Goal 1. Student Success					
a. Total degrees awarded	802	763	-39	380	401
i. Associate degrees	366	401	35	212	220
ii. Certificate degrees	436	362	-74	168	181
b. Student success rate	32.4%	37.1%	4.7	35.2%	36.2%
c. Retention rate	48.1%	55.3%	7.2	63.1%	65.1%
d. Licensure passage rate	87.6%	79.1%	-8.5	90.0%	90.0%
e. Placement rate: employment	59.3%	61.5%	2.2	80.0%	83.0%
f. Percentage of students enrolled in developmental math successfully completed next college-level course within two years of first enrolling	10.0%	18.9%	8.9	27.0%	29.0%
g. Percentage of students enrolled in developmental English successfully completed next college-level course within two years of first enrolling	27.1%	34.6%	7.5	60.0%	62.0%
Goal 2. Workforce Development					
a. Training contact (clock) hours delivered	200,413	260,564	60,151	28,309	28,875
b. Number of employers directly provided workforce education / training	20	19	-1	16	17
c. Total career-technical degrees awarded	594	455	-139	334	350
i. Career-technical associate degrees	322	356	34	185	194
ii. Career-technical certificate degrees	272	99	-173	149	156
d. Career-technical skill set certificates awarded	4,288	5,298	1,010	792	832
e. New technical programs implemented	1	0	-1	1	2
f. Regional industry sector partnerships	3	6	3	3	3
Goal 3. Access					
a. Annual headcount enrollment	5,888	6,172	284	4,458	4,482
i. Age 25 and older	4,270	4,468	198	2,985	3,001
b. Headcount enrollment in underserved counties	n/a	n/a	n/a	n/a	n/a
c. Student financial aid participation rate	29.3%	30.5%	1.2	36.3%	38.3%
Goal 4. Resource Development / Technology					
a. Percentage of classified employees fully funded on classified staff salary schedule	100.0%	100.0%	0.0	100.0%	100.0%
b. Credit hours earned through distance education and hybrid courses	5,408	7,473	2,065	4,305	4,385

WV COMMUNITY AND TECHNICAL COLLEGE SYSTEM
System Performance Report
Academic Years 2012 - 2013 and 2013 - 2014

Bridgmont Community and Technical College

Measure	Actual 2012-13	Actual 2013-14	Increase/Decrease from 12-13	Compact Goals 2013-14	Compact Goals 2014-15
Goal 1. Student Success					
a. Total degrees awarded	197	212	15	160	167
i. Associate degrees	159	185	26	147	153
ii. Certificate degrees	38	27	-11	13	14
b. Student success rate	34.5%	44.5%	10.0	39.2%	40.2%
c. Retention rate	57.7%	50.4%	-7.3	64.4%	66.4%
d. Licensure passage rate	97.8%	90.5%	-7.3	91.0%	92.0%
e. Placement rate: employment	79.0%	86.6%	7.6	83.0%	84.0%
f. Percentage of students enrolled in developmental math successfully completed next college-level course within two years of first enrolling	15.9%	4.6%	-11.3	24.0%	26.0%
g. Percentage of students enrolled in developmental English successfully completed next college-level course within two years of first enrolling	42.0%	49.6%	7.6	44.0%	46.0%
Goal 2. Workforce Development					
a. Training contact (clock) hours delivered	96,525	273,901	177,376	51,679	52,713
b. Number of employers directly provided workforce education / training	118	22	-96	26	28
c. Total career-technical degrees awarded	194	205	11	162	171
i. Career-technical associate degrees	156	178	22	145	152
ii. Career-technical certificate degrees	38	27	-11	17	19
d. Career-technical skill set certificates awarded	760	1,352	592	77	79
e. New technical programs implemented	0	1	1	1	1
f. Regional industry sector partnerships	0	3	3	3	3
Goal 3. Access					
a. Annual headcount enrollment	1,266	1,503	237	1,154	1,160
i. Age 25 and older	533	479	-54	519	522
b. Headcount enrollment in underserved counties	62	57	-5	76	82
c. Student financial aid participation rate	30.2%	25.7%	-4.5	43.3%	45.3%
Goal 4. Resource Development / Technology					
a. Percentage of classified employees fully funded on classified staff salary schedule	100.0%	99.6%	-0.4	100.0%	100.0%
b. Credit hours earned through distance education and hybrid courses	1,256	1,228	-28	1,605	1,638

WV COMMUNITY AND TECHNICAL COLLEGE SYSTEM
System Performance Report
Academic Years 2012 - 2013 and 2013 - 2014

Eastern WV Community and Technical College

Measure	Actual 2012-13	Actual 2013-14	Increase/ Decrease from 12-13	Compact Goals 2013-14	Compact Goals 2014-15
Goal 1. Student Success					
a. Total degrees awarded	108	143	35	61	63
i. Associate degrees	71	96	25	55	57
ii. Certificate degrees	37	47	10	6	6
b. Student success rate	22.0%	35.1%	13.1	27.5%	28.0%
c. Retention rate	62.4%	59.5%	-2.9	60.2%	62.2%
d. Licensure passage rate	n/a	100.0%	n/a	90.0%	90.0%
e. Placement rate: employment	56.4%	56.1%	-0.3	80.0%	83.0%
f. Percentage of students enrolled in developmental math successfully completed next college-level course within two years of first enrolling	27.1%	20.3%	-6.8	26.0%	28.0%
g. Percentage of students enrolled in developmental English successfully completed next college-level course within two years of first enrolling	52.9%	57.1%	4.2	45.0%	47.0%
Goal 2. Workforce Development					
a. Training contact (clock) hours delivered	21,339	57,189	35,850	30,584	31,196
b. Number of employers directly provided workforce education / training	94	68	-26	14	18
c. Total career-technical degrees awarded	78	113	35	47	50
i. Career-technical associate degrees	41	66	25	39	41
ii. Career-technical certificate degrees	37	47	10	8	9
d. Career-technical skill set certificates awarded	232	396	164	281	287
e. New technical programs implemented	1	0	-1	1	1
f. Regional industry sector partnerships	3	3	0	2	2
Goal 3. Access					
a. Annual headcount enrollment	1,101	1,143	42	894	899
i. Age 25 and older	576	572	-4	393	395
b. Headcount enrollment in underserved counties	235	195	-40	199	205
c. Student financial aid participation rate	51.6%	49.4%	-2.2	47.9%	49.9%
Goal 4. Resource Development / Technology					
a. Percentage of classified employees fully funded on classified staff salary schedule	100.0%	100.0%	0.0	100.0%	100.0%
b. Credit hours earned through distance education and hybrid courses	1,508	1,769	261	1,110	1,146

WV COMMUNITY AND TECHNICAL COLLEGE SYSTEM
System Performance Report
Academic Years 2012 - 2013 and 2013 - 2014

Kanawha Valley Community and Technical College

Measure	Actual 2012-13	Actual 2013-14	Increase/Decrease from 12-13	Compact Goals 2013-14	Compact Goals 2014-15
Goal 1. Student Success					
a. Total degrees awarded	401	449	48	349	364
i. Associate degrees	282	281	-1	329	342
ii. Certificate degrees	119	168	49	20	22
b. Student success rate	26.1%	23.6%	-2.5	28.3%	30.3%
c. Retention rate	55.0%	46.2%	-8.8	63.9%	65.9%
d. Licensure passage rate	92.1%	90.5%	-1.6	93.0%	95.0%
e. Placement rate: employment	85.7%	83.7%	-2.0	80.5%	83.0%
f. Percentage of students enrolled in developmental math successfully completed next college-level course within two years of first enrolling	21.2%	31.3%	10.1	30.0%	32.0%
g. Percentage of students enrolled in developmental English successfully completed next college-level course within two years of first enrolling	43.3%	34.7%	-8.6	51.0%	54.0%
Goal 2. Workforce Development					
a. Training contact (clock) hours delivered	81,329	69,862	-11,467	93,073	94,934
b. Number of employers directly provided workforce education / training	40	14	-26	19	20
c. Total career-technical degrees awarded	342	303	-39	312	328
i. Career-technical associate degrees	273	258	-15	293	308
ii. Career-technical certificate degrees	69	45	-24	19	20
d. Career-technical skill set certificates awarded	264	216	-48	712	726
e. New technical programs implemented	2	0	-2	3	3
f. Regional industry sector partnerships	2	3	1	3	3
Goal 3. Access					
a. Annual headcount enrollment	2,113	2,117	4	3,215	3,232
i. Age 25 and older	1,219	1,179	-40	1,492	1,501
b. Headcount enrollment in underserved counties	62	57	-5	76	82
c. Student financial aid participation rate	63.2%	64.9%	1.7	50.8%	52.8%
Goal 4. Resource Development / Technology					
a. Percentage of classified employees fully funded on classified staff salary schedule	100.0%	100.0%	0.0	100.0%	100.0%
b. Credit hours earned through distance education and hybrid courses	1,882	2,568	686	1,775	1,821

WV COMMUNITY AND TECHNICAL COLLEGE SYSTEM
System Performance Report
Academic Years 2012 - 2013 and 2013 - 2014

Mountwest Community and Technical College

Measure	Actual 2012-13	Actual 2013-14	Increase/ Decrease from 12-13	Compact Goals 2013-14	Compact Goals 2014-15
Goal 1. Student Success					
a. Total degrees awarded	370	804	434	322	336
i. Associate degrees	342	348	6	301	313
ii. Certificate degrees	28	456	428	21	23
b. Student success rate	34.6%	36.3%	1.7	32.2%	33.2%
c. Retention rate	32.2%	30.8%	-1.4	60.7%	62.7%
d. Licensure passage rate	88.9%	79.8%	-9.1	90.0%	90.5%
e. Placement rate: employment	65.9%	65.6%	-0.3	80.0%	83.0%
f. Percentage of students enrolled in developmental math successfully completed next college-level course within two years of first enrolling	11.9%	20.6%	8.7	35.0%	37.0%
g. Percentage of students enrolled in developmental English successfully completed next college-level course within two years of first enrolling	33.6%	44.5%	10.9	29.0%	31.0%
Goal 2. Workforce Development					
a. Training contact (clock) hours delivered	21,802	68,817	47,015	278,936	284,515
b. Number of employers directly provided workforce education / training	49	15	-34	50	55
c. Total career-technical degrees awarded	363	798	435	327	343
i. Career-technical associate degrees	335	342	7	306	321
ii. Career-technical certificate degrees	28	456	428	21	22
d. Career-technical skill set certificates awarded	326	349	23	250	255
e. New technical programs implemented	0	0	0	3	3
f. Regional industry sector partnerships	0	0	0	3	3
Goal 3. Access					
a. Annual headcount enrollment	4,120	3,537	-583	4,133	4,155
i. Age 25 and older	2,395	2,041	-354	2,382	2,395
b. Headcount enrollment in underserved counties	553	767	214	808	871
c. Student financial aid participation rate	41.7%	44.7%	3.0	47.8%	49.8%
Goal 4. Resource Development / Technology					
a. Percentage of classified employees fully funded on classified staff salary schedule	95.9%	96.5%	0.6	100.0%	100.0%
b. Credit hours earned through distance education and hybrid courses	5,357	4,320	-1,037	5,035	5,159

WV COMMUNITY AND TECHNICAL COLLEGE SYSTEM
System Performance Report
Academic Years 2012 - 2013 and 2013 - 2014

New River Community and Technical College

Measure	Actual 2012-13	Actual 2013-14	Increase/Decrease from 12-13	Compact Goals 2013-14	Compact Goals 2014-15
Goal 1. Student Success					
a. Total degrees awarded	287	344	57	187	195
i. Associate degrees	221	261	40	156	162
ii. Certificate degrees	66	83	17	31	33
b. Student success rate	32.0%	29.7%	-2.3	36.4%	37.4%
c. Retention rate	39.7%	44.1%	4.4	65.4%	67.4%
d. Licensure passage rate	87.3%	79.8%	-7.5	100.0%	100.0%
e. Placement rate: employment	68.5%	73.6%	5.1	78.0%	80.0%
f. Percentage of students enrolled in developmental math successfully completed next college-level course within two years of first enrolling	26.6%	28.8%	2.2	46.0%	46.0%
g. Percentage of students enrolled in developmental English successfully completed next college-level course within two years of first enrolling	36.1%	49.2%	13.1	49.0%	50.0%
Goal 2. Workforce Development					
a. Training contact (clock) hours delivered	192,909	29,119	-163,790	96,099	98,021
b. Number of employers directly provided workforce education / training	20	31	11	150	200
c. Total career-technical degrees awarded	257	322	65	132	138
i. Career-technical associate degrees	191	239	48	105	110
ii. Career-technical certificate degrees	66	83	17	27	28
d. Career-technical skill set certificates awarded	107	188	81	154	157
e. New technical programs implemented	3	0	-3	3	3
f. Regional industry sector partnerships	8	10	2	8	8
Goal 3. Access					
a. Annual headcount enrollment	4,315	3,885	-430	4,100	4,123
i. Age 25 and older	2,258	1,867	-391	1,868	1,878
b. Headcount enrollment in underserved counties	66	63	-3	74	82
c. Student financial aid participation rate	48.0%	50.1%	2.1	62.9%	62.9%
Goal 4. Resource Development / Technology					
a. Percentage of classified employees fully funded on classified staff salary schedule	100.0%	100.0%	0.0	100.0%	100.0%
b. Credit hours earned through distance education and hybrid courses	7,973	7,293	-680	8,224	8,357

WV COMMUNITY AND TECHNICAL COLLEGE SYSTEM
System Performance Report
Academic Years 2012 - 2013 and 2013 - 2014

Pierpont Community and Technical College

Measure	Actual 2012-13	Actual 2013-14	Increase/ Decrease from 12-13	Compact Goals 2013-14	Compact Goals 2014-15
Goal 1. Student Success					
a. Total degrees awarded	424	385	-39	492	517
i. Associate degrees	361	332	-29	329	342
ii. Certificate degrees	63	53	-10	163	175
b. Student success rate	37.0%	36.9%	-0.1	34.0%	35.0%
c. Retention rate	44.1%	43.6%	-0.5	66.7%	68.7%
d. Licensure passage rate	74.2%	81.4%	7.2	89.0%	90.0%
e. Placement rate: employment	82.8%	84.5%	1.7	82.4%	83.0%
f. Percentage of students enrolled in developmental math successfully completed next college-level course within two years of first enrolling	12.3%	8.1%	-4.2	23.0%	25.0%
g. Percentage of students enrolled in developmental English successfully completed next college-level course within two years of first enrolling	34.6%	35.4%	0.8	51.0%	53.0%
Goal 2. Workforce Development					
a. Training contact (clock) hours delivered	112,882	65,096	-47,786	87,064	88,805
b. Number of employers directly provided workforce education / training	83	122	39	34	35
c. Total career-technical degrees awarded	403	365	-38	472	495
i. Career-technical associate degrees	340	312	-28	324	340
ii. Career-technical certificate degrees	63	53	-10	148	155
d. Career-technical skill set certificates awarded	1,137	808	-329	2,188	2,232
e. New technical programs implemented	3	4	1	1	1
f. Regional industry sector partnerships	2	2	0	3	3
Goal 3. Access					
a. Annual headcount enrollment	3,927	3,450	-477	3,775	3,795
i. Age 25 and older	1,361	1,078	-283	1,350	1,358
b. Headcount enrollment in underserved counties	596	536	-60	787	835
c. Student financial aid participation rate	56.8%	54.1%	-2.7	57.0%	59.7%
Goal 4. Resource Development / Technology					
a. Percentage of classified employees fully funded on classified staff salary schedule	100.0%	100.0%	0.0	100.0%	100.0%
b. Credit hours earned through distance education and hybrid courses	4,287	3,839	-448	5,376	5,464

WV COMMUNITY AND TECHNICAL COLLEGE SYSTEM
System Performance Report
Academic Years 2012 - 2013 and 2013 - 2014

Southern WV Community and Technical College

Measure	Actual 2012-13	Actual 2013-14	Increase/Decrease from 12-13	Compact Goals 2013-14	Compact Goals 2014-15
Goal 1. Student Success					
a. Total degrees awarded	237	378	141	298	311
i. Associate degrees	199	277	78	263	273
ii. Certificate degrees	38	101	63	35	38
b. Student success rate	33.9%	35.6%	1.7	36.4%	37.4%
c. Retention rate	49.5%	46.2%	-3.3	66.7%	68.7%
d. Licensure passage rate	92.8%	88.0%	-4.8	98.0%	98.0%
e. Placement rate: employment	70.1%	71.6%	1.5	79.0%	80.0%
f. Percentage of students enrolled in developmental math successfully completed next college-level course within two years of first enrolling	12.8%	10.6%	-2.2	19.0%	21.0%
g. Percentage of students enrolled in developmental English successfully completed next college-level course within two years of first enrolling	41.5%	38.4%	-3.1	53.0%	55.0%
Goal 2. Workforce Development					
a. Training contact (clock) hours delivered	33,093	34,451	1,358	66,513	67,843
b. Number of employers directly provided workforce education / training	31	66	35	27	28
c. Total career-technical degrees awarded	209	270	61	257	270
i. Career-technical associate degrees	171	222	51	225	236
ii. Career-technical certificate degrees	38	48	10	32	34
d. Career-technical skill set certificates awarded	537	880	343	2,628	2,681
e. New technical programs implemented	0	2	2	1	1
f. Regional industry sector partnerships	2	2	0	1	0
Goal 3. Access					
a. Annual headcount enrollment	2,747	2,456	-291	3,362	3,380
i. Age 25 and older	923	768	-155	1,016	1,022
b. Headcount enrollment in underserved counties	65	113	48	163	182
c. Student financial aid participation rate	57.5%	56.3%	-1.2	57.6%	59.6%
Goal 4. Resource Development / Technology					
a. Percentage of classified employees fully funded on classified staff salary schedule	97.2%	95.8%	-1.4	97.0%	100.0%
b. Credit hours earned through distance education and hybrid courses	5,155	5,271	116	4,465	4,540

WV COMMUNITY AND TECHNICAL COLLEGE SYSTEM
System Performance Report
Academic Years 2012 - 2013 and 2013 - 2014

WV Northern Community College

Measure	Actual 2012-13	Actual 2013-14	Increase/ Decrease from 12-13	Compact Goals 2013-14	Compact Goals 2014-15
Goal 1. Student Success					
a. Total degrees awarded	415	377	-38	494	519
i. Associate degrees	298	287	-11	345	359
ii. Certificate degrees	117	90	-27	149	160
b. Student success rate	28.7%	27.0%	-1.7	34.6%	35.6%
c. Retention rate	48.0%	47.8%	-0.2	63.1%	65.1%
d. Licensure passage rate	86.0%	75.7%	-10.3	90.0%	90.0%
e. Placement rate: employment	66.6%	68.8%	2.2	79.0%	83.0%
f. Percentage of students enrolled in developmental math successfully completed next college-level course within two years of first enrolling	9.1%	14.8%	5.7	18.0%	20.0%
g. Percentage of students enrolled in developmental English successfully completed next college-level course within two years of first enrolling	40.3%	43.7%	3.4	36.0%	38.0%
Goal 2. Workforce Development					
a. Training contact (clock) hours delivered	58,972	24,356	-34,616	103,995	106,075
b. Number of employers directly provided workforce education / training	14	13	-1	27	30
c. Total career-technical degrees awarded	353	298	-55	426	448
i. Career-technical associate degrees	239	209	-30	291	306
ii. Career-technical certificate degrees	114	89	-25	135	142
d. Career-technical skill set certificates awarded	181	156	-25	515	525
e. New technical programs implemented	1	2	1	3	3
f. Regional industry sector partnerships	1	1	0	3	3
Goal 3. Access					
a. Annual headcount enrollment	3,774	3,106	-668	6,078	6,111
i. Age 25 and older	1,608	1,250	-358	3,209	3,226
b. Headcount enrollment in underserved counties	n/a	n/a	n/a	n/a	n/a
c. Student financial aid participation rate	49.9%	54.2%	4.3	48.5%	50.5%
Goal 4. Resource Development / Technology					
a. Percentage of classified employees fully funded on classified staff salary schedule	100.0%	100.0%	0.0	100.0%	100.0%
b. Credit hours earned through distance education and hybrid courses	3,647	3,104	-543	4,398	5,029

WV COMMUNITY AND TECHNICAL COLLEGE SYSTEM
System Performance Report
Academic Years 2012 - 2013 and 2013 - 2014

WVU at Parkersburg

Measure	Actual 2012-13	Actual 2013-14	Increase/ Decrease from 12-13	Compact Goals 2013-14	Compact Goals 2014-15
Goal 1. Student Success					
a. Total degrees awarded	517	570	53	607	635
i. Associate degrees	375	481	106	496	516
ii. Certificate degrees	142	89	-53	111	119
b. Student success rate	31.6%	35.1%	3.5	34.7%	35.7%
c. Retention rate	45.4%	52.2%	6.8	64.2%	66.2%
d. Licensure passage rate	91.9%	94.9%	3.0	99.0%	100.0%
e. Placement rate: employment	68.5%	68.6%	0.1	78.0%	80.0%
f. Percentage of students enrolled in developmental math successfully completed next college-level course within two years of first enrolling	10.1%	11.4%	1.3	47.0%	48.0%
g. Percentage of students enrolled in developmental English successfully completed next college-level course within two years of first enrolling	34.3%	43.6%	9.3	55.0%	56.0%
Goal 2. Workforce Development					
a. Training contact (clock) hours delivered	48,276	26,185	-22,091	52,495	53,545
b. Number of employers directly provided workforce education / training	42	18	-24	23	24
c. Total career-technical degrees awarded	474	472	-2	519	545
i. Career-technical associate degrees	341	383	42	418	439
ii. Career-technical certificate degrees	133	89	-44	101	106
d. Career-technical skill set certificates awarded	79	163	84	94	96
e. New technical programs implemented	1	1	0	15	16
f. Regional industry sector partnerships	0	0	0	3	3
Goal 3. Access					
a. Annual headcount enrollment	5,072	4,341	-731	5,670	5,701
i. Age 25 and older	2,204	1,782	-422	2,627	2,641
b. Headcount enrollment in underserved counties	44	35	-9	49	55
c. Student financial aid participation rate	53.2%	55.4%	2.2	56.3%	61.3%
Goal 4. Resource Development / Technology					
a. Percentage of classified employees fully funded on classified staff salary schedule	99.1%	99.2%	0.1	100.0%	100.0%
b. Credit hours earned through distance education and hybrid courses	10,894	8,852	-2,042	14,201	15,201

Appendix D Employee Compensation

Compensation is comprised of several funding sources including federal funding sources as well as the general revenue appropriations cited in this report.

Council for Community and Technical College Compensation FY 2015				
Title	Salary	Annual Increment	State Paid Benefits	Total
Chancellor^	\$175,504	\$2,460	\$28,318	\$206,282
Vice Chancellor^	\$115,483 ^{85%}	\$180	\$20,425	\$136,089
<i>Director, Workforce & Economic</i> ^	\$92,000 ^{100%}	\$0	\$12,558	\$104,558
Director, Financial Aid^	\$87,904	\$1,260	\$12,178	\$101,343
Manager, Consortium Bridging the Gap^	\$86,378 ^{100%}	\$570	\$18,008	\$104,956
<i>Data & Policy Analyst</i> ^	\$23,750 ^{100%}	\$0	\$3,075	\$ 26,825
Office Admin Senior*	\$69,585 ^{50%}	\$1,740	\$16,170	\$ 87,496
Manager, Grants Finance^	\$61,337 ^{100%}	\$720	\$14,160	\$ 76,218
Manager, Finance & Information System^	\$62,883	\$600	\$16,151	\$ 79,634
Admin Assist Senior^	\$59,495	\$1,440	\$15,435	\$ 76,370
Admin Assist Senior^	\$53,354 ^{50%}	\$1,140	\$14,988	\$ 69,482
<i>Coordinator, Program Recruiting</i> ^	\$13,250 ^{100%}	\$0	\$3,279	\$ 16,529
<i>Coordinator, Program Recruiting</i> ^	\$25,169 ^{100%}	\$0	\$6,209	\$31,378
Coordinator, Veterans Education^	\$42,983 ^{100%}	\$0	\$10,607	\$ 53,590
Coordinator, Operations & Communication^	\$41,392 ^{100%}	\$180	\$10,378	\$ 51,950
Grants Administrator^	\$39,883 ^{20%}	\$180	\$11,301	\$ 51,364
<i>Admin Secretary Senior</i> ^	\$21,218 ^{65%}	\$0	\$2,830	\$ 24,049
Total	\$1,071,568	\$10,470	\$216,070	\$1,298,113

Source: Employee Information Control System
 Position Titles arranged according to one year salary equivalent. Italics denotes less than a year of compensation.
 Budgeted salaries may be higher.
 Superscript in bold beside salary indicates percent of salary paid for with federal funds - unaudited. Superscript beside salary indicates percent of salary paid for with Benedum grant funds - unaudited. Salaries of Director of Financial Aid and Manager of Finance and Information Systems are funded by three community colleges.
 ^Teacher's Insurance and Annuity Association *Teachers Retirement System
 Due to rounding totals will not sum.
 Compensation paid for final paycheck and increment to one employee is not included in the above table.

**Higher Education Policy Commission
Compensation
FY 2015**

Title	Salary	Annual Increment	State Paid Benefits	Total
Chancellor [^]	\$265,504 ^{8%}	\$1,080	\$36,917	\$303,501
<i>Vice Chancellor Academic Affairs[^]</i>	\$126,875	\$0	\$24,957	\$151,831
General Counsel [^]	\$130,504 ^{10%}	\$1,920	\$26,822	\$159,247
Vice Chancellor Finance [^]	\$130,504 ^{8%}	\$1,920	\$27,210	\$159,634
Executive Vice Chancellor Admin [^]	\$128,333 ^{30%}	\$0	\$17,535	\$145,869
Vice Chancellor Student Affairs [^]	\$119,441 ^{70%, 30%}	\$420	\$20,949	\$140,810
Program Director Interim [^]	\$115,483 ^{55%}	\$840	\$20,305	\$136,628
Vice Chancellor Human Resources*	\$114,294	\$1,860	\$31,089	\$147,242
Director Financial Aid Senior [^]	\$105,483 ^{100%}	\$0	\$21,745	\$127,228
Director Facilities & Sustainability [^]	\$102,483	\$660	\$19,627	\$122,770
Vice Chancellor Policy and Planning [^]	\$101,772 ^{25%}	\$0	\$14,138	\$115,909
Director Facilities Senior [^]	\$100,404	\$2,040	\$17,542	\$119,986
Director Student & Education Services [^]	\$99,587 ^{50%}	\$2,460	\$18,599	\$120,646
Director Admin Services*	\$90,504 ^{25%}	\$1,800	\$30,503	\$122,807
Associate Vice Chancellor Comm/Pub [^]	\$90,483 ^{10%}	\$480	\$12,440	\$103,403
Director Fin & Grants Com [^]	\$85,483	\$180	\$20,894	\$106,557
Coordinator Cyber Infrastructure [^]	\$82,223 ^{25%}	\$0	\$15,129	\$ 97,352
Director Academic Programming [^]	\$81,463 ^{27%, 10%}	\$2,100	\$15,908	\$ 99,471
Director, Information Systems [^]	\$80,483 ^{80%}	\$660	\$15,715	\$ 96,859
Director Procurement [^]	\$80,000	\$1,980	\$11,223	\$ 93,203
Director, International Programs [^]	\$77,983	\$600	\$20,202	\$ 98,785
Clerk of the Works [^]	\$74,643	\$0	\$13,936	\$ 88,579
Manager Fiscal & Admin Services ^a	\$72,904	\$1,500	\$21,910	\$ 96,314
Director Fiscal & Admin Services [^]	\$71,008 ^{50%}	\$780	\$18,990	\$ 90,778
Coordinator Statewide [^]	\$67,976 ^{100%}	\$1,380	\$14,169	\$ 83,525
<i>Director Veterans Education & Training[^]</i>	\$55,833 ^{100%}	\$0	\$7,641	\$ 63,475
Director Byrd Higher Education [^]	\$65,483	\$1,080	\$14,769	\$ 81,332
Director Communication & Outreach [^]	\$63,608 ^{70%, 30%}	\$300	\$16,392	\$ 80,300
Director Health Sciences Program [^]	\$62,883 ^{18%}	\$180	\$17,504	\$ 80,567
Budget Officer [^]	\$62,255	\$1,560	\$13,440	\$ 77,255
Vice Chancellor Health Sciences	\$61,224	\$0	\$4,684	\$ 65,908
Manager, Communication [^]	\$60,483 ^{100%}	\$0	\$17,689	\$ 78,172
Graphic Design Manager [^]	\$58,483 ^{10%}	\$2,160	\$17,806	\$ 78,449
<i>Programmer Develop Senior[^]</i>	\$52,103 ^{80%}	\$0	\$15,905	\$ 68,009
<i>Programmer Developer[^]</i>	\$34,337 ^{33%}	\$1,350	\$3,285	\$ 38,792
<i>Research & Policy Analyst[^]</i>	\$46,377 ^{100%}	\$0	\$6,720	\$ 53,097
Research & Policy Analyst [^]	\$55,168 ^{100%}	\$0	\$15,113	\$ 70,281
Institutional Research Analyst Senior [^]	\$53,986	\$1,440	\$17,166	\$ 72,591
Coordinator Curriculum & Prof Devo [^]	\$53,258 ^{100%}	\$240	\$11,021	\$ 64,519

<i>Coordinator Research & Evaluation</i> [^]	\$23,812 ^{100%}	\$0	\$3,260	\$ 27,072
Executive Admin Assistant [^]	\$52,295	\$1,980	\$11,094	\$ 65,369
Accountant Senior [^]	\$51,207	\$1,260	\$11,758	\$ 64,226
<i>Programmer Developer</i> [^]	\$31,069 ^{90%}	\$0	\$4,120	\$ 35,189
<i>Post Doc Res/Pol Ana</i> [^]	\$16,667 ^{100%}	\$0	\$3,853	\$ 20,519
<i>Board Operation Coordination</i> [^]	\$20,833	\$0	\$4,824	\$ 25,658
Admin Assistant Senior*	\$49,829 ^{100%}	\$1,320	\$11,660	\$ 62,809
Research & Data Analyst [^]	\$49,533 ^{100%}	\$300	\$6,444	\$ 56,277
Admin Assistant Senior*	\$48,450	\$1,920	\$17,240	\$ 67,610
Program Coordinator Senior [^]	\$47,893	\$420	\$7,502	\$ 55,815
Program Manager [^]	\$47,408 ^{100%}	\$180	\$11,235	\$ 58,823
Director College Access & Success [^]	\$47,229 ^{100%}	\$720	\$11,263	\$ 59,212
Director College Access & Success [^]	\$47,208 ^{100%}	\$240	\$11,234	\$ 58,682
Director College Access & Success [^]	\$47,208 ^{100%}	\$300	\$15,869	\$ 63,377
Executive Secretary*	\$46,870 ^{10%}	\$1,800	\$16,937	\$ 65,606
Program Administrator Senior [^]	\$45,729 ^{100%}	\$240	\$13,531	\$ 59,501
<i>Program Coordinator Senior</i> [^]	\$31,055	\$0	\$7,789	\$ 38,844
Programmer/Dev Sr ¹	\$43,008 ^{80%}	\$780	\$6,109	\$ 49,897
Grants Research Associate [^]	\$42,427	\$2,100	\$10,830	\$ 55,357
Human Resource Rep Senior [^]	\$41,958	\$300	\$10,320	\$ 52,579
Accounting Assistant II*	\$40,602	\$1,980	\$14,419	\$ 57,002
Coordinator Tech & Digital [^]	\$39,758 ^{100%}	\$480	\$13,144	\$ 53,382
Accountant Senior [^]	\$35,702 ^{100%}	\$0	\$4,897	\$ 40,599
Coordinator Program [^]	\$32,720	\$540	\$9,303	\$ 42,563
Coordinator College Access & Success [^]	\$32,691 ^{100%}	\$240	\$4,519	\$ 37,450
Office Admin [^]	\$32,507	\$180	\$9,242	\$ 41,929
Program Specialist [^]	\$31,799 ^{100%}	\$180	\$13,962	\$ 45,941
Program Specialist [^]	\$30,932	\$0	\$6,187	\$ 37,119
Admin Associate [^]	\$26,540 ^{100%}	\$0	\$7,321	\$ 33,861
Admin Associate [^]	\$25,846 ^{100%}	\$0	\$3,528	\$ 29,374
Total	\$4,542,086	\$50,430	\$970,983	\$5,563,323

Source: Employee Information Control System (EPICS)
 Position Titles arranged according to one year salary equivalent. Italics denotes less than a year of compensation. Budgeted Salaries may be higher.
 Superscript in bold beside salary indicates percent of salary paid for with federal funds - unaudited.
 Superscript beside salary indicates percent of salary paid for with state financial aid funds - unaudited.
[^]Teacher's Insurance and Annuity Association *Teachers Retirement System ^aPublic Employees Retirement System
¹Great West Life & Annuity
 EPICS report for Commission does not indicate any matching payments for a retirement system for the Vice Chancellor of Health Sciences.
 Due to rounding totals will not sum.
 Compensation paid to two legislative interns, two temporary employees and the final three paychecks to one employee are not included in the above table.

Appendix E Agency Response



Bruce L. Berry, M.D.
Chair

Paul L. Hill, Ph.D.
Chancellor

West Virginia Higher Education Policy Commission
West Virginia Community and Technical College System

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Clarence "Butch" Pennington
Chair

Sarah Armstrong Tucker, Ph.D.
Chancellor

August 2, 2016



Mr. John Sylvia
Director
Performance Evaluation and Research Division
West Virginia Legislature
Building 1, Room W-314
1900 Kanawha Boulevard, East
Charleston, West Virginia 25305

Dear Mr. Sylvia:

Thank you for the opportunity to respond to the January 12, 2016 Legislative Auditor's report of the agency review of the West Virginia Higher Education Policy Commission (Commission) and the West Virginia Council for Community and Technical College Education (Council).

We participated in an audit exit conference with legislative analysts on July 14, 2016, and shared our concerns about misconceptions in the report, but we have since been informed that no changes were made to the original report based on our discussions during the exit conference.

In short, we appreciate the necessity of the scheduled agency reviews and the opportunity to evaluate the effectiveness of the operations of our offices. While this review process has taken more than a year and a half to complete, the audit staff who worked with us during this time have been professional and we believe our responses to the numerous requests for information have been prompt and thorough.

However, we disagree with assertions in the final report, which we believe suggests a misunderstanding of our agencies' statutory authority and the Legislature's will and history in funding our colleges and universities through state appropriations. We also believe the review presents limited understanding of the structure of the two higher education systems and how

the current coordinating function was established and operates in West Virginia and in other state public higher education systems.

In addition, we do not think the auditor's staff were able to evaluate the effort, deliberation and time put into the decision-making processes of our duly appointed Commission and Council members, particularly when those members consider tuition increases and evaluate programs offered by the institutions.

From our standpoint, the review did not seem to follow typical audit protocol and did not provide recommendations about how to improve Commission and Council accountability or processes. The review instead abruptly issues a sweeping recommendation that the agencies' functions be transferred, for an unspecified reason, to the institutions, while simultaneously and diametrically oppositely recommending that the institutions need stronger state-level oversight. This seems counterintuitive.

We believe our agencies are functioning at a superior level – as coordinating bodies - as the Legislature has intended. The appointed, unpaid members of the Commission and Council take seriously their roles and decisions when evaluating degree programs, tuition increases and capital and operating budgets.

Further, the Legislature has granted a great deal of local control and fiduciary responsibility to the institution governing boards, which the PERD report suggests should be divested "back." This statement highlights what we believe is a critical misinterpretation of the coordinating versus governing function our agencies have been tasked with providing.

To address the report's conclusions about shortcomings in governance of the institutions, the Commission and Council would need additional authority not currently granted by State Code. Each of the issues pointed out by the review, and our responses, are attached to this correspondence.

We stand ready to provide further background and analysis on these issues, including how alternate state higher education governing and coordinating authority might function, should the Legislature wish to pursue other higher education oversight options. Regardless of our disagreement with issues presented in the Legislative Auditor's agency review and report, we have taken the review's findings seriously and have begun modifying our processes to improve upon the reported shortcomings.

Those modifications may include: Creating a matrix that tracks objectives being pursued by our institutions; more detailed transcription of meeting discussions about the approval of tuition and fee increases; creating a matrix related to institutional program review; and visiting the institutions for random audit samples of reported data to confirm accuracy.

Thank you for your time and consideration of our response.

Sincerely,



Paul L. Hill
Chancellor



Sarah Armstrong Tucker
Chancellor

FINDINGS AND AGENCY RESPONSE

Issue 1: The Commission and Council do not oversee institutions' academic program reviews in accordance with statute.

Response:

The Commission's and Council's Series 10, Procedural Rules, Policy Regarding Program Review, specifies a detailed policy that we carefully follow for academic program review, including a provision that academic programs at public institutions be reviewed every five years.

The report takes issue with the program reviews we conduct and notes a failure to discontinue non-producing programs. We have been given no statutory authority to discontinue academic and technical programs, only to review existing programs and approve certain new ones. Once the Commission and Council recommend that a program be discontinued, it is the responsibility of the governing board of the institution in question to carry out that recommendation. We have been given no control over new Marshall University and West Virginia University programs, unless those are offered in a new location.

Issue 2: The Commission and Council always grant tuition and fee increases over five percent and they do not consider statutory criteria in their decisions.

Response:

The Commission and Council have not been granted the authority to review tuition and fee increases below the five percent threshold. Auditors interviewed only one Commission member and no Council members in making their determination that Commission and Council members do not consider statutory criteria when considering tuition increases.

Commission and Council members take their authority seriously. They consider many factors in approving tuition increases, especially in the last few years as higher education appropriations have been cut, with the understanding from budget officials and legislators that colleges are able to increase tuition to make up for the reduced state funding. Throughout the year and during their scheduled regular meetings and numerous special meetings, Commission and Council members discuss and learn about all the factors required by State Code for tuition and fee considerations.

For example, the Commission in 2015 debated a substantial increase in West Virginia University tuition and fees and granted approval only after the institution laid out its formal plans for student retention and increased private fundraising to provide scholarships. Most recently, much public attention was shed on the Council for its rejection of what it considered unnecessarily large tuition increases from several of the community colleges. This type of

deliberation has not been taken into account in the agency review nor were audit staff present at the public meetings when these items were discussed.

The review seems to imply that lack of strenuous oversight is evidenced by what is or is not contained in meeting minutes of the Commission and Council. The review did not consider that the appropriate criteria actually were addressed by staff, followed by responses from the institutions, placed before the Commission and Council members, reviewed in work sessions and ultimately voted on during official meetings. Meeting minutes could not possibly capture the thought processes of individual Commission and Council members as they considered evidence and recommendations that evolved over several months.

We believe without reservation that our Commission and Council members look carefully at every tuition increase before them and ask the questions that State Code requires for them to make informed decisions about whether to approve or reject the requested increases.

Issue 3: The Commission's and Council's budget review and approval process does not consider achievement of institutional compacts.

Response:

The Auditor's report seems to imply that compacts should be considered concurrently with budget approvals, however, there is no requirement in Code for this assumption.

The report also suggests that the Commission and Council should use budget requests to shape institutional behavior so that they comply with the compacts. This assumption illustrates what we believe is a misconception about the current ability of the Commission and Council to control appropriations to our institutions.

In 2000, the statute which created the Commission and Council intended for our agencies to receive appropriations from the Legislature, and then to distribute those state funds to the institutions, based on their meeting certain standards. However, that funding scheme never materialized and, since that time, the Legislature has provided line-item appropriations directly to the institutions. In addition, the Legislature has granted additional appropriations to certain institutions without Commission or Council endorsement or support.

Unless this process is changed by the Legislature, neither the Commission nor the Council have the statutory authority to control institution appropriations. Should the Legislature so approve, the Commission and Council would welcome the ability to allocate institutional appropriations and connect funding with academic outcomes directly related to state priorities.

Issue 4: The Commission and Council do not conduct reviews of institutional reported data to ensure performance data is accurate.

Response:

The Commission and Council follow national data collection standards and have multiple review checkpoints to ensure the accuracy of the data we gather. The accuracy of our data collection and methodology is clearly spelled out in Section 3.2 of Series 3, Legislative Rule, Higher Education Report Card:

“The President or administrative head of each public college, regional campus, or community and technical college shall be responsible for ensuring that all requested information is submitted annually to the Commission and shall certify that the information submitted has been reviewed for accuracy.”

In addition, the Legislative Rule provides guidelines for how data will be collected and utilized. Uniformity is expressly considered in how data is collected and reported, which directly contradicts the report’s claim that variation exists in data reporting. After receiving the Auditor’s draft report, our staff surveyed state central higher education offices across the country. They found that a vast majority of these agencies collect higher education data through processes very similar to that of West Virginia.

The agency review falsely presumes that the Commission and Council merely reformat submitted data from the institutions without reviewing for accuracy when, in fact, our staff work closely with staff at each of the institutions to ensure the data submitted to the Commission and Council is as accurate as possible.

In addition, the Legislative Oversight Commission on Education Accountability and legislative staff of both the House and Senate Education Committees frequently call on the Commission and Council for data analysis so they can make informed decisions. This is a service that would not be possible without our existing data collection processes.

We believe this review provides no evidence that our data collection process is flawed. However, we will continue to evaluate best practices for data collection, and have an active dialogue and relationship with the institutions to not only streamline these processes and eliminate unnecessary duplication, but also to focus on the data that will result in improved student success.

Conclusion

The Commission and Council work diligently to provide transparency concerning our operations and how we deliver value to our students and families who have been, are or will be served by West Virginia’s public two- and four-year institutions. We welcome the opportunity to work with other state agencies, businesses, community organizations, individual citizens, and the

Legislature to relay the Commission and Council's important role in providing access and promoting academic success at our public institutions.

We provide policy guidance and oversight along with a unique set of services to our institutions focused on student success. While our two agencies would appreciate direct feedback from the Performance Evaluation and Research Division that focuses on improving our operations, the report's findings do illustrate a need for the Commission and Council to exercise more, rather than reduced, authority over the institutions. This can only be accomplished through the will of the Legislature and necessary statutory changes.

Chris Carney

From: Cindy Anderson <Cindy.Anderson@wvhepc.edu>
Sent: Tuesday, August 09, 2016 12:06 PM
To: Chris Carney
Cc: Chancellor Hill; Sarah Tucker; Matt Turner; Janene Seacrist
Subject: Response to Agency Review
Attachments: JSylviaauditresponse2016-08-02.pdf

Mr. Carney:

On behalf of Chancellor Paul Hill and Chancellor Sarah Tucker, please find attached the response to the agency review of the West Virginia Higher Education Policy Commission and the West Virginia Council for Community and Technical College Education. Please confirm receipt of this message and response.

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