WEST VIRGINIA LEGISLATURE

2020 REGULAR SESSION

Introduced

Senate Bill 760

BY SENATOR RUCKER

[Introduced February 12, 2020; referred

to the Committee on Education]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, 2 designated §18B-1-1F; to amend and reenact §18B-1-2 of said code; to amend and 3 reenact §18B-1B-4 and §18B-1B-6 of said code; to amend and reenact §18B-1D-7 of said 4 code; and to amend and reenact §18B-19-4 of said code, all relating to state institutions 5 of higher education under the authority of the Higher Education Policy Commission; 6 providing findings; defining terms; allowing any state college or university to apply to the 7 Higher Education Policy Commission for designation as an administratively exempted school, a financially exempted school, or both; requiring Higher Education Policy 8 9 Commission to propose rules for legislative approval that addresses loss of an exemption 10 designation; setting forth specific exemptions for a college and university designated as 11 an administratively exempted school; setting forth specific exemptions for a college and 12 university designated as a financially exempted school; requiring Higher Education Policy 13 Commission report to the Legislative Oversight Commission on Education Accountability 14 certain information pertaining to exemption status for colleges and universities; updating 15 institution names; removing obsolete language; updating code to reflect removal of 16 statewide master plan and compact requirements by prior legislation; removing requirement for Higher Education Policy Commission to advise and confirm in the 17 18 appointment of presidents of the institutions of higher education under its jurisdiction; 19 removing requirement for Higher Education Policy Commission to promulgate a rule establishing a tuition and fee policy; replacing Higher Education Policy Commission with 20 21 the Chancellor for Higher Education as having the responsibility to approve or disapprove 22 proposed academic degree programs where approval required; requiring that Higher 23 Education Policy Commission report to the Joint Committee on Government and Finance 24 and the Legislative Oversight Commission on Education Accountability that includes a 25 recommendation on a formula for the allocation of general revenue to be appropriated to 26 the institutions be annual rather than one time; making certain provisions pertaining to

27 appointment of institutional presidents applicable to exempted schools; removing requirement for Higher Education Policy Commission to confirm appointment of 28 29 institutional presidents: requiring classified employees be used when doing evaluations of 30 institutional presidents; updating language to be consistent with replacing institutional and 31 statewide report cards with a data reporting system in prior legislation; declaring that the 32 geographic areas of responsibility for the West Virginia School of Osteopathic Medicine. 33 Marshall University, and West Virginia University are statewide; and removing requirement 34 for Higher Education Policy Commission confirmation of campus development plans.

Be it enacted by the Legislature of West Virginia:

ARTICLE 1. GOVERNANCE.

§18B-1-1F. State college and university exemption status.

1 (a) The Legislature finds that:

2 (1) Efficiencies, entrepreneurialism, and the effectiveness of governing boards in fulfilling

3 certain goals can be incentivized through the accountability and autonomy associated with

- 4 exemption status for state colleges and universities based on meeting certain criteria; and
- 5 (2) Leading higher education authorities in the nation identify common, key performance
- 6 indicators as an important measure of institutional effectiveness, including, but not limited to,
- 7 enrollment benchmarks, fiscal benchmarks, and student success benchmarks.
- 8 (b) The following definitions apply to terms used in this section:
- 9 (1) "Administratively exempted schools" means state colleges and universities that
- 10 achieve and maintain the following:
- 11 (A) Graduation rates: A three-year average graduation rate of not less than 45 percent;
- 12 (B) Retention rates: A three-year average retention rate of not less than 60 percent; and
- 13 (C) Full-time equivalent enrollment: A three-year rolling average full-time equivalent
- 14 <u>enrollment increase, or a decrease of not more than five percent per year;</u>
- 15 (2) "Composite Financial Index (CFI)" means the benchmarking tool used by the Higher

16	Learning Commission as a financial indicator and developed specifically for the higher education
17	industry and is a combination of several different ratios, each of which is comprised of data that,
18	when analyzed further, can provide insight into an institution's financial health and inform
19	decision-making processes;
20	(3) "Days of cash reserved" means the audited end-of-fiscal-year cash balance, multiplied
21	by 365, and then divided by the audited total expenses less depreciation, and less other post
22	employment benefit (OPEB) and pension liability expenses;
23	(4) "Financially exempted schools" means state colleges and universities that achieve and
24	maintain at least one of the following:
25	(A) Days of cash reserved: A three-year average of not less than 50 days cash reserved
26	for an institution; or
27	(B) Composite Financial Index (CFI): A Composite Financial Index (CFI) of not less than
28	<u>one;</u>
29	(5) "Three-year rolling average full-time equivalent enrollment" means the total number of
30	student credit hours in the fall term, as of the official date of measurement established by the
31	commission, divided by 15 for undergraduate students and divided by 12 for graduate students;
32	(6) "Graduation rates" means the proportion of first time in college students who obtain a
33	bachelors degree within six years, as further defined by and reported to the commission;
34	(7) "Retention rates" means the proportion of first-time, fall term, full-time freshmen
35	students who are in continuing enrollment in the fall term of the next succeeding year; and
36	(8) "State college and university" shall have the same meaning as provided in §18B-1-2
37	of this code.
38	(c) Any state college and university may apply to the commission for designation as an
39	administratively exempted school, a financially exempted school, or both pursuant to this section.
40	The commission shall make its determination as to whether to grant or deny exemption
41	designation based on the definitions of administratively exempted school and financially

42	exempted school set forth in this section. The commission shall propose rules for legislative
43	approval pursuant to §29A-3A-1 et seq. of this code that addresses loss of an exemption
44	designation. The rule shall at least include the following:
45	(1) After the first year an administratively or financially exempted school fails to meet the
46	criteria under the applicable definition, the commission shall assist the institution in meeting the
47	criteria before the next year; and
48	(2) An institution may not lose its designation as an administratively exempted school or
49	a financially exempted school until it has failed to meet the criteria under the applicable definition
50	for two consecutive years.
51	(d) Notwithstanding any other provision of this code to the contrary:
52	(1) West Virginia University, including West Virginia University Potomac State College and
53	West Virginia University Institute of Technology; Marshall University; and the West Virginia School
54	of Osteopathic Medicine, which are exempted schools under §18B-1-2 of this code, are
55	institutions of unique characteristics and their continuing inclusion of exempted status is confirmed
56	and may not be subject to the data benchmarking or eligibility criteria provided for in this section;
57	and
58	(2) No other state institution of higher education maintains exempt status pursuant to any
59	other provision of this code except any exempt status designated by the commission pursuant to
60	this section.
61	(e) Any state college and university that applies and is designated by the commission as
62	an administratively exempted school is exempt from the following:
63	(1) The required establishment and implementation of benchmarks and performance
64	indicators necessary to measure achievement of state policy priorities and institutional missions
65	pursuant to §18B-1B-4(a)(9) and §18B-1D-7 of this code; and
66	(2) The rules providing guidance to the governing boards in filling vacancies in the office
67	of the president pursuant to §18B-1B-6(d) of this code.

- 68 (f) Any state college and university that applies and is designated by the commission as a
- 69 <u>financially exempted school is exempt from the following:</u>
- 70 (1) The required approval of capital projects to ensure that capital projects and facility
- 71 <u>needs are managed effectively pursuant to §18B-1B-4(a)(12) of this code;</u>
- 72 (2) The program approval required pursuant to §18B-1B-4(a)(39) of this code;
- 73 (3) The required approval or confirmation, as applicable, of campus development plans
- 74 pursuant to §18B-19-4 of this code;
- 75 (4) The required approval of capital improvement projects exceeding \$3 million pursuant
- 76 <u>to §18B-19-6 of this code;</u>
- 77 (5) The required approval of lease-purchase agreements for capital improvements and
- 78 equipment of \$1.5 million and greater pursuant to \$18B-19-11 of this code; and

(6) The required approval of real estate transactions, lease purchase, and new building
 construction exceeding \$1 million pursuant to \$18B-19-13 of this code.

81 (g) Not later than the January interims of each year, the commission shall submit a report

82 to the legislative oversight commission on education accountability relating to the exempted

83 schools eligibility criteria established by this section, providing the data for each of the three

84 preceding years, as available, and the three year average thereof, for each of the state institutions

85 of higher education under its jurisdiction. The commission shall share the report with the

86 <u>institutions.</u>

§18B-1-2. Definitions.

1 The following words when used in this chapter and chapter 18C of this code have the 2 meanings ascribed to them unless the context clearly indicates a different meaning:

3 (1) "Administratively linked community and technical college" means a state institution of
4 higher education delivering community and technical college education and programs which has
5 maintained a contractual agreement to receive essential services from another accredited state
6 institution of higher education prior to July 1, 2008;

7 (2) "Advanced technology center" means a facility established under the direction of an
8 independent community and technical college or the council for the purpose of implementing and
9 delivering education and training programs for high-skill, high-performance 21st century
10 workplaces;

11 (3) "Approve" or "approval", when used in reference to action by the commission or the 12 council, means action in which the governance rationale of a governing board under its jurisdiction 13 is given due consideration, and the action of the commission is to additionally establish whether 14 the proposed institutional action is consistent with law and established policy and is an appropriate 15 advancement of the public interest;

(4) "Board of visitors" means the advisory board previously appointed for the West Virginia
 Graduate College and the advisory board previously appointed for West Virginia University
 Institute of Technology, which provide guidance to the Marshall University Graduate College and
 West Virginia University Institute of Technology, respectively;

(5) "Broker" or "brokering" means serving as an agent on behalf of students, employers,
 communities, or responsibility areas to obtain education services not offered at that institution.
 These services include courses, degree programs or other services contracted through an
 agreement with a provider of education services either in-state or out-of-state;

(6) "Chancellor" means the Chancellor for Higher Education where the context refers to a
 function of the Higher Education Policy Commission. "Chancellor" means the Chancellor for
 Community and Technical College Education where the context refers to a function of the West
 Virginia Council for Community and Technical College Education;

(7) "Chancellor for Community and Technical College Education" means the chief
 executive officer of the West Virginia Council for Community and Technical College Education
 employed pursuant to §18B-2B-3 of this code;

31 (8) "Chancellor for Higher Education" means the chief executive officer of the Higher
 32 Education Policy Commission employed pursuant to §18B-1B-5 of this code;

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(9) "Collaboration" means entering into an agreement with one or more providers of education services in order to enhance the scope, quality, or efficiency of education services; 34

35 (10) "Community and technical college", in the singular or plural, means the free-standing 36 community and technical colleges and other state institutions of higher education which deliver 37 community and technical college education. This definition includes Blue Ridge Community and 38 Technical College, Bridgemont Bridgevalley Community and Technical College, Eastern West 39 Virginia Community and Technical College, Kanawha Valley Community and Technical College 40 Mountwest Community and Technical College, New River Community and Technical College, 41 Pierpont Community and Technical College, Southern West Virginia Community and Technical 42 College, West Virginia Northern Community and Technical College and West Virginia University 43 at Parkersburg;

44 (11) "Community and technical college education" means the programs, faculty, 45 administration, and funding associated with the delivery of community and technical college 46 education programs;

47 (12) "Community and technical college education program" means any college-level 48 course or program beyond the high school level provided through a public institution of higher 49 education resulting in or which may result in a two-year associate degree award including an 50 associate of arts, an associate of science and an associate of applied science; certificate 51 programs and skill sets; developmental education; continuing education; collegiate credit and 52 noncredit workforce development programs; and transfer and baccalaureate parallel programs. 53 All programs are under the jurisdiction of the council. Any reference to "post-secondary vocational 54 education programs" means community and technical college education programs as defined in 55 this subsection;

56 (13) "Confirm" or "confirmation", when used in reference to action by the commission, 57 means action in which substantial deference is allocated to the governing authority of a governing 58 board under its jurisdiction and the action of the commission is to review whether the proposed

59 institutional action is consistent with law and established policy;

60 (14) "Council" means the West Virginia Council for Community and Technical College
61 Education created by §18B-2B-1 *et seq.* of this code;

62 (15) "Dual credit course" or "dual enrollment course" means a credit-bearing college-level 63 course offered in a high school by a state institution of higher education for high school students 64 in which the students are concurrently enrolled and receiving credit at the secondary level.

(16) "Essential conditions" means those conditions which shall be met by community and
 technical colleges as provided in §18B-3C-3 of this code;

67 (17) "Exempted schools" means West Virginia University, including West Virginia
68 University Potomac State College and West Virginia University Institute of Technology; Marshall
69 University; and the West Virginia School of Osteopathic Medicine;

(18) "Free-standing community and technical colleges" means Southern West Virginia
 Community and Technical College, West Virginia Northern Community and Technical College,
 and Eastern West Virginia Community and Technical College, which may not be operated as
 branches or off-campus locations of any other state institution of higher education

74 (19) "Governing boards" or "boards" means the institutional boards of Governors created
75 by §18B-2A-1 of this code;

76 (20) "Higher Education Policy Commission", "Policy Commission" or "Commission" means
 77 the commission created by §18B-1B-1 of this code;

(21) "Independent community and technical college" means a state institution of higher
 education under the jurisdiction of the council, which is independently accredited, is governed by
 its own independent governing board, and may not be operated as a branch or off-campus
 location of any other state institution of higher education. This definition includes Blue Ridge
 Community and Technical College, Bridgemont Bridgevalley Community and Technical College,
 Eastern West Virginia Community and Technical College, Kanawha Valley Community and
 Technical College Mountwest Community and Technical College, New River Community and

Technical College, Pierpont Community and Technical College, Southern West Virginia
Community and Technical College, West Virginia Northern Community and Technical College,
and West Virginia University at Parkersburg;

88 (22) "Institutional compact" means the compact developed by a state institution of higher
 89 education, consistent with the public policy agenda for higher education

90 (23) "Institutional operating budget" or "operating budget" means for any fiscal year an 91 institution's total unrestricted education and general funding from all sources, including, but not 92 limited to, tuition and fees and legislative appropriation, and any adjustments to that funding as 93 approved by the commission or council based on comparisons with peer institutions or to reflect 94 consistent components of peer operating budgets;

95 (24) "Rule" or "rules" means a regulation, standard, policy or interpretation of general
 96 application and future effect;

97 (25) "Sponsoring institution" means a state institution of higher education that maintained 98 an administrative link to a community and technical college providing essential services prior to 99 July 1, 2008. This definition includes institutions whose governing boards had under their 100 jurisdiction a community and technical college, regional campus or a division delivering 101 community and technical college education and programs;

102 (26) "State college and university" means Bluefield State College, Concord University,
 103 Fairmont State University, Glenville State College, Shepherd University, West Liberty University
 104 or West Virginia State University;

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

108 (28) "Statewide network of independently accredited community and technical colleges"
 109 or "community and technical college network" means the state institutions of higher education
 110 under the jurisdiction of the West Virginia Council for Community and Technical College

Education which are independently accredited, each governed by its own independent governing board, and each having a core mission of providing affordable access to and delivering high quality community and technical education in every region of the state; and

114 (29) "Vice Chancellor for Administration" means the person employed in accordance with
115 §18B-4-2 of this code. Any reference in this chapter or chapter 18C of this code to "Senior
116 Administrator" means Vice Chancellor for Administration.

ARTICLE 1B. HIGHER EDUCATION POLICY COMMISSION.

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

1 (a) The primary responsibility of the commission is to provide shared services in a cost-2 effective manner upon request to the state colleges and universities, the council, and the 3 community and technical colleges; undertake certain statewide and regional initiatives as 4 specifically designated in this chapter, including those related to the administration of grants and 5 scholarships and including those in conjunction with the council; to review, confirm or approve 6 certain actions undertaken by governing boards, as delineated in this chapter; and assist in the 7 development of policy that will achieve the goals, objectives and priorities found in §18B-1-1a and 8 §18B-1D-1 of this code. The commission shall exercise its authority and carry out its 9 responsibilities in a manner that is consistent and not in conflict with the powers and duties 10 assigned by law to the West Virginia Council for Community and Technical College Education 11 and the powers and duties assigned to the governing boards. To that end, the commission has 12 the following powers and duties relating to the governing boards under its jurisdiction:

(1) Develop and advance the public policy agenda pursuant to §18B-1D-1 *et seq.* of this
code to address major challenges facing the state, including, but not limited to, the following:(A)
The goals, objectives and priorities established in this chapter; including specifically those goals,
objectives and priorities pertaining to the compacts created pursuant to section seven, article oned of this chapter and

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(B) Development of the master plan described in section five, article one-d of this chapter

19 for the purpose of accomplishing the mandates of this section;

(2) Develop, oversee, and advance the promulgation and implementation of a financing
rule for state institutions of higher education under its jurisdiction except the exempted schools.
The rule shall meet the following criteria:

23 (A) Provide for an adequate level of educational and general funding for institutions
24 pursuant to §18B-1A-5 of this code;

(B) Serve to maintain institutional assets, including, but not limited to, human and physical
 resources and eliminating deferred maintenance; and

(C) Invest and provide incentives for achieving the priority goals in the public policy
agenda, including, but not limited to, those found in §18B-1-1a and §18B-1D-1 *et seq.* of this
code;

30 (3) In collaboration with the council and the governing boards:

(A) Building public consensus around and sustaining attention to a long-range public policy agenda. In developing the agenda, the commission and council shall seek input from the Legislature, the Governor, the governing boards, and specifically from the State Board of Education and local school districts in order to create the necessary linkages to assure smooth, effective and seamless movement of students through the public education and post-secondary education systems and to ensure that the needs of public school courses and programs can be fulfilled by the graduates produced and the programs offered;

(B) Assisting governing boards to carry out their duty effectively to govern the individual
institutions of higher education;

- 40 (4) Except the exempted schools, review and comment on each compact for the governing
 41 boards under its jurisdiction, and final confirmation of each compact;
- 42 (5) Review and confirm the bi-annual updates of the institutional compacts, except the
 43 exempted schools
- 44 (6) (4) Serve as a point of contact to state policymakers:

Intr SB 760

2020R3225

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(A) The Governor for the public policy agenda; and

46 (B) The Legislature by maintaining a close working relationship with the legislative
47 leadership and the Legislative Oversight Commission on Education Accountability.

48 (7) (5) Upon request, provide shared services to a state institution of higher education;

49 (8) (6) Administer scholarship and grant programs as provided for in this code;

50 (9) (7) Establish and implement the benchmarks and performance indicators for state 51 colleges and universities necessary to measure institutional progress in achieving state policy 52 priorities and institutional missions pursuant to §18B-1D-7 of this code;

53 (10) (8) Establish a formal process for recommending capital investment needs and for
54 determining priorities for state colleges and universities for these investments for consideration
55 by the Governor and the Legislature as part of the appropriation request process pursuant to
56 §18B-19-1 *et seq.* of this code;

57 (11) (9) Except the exempted schools, develop standards and evaluate governing board
 58 requests for capital project financing in accordance with §18B-19-1 *et seq.* of this code;

(12) (10) Except the exempted schools <u>and financially exempted</u>, ensure that governing
 boards manage capital projects and facilities needs effectively, including review and approval of
 capital projects, in accordance with §18B-19-1 *et seq.* of this code;

62 (13) (11) Acquire legal services as considered necessary, including representation of the 63 commission, the governing boards, employees and officers before any court or administrative 64 body, notwithstanding any other provision of this code to the contrary. The counsel may be 65 employed either on a salaried basis or on a reasonable fee basis. In addition, the commission 66 may, but is not required to, call upon the Attorney General for legal assistance and representation 67 as provided by law;

68 (14) (12) Employ a Chancellor for Higher Education pursuant to §18B-1B-5 of this code;

69 (15) (13) Employ other staff as necessary and appropriate to carry out the duties and 70 responsibilities of the commission and the council, in accordance with §18B-4-1 *et seq.* of this

71 code;

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

(17) Advise and confirm in the appointment of the presidents of the institutions of higher
 education under its jurisdiction pursuant to section six of this article, except the exempted schools.
 The role of the commission in confirming an institutional president is to assure through personal
 interview that the person selected understands and is committed to achieving the goals,
 objectives and priorities set forth in the compact, in section one-a, article one and article one-d of
 this chapter

80 (18) (15) Approve the total compensation package from all sources for presidents of 81 institutions under its jurisdiction, except the exempted schools, as proposed by the governing 82 boards. The governing boards, except the exempted schools, must obtain approval from the 83 commission of the total compensation package both when institutional presidents are employed 84 initially and afterward when any change is made in the amount of the total compensation package: 85 Provided, That the commission will receive notice, but need not approve or confirm, an increase 86 in the compensation of an institutional president that is exactly in the ratio of compensation 87 increases allocated to all institutional employees and approved by the governing board to 88 expressly include the president;

89 (19) (16) Assist and facilitate the work of the institutions to implement the policy of the 90 state to assure that parents and students have sufficient information at the earliest possible age 91 on which to base academic decisions about what is required for students to be successful in 92 college, other post-secondary education and careers related, as far as possible, to results from 93 current assessment tools in use in West Virginia;

94 (20) (17) Approve and implement a uniform standard jointly with the council to determine 95 which students shall be placed in remedial or developmental courses. The standard shall be 96 aligned with college admission tests and assessment tools used in West Virginia and shall be

applied uniformly by the governing boards. The chancellors shall develop a clear, concise
explanation of the standard which they shall communicate to the State Board of Education and
the state superintendent of schools;

100 (21) (18) Jointly with the council, develop and implement an oversight plan to manage 101 systemwide technology except the exempted schools, including, but not limited to, the following: 102 (A) Expanding distance learning and technology networks to enhance teaching and 103 learning, promote access to quality educational offerings with minimum duplication of effort; and 104 (B) Increasing the delivery of instruction to nontraditional students, to provide services to 105 business and industry and increase the management capabilities of the higher education system. 106 (C) Notwithstanding any other provision of law or this code to the contrary, the council, 107 commission and governing boards are not subject to the jurisdiction of the Chief Technology 108 Officer for any purpose;

(22) (19) Establish and implement policies and procedures to ensure that a student may
 transfer and apply toward the requirements for a bachelor's degree the maximum number of
 credits earned at any regionally accredited in-state or out-of-state community and technical
 college with as few requirements to repeat courses or to incur additional costs as are consistent
 with sound academic policy;

114 (23) (20) Establish and implement policies and procedures to ensure that a student may 115 transfer and apply toward the requirements for any degree the maximum number of credits earned 116 at any regionally accredited in-state or out-of-state higher education institution with as few 117 requirements to repeat courses or to incur additional costs as are consistent with sound academic 118 policy;

(24) (21) Establish and implement policies and procedures to ensure that a student may
 transfer and apply toward the requirements for a master's degree the maximum number of credits
 earned at any regionally accredited in-state or out-of-state higher education institution with as few
 requirements to repeat courses or to incur additional costs as are consistent with sound academic

Intr SB 760

2020R3225

123 policy;

124 (25) (22) Establish and implement policies and programs, in cooperation with the council 125 and the governing boards, through which a student who has gained knowledge and skills through 126 employment, participation in education and training at vocational schools or other education 127 institutions, or Internet-based education programs, may demonstrate by competency-based 128 assessment that he or she has the necessary knowledge and skills to be granted academic credit 129 or advanced placement standing toward the requirements of an associate's degree or a 130 bachelor's degree at a state institution of higher education;

131 (26) (23) Seek out and attend regional, national and international meetings and forums on 132 education and workforce development-related topics as, in the commission's discretion, are 133 critical for the performance of their duties as members, for the purpose of keeping abreast of 134 education trends and policies to aid it in developing the policies for this state to meet the 135 established education goals, objectives and priorities pursuant to §18B-1-1a and §18B-1D-1 *et* 136 seq. of this code;

137 (27) (24) Promulgate and implement a rule for higher education governing boards and
 138 institutions, except the exempted schools, to follow when considering capital projects pursuant to
 139 §18B-19-1 *et seq.* of this code, which rule shall provide for appropriate deference to the value
 140 judgments of governing boards under the jurisdiction of the commission;

141 (28) (25) Submit to the appropriate agencies of the executive and legislative branches of 142 state government an appropriation request that reflects recommended appropriations for the 143 commission and the governing boards under its jurisdiction. The commission shall submit as part 144 of its appropriation request the separate recommended appropriation request it received from the 145 council, both for the council and for the governing boards under the council's jurisdiction, including 146 the exempted schools. The commission annually shall submit the proposed allocations based on 147 each institution's progress toward meeting the goals of its compact;

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(29) The commission may assess institutions under its jurisdiction, including the exempted

schools, for the payment of expenses of the commission or for the funding of statewide higher
education services, obligations or initiatives related to the goals set forth for the provision of public
higher education in the state: *Provided*, That the commission may not assess institutions pursuant
to this subdivision on or after July 1, 2018
(30) (26) Promulgate rules allocating reimbursement of appropriations, if made available

by the Legislature, to governing boards for qualifying noncapital expenditures incurred in providing
services to students with physical, learning, or severe sensory disabilities;

(31) (27) Pursuant to §29A-3A-1 *et seq.* and §18B-1-6 of this code promulgate rules
 necessary or expedient to fulfill the purposes of this chapter;

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

(33) (29) Promulgate and implement a rule jointly with the council whereby course credit
 earned at a community and technical college transfers for program credit at any other state
 institution of higher education and is not limited to fulfilling a general education requirement;

164 (34) By October 1, 2011, promulgate a rule pursuant to section one, article ten of this
 165 chapter, establishing tuition and fee policy for all governing boards under the jurisdiction of the
 166 commission, except the exempted schools. The rule shall include, but is not limited to, the
 167 following:

- 168 (A) Differences among institutional missions;
- 169 (B) Strategies for promoting student access;
- 170 (C) Consideration of charges to out-of-state students; and
- 171 (D) Such other policies as the commission and council consider appropriate

(35) (30) Assist governing boards in actions to implement general disease awareness
 initiatives to educate parents and students, particularly dormitory residents, about meningococcal
 meningitis; the potentially life-threatening dangers of contracting the infection; behaviors and

activities that can increase risks; measures that can be taken to prevent contact or infection; and
potential benefits of vaccination. The commission shall encourage governing boards that provide
medical care to students to provide access to the vaccine for those who wish to receive it; and

(36) (31) Notwithstanding any other provision of this code to the contrary sell, lease,
convey or otherwise dispose of all or part of any real property that it owns, in accordance with
§18B-19-1 *et seq.* of this code.

181 (37) (32) Policy analysis and research focused on issues affecting institutions of higher
 182 education generally or a geographical region thereof;

(38) (33) Development and approval of institutional mission definitions except the
 exempted schools, including use of incentive funds to influence institutional behavior in ways that
 are consistent with public priorities;

(39) (34) Academic program review and approval for governing boards under its
 jurisdiction. The review and approval includes use of institutional missions as a template to judge
 the appropriateness of both new and existing programs and the authority to implement needed
 changes.

(A) The commission's authority to review and approve academic programs for the
exempted <u>and financially exempted</u> schools is limited to programs that are proposed to be offered
at a new location not presently served by that institution: *Provided*, That West Virginia University
and the West Virginia University Institute of Technology are subject to the commission's authority
as provided in §18B-1C-2 of this code;

(B) In reviewing and approving academic programs, the commission shall focus on thefollowing policy concerns:

197 (1) New programs should not be implemented which change the institutional mission,198 unless the institution also receives approval for expanding the institutional mission;

(2) New programs which will require significant additional expense investments forimplementation should not be implemented unless the institution demonstrates that:

201 (i) The expenses will be addressed by effective reallocations of existing institutional202 resources; or

(ii) The expenses can be legitimately spread out over future years and will be covered by
 reasonably anticipated additional net revenues from new enrollments;

(3) A new undergraduate program which is significantly similar to an existing program already in the geographic service area should not be implemented unless the institution requesting the new program demonstrates a compelling need in the service area that is not being met by the existing program: *Provided*, That the academic programs of the exempted <u>and</u> <u>financially exempted</u> schools are not to be taken into consideration except as it relates to academic programs offered at West Virginia University in Beckley and West Virginia University Institute of Technology in Beckley.

212 (C) The commission Chancellor for Higher Education shall approve or disapprove 213 proposed academic degree programs in those instances where approval is required as soon as 214 practicable. The commission chancellor shall maintain by rule a format model by which a new 215 program approval shall be requested by an institution. When a request for approval of a new 216 program is submitted to the commission chancellor, the chancellor shall provide notice within two weeks as to whether the submission meets the required format, and if it does not the chancellor 217 218 shall identify each specific deficiency and return the request to the institution. The institution may 219 re-file the request for approval with the commission chancellor to address any identified 220 deficiencies. Within 30 days after the chancellor's confirmation that the request meets the required 221 format, the commission chancellor shall either approve or disapprove the request for the new 222 program. The commission chancellor may not withhold approval unreasonably. The chancellor 223 shall report to the commission at its next meeting the approval of new academic degree programs. 224 (40) (35) Distribution of funds appropriated to the commission, including incentive and 225 performance-based funds;

226

6 (41) (36) Administration of state and federal student aid programs under the supervision

of the vice chancellor for administration, including promulgation of rules necessary to administerthose programs;

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

(43) (38) Developing and distributing information, assessment, accountability and
 personnel systems for state colleges and universities, including maintaining statewide data
 systems that facilitate long-term planning and accurate measurement of strategic outcomes and
 performance indicators;

(44) (39) Jointly with the council, promulgating and implementing rules for licensing and
 oversight for both public and private degree-granting and nondegree-granting institutions that
 provide post-secondary education courses or programs in the state. The council has authority
 and responsibility for approval of all post-secondary courses or programs providing community
 and technical college education as defined in§18B-1-2 of this code;

(45) (40) Developing, facilitating, and overseeing statewide and regional projects and
 initiatives related to providing post-secondary education at the baccalaureate level and above
 such as those using funds from federal categorical programs or those using incentive and
 performance-based funds from any source;

244 (46) (41) (A) For all governing boards under its jurisdiction, except for the exempted
 245 schools, the commission shall review institutional operating budgets, review, and approve capital
 246 budgets, and distribute incentive and performance-based funds;

(B) For the governing boards of, the exempted schools, the commission shall distribute
incentive and performance-based funds and may review and comment upon the institutional
operating budgets and capital budgets. The commission's comments, if any, shall be made part
of the governing board's minute record and shall be filed with the Legislative Oversight
Commission on Education Accountability;

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(47) (42) May provide information, research, and recommendations to state colleges and

universities relating to programs and vocations with employment rates greater than 90 percentwithin six months post-graduation; and

(48) (43) May provide information, research and recommendations to state colleges and
 universities on coordinating with the West Virginia State Board of Education about complimentary
 programs.

(b) In addition to the powers and duties provided in subsections (a) and (b) of this section and any other powers and duties assigned to it by law, the commission has other powers and duties necessary or expedient to accomplish the purposes of this article: *Provided*, That the provisions of this subsection shall not be construed to shift management authority from the governing boards to the commission.

(c) The commission may withdraw specific powers of a governing board under its
 jurisdiction for a period not to exceed two years, if the commission determines that any of the
 following conditions exist:

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

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

The commission may not withdraw specific powers for a period exceeding two years. During the withdrawal period, the commission shall take all steps necessary to reestablish sound, stable and responsible institutional governance.

274 (d) The Higher Education Policy Commission shall examine the question of general 275 revenue appropriations to individual higher education institutions per student, and per credit hour, 276 and by other relevant measures at all higher education institutions, including four-year 277 baccalaureate institutions and the community and technical colleges, and on or before January 278 1, 2018, of each year the commission shall deliver its report to the Joint Committee on

279 Government and Finance and the Legislative Oversight Commission on Education 280 Accountability. This report shall include a recommendation to the Legislature on a formula for the 281 allocation of general revenue to be appropriated to such institutions that provides for ratable 282 funding across all four-year institutions and community and technical colleges on a ratable basis, 283 by enrolled student, by credit hour or by other relevant measures. On such basis, the commission 284 shall make a recommendation to the Legislature as to the amounts that each such institution 285 should have appropriated to it in the general revenue budget for fiscal year 2019, based upon the 286 total general revenue appropriations that such institutions receive in aggregate in the enacted 287 budget for the current fiscal year 2018.

§18B-1B-6. Appointment of institutional presidents; evaluation.

(a) Appointment of institutional presidents. — Appointment of presidents of the state
 institutions of higher education, except the exempted schools, shall be made as follows:

3 (1) The initial contract term for a president may not exceed two years. At the end of the
4 initial contract period, and subject to the provisions of subsection (c) of this section, the governing
5 board may offer the president a contract of longer duration, but not to exceed five years.

6 (2) The president of a state institution of higher education serves at the will and pleasure7 of the appointing governing board.

8 (3) Subject to the confirmation of the commission The governing boards of the following 9 institutions, appoint a president: Bluefield State College, Concord University, Fairmont State 10 University, Glenville State College, Shepherd University, West Liberty University and West 11 Virginia State University <u>and the exempted schools.</u> The exempted schools may appoint a 12 president without the confirmation or approval of the Commission

(4) Subject to the approval of the council, the governing board of the community and
technical college appoints a president for Blue Ridge Community and Technical College, Bridge
Valley Community and Technical College, Eastern West Virginia Community and Technical
College, Mountwest Community and Technical College, New River Community and Technical

College, Pierpont Community and Technical College, Southern West Virginia Community and
Technical College, West Virginia Northern Community and Technical College and West Virginia
University at Parkersburg.

(b) Other appointments. — The President of West Virginia University appoints a campus
 president to be the administrative head of Potomac State College of West Virginia University and
 a campus president to be the administrative head of West Virginia University Institute of
 Technology.

24 (c) E

(c) Evaluation of presidents. —

25 (1) The appointing governing board shall conduct written performance evaluations of the 26 institution's president. Evaluations shall be done at the end of the initial contract period and in 27 every third year of employment as president thereafter, recognizing unique characteristics of the 28 institution and using institutional personnel including classified employees, boards of advisors as 29 appropriate, staff of the appropriate governing board and persons knowledgeable in higher 30 education matters who are not otherwise employed by a governing board. A part of the evaluation 31 shall be a determination of the success of the institution in meeting the requirements of its 32 institutional compact and in achieving the goals, objectives and priorities established in §18B-1-1 33 et seq. and §18B-1D-1 et seq. of this code.

34 (2) After reviewing the evaluations, the governing board shall make a determination decide
35 by majority vote of its members on continuing employment and the compensation level for the
36 president in accordance with subsection (a) of this section.

(d) The legislative rules of the commission and council promulgated in accordance with §18B-1-6 and §29A-3A-1 *et seq.* of this code which are in effect on January 1, 2014, continue in effect unless amended or repealed. The rules provide guidance for the governing boards, but are not applicable to the exempted <u>or the administratively exempted</u> schools, in filling vacancies in the office of president in accordance with this chapter and shall include, but are not limited to, clarifying the powers, duties and roles of the governing boards, commission, council and

43 chancellors in the presidential appointment process.

ARTICLE 1D. HIGHER EDUCATION ACCOUNTABILITY.

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

(a) The Legislature finds that West Virginia long has recognized the value of education
and, on a per capita income basis, ranks very high among the states in its investment to support
public education. The Legislature further finds that a combination of state and national
demographic and economic factors as well as significant changes in methods of course and
program delivery compel both the state and public higher education to create a process that will
strengthen institutional capacity to provide the services so valued by the citizens of the state and
so essential to promoting economic vitality.

8 (b) Therefore, each state college or university except the exempted schools, shall prepare 9 an institutional compact for submission to the commission and each community and technical 10 college shall prepare an institutional compact for submission to the council. When the process 11 herein provided is completed, the resulting institutional compact shall contain at a minimum the 12 following basic components:

(1) Institutional strategies for focusing resources on meeting the goals and objectives set
 forth in this article and section one-a, article one of this chapter; and

(2) Commission or council strategies for promoting and supporting the institution in fulfilling
 its mission and objectives, to make it more competitive with its peers and to ensure the continuity
 of academic programs and services to its students.

- 18 (c) In addition to the basic contract components described in subsection (b) of this section,
- 19 each compact shall contain at least the following elements:

(1) A determination of the mission of the institution which specifically addresses changes
 necessary or expedient to accomplish the goals and objectives articulated by the state and the
 appropriate statewide master plan;

- 23 (2) A detailed statement of how the compact is aligned with and will be implemented in
 24 conjunction with the master plan of the institution;
- 25 (3) A comprehensive assessment of education needs within the institution's geographic
 26 area of responsibility:
- (4) A strategy to ensure access to comprehensive community and technical college and
 workforce development services within each respective region of the state consistent with the
 mission of the institution;
- 30 (5) Provision for collaboration and brokering of education services as necessary or
 31 expedient to carry out the institutional mission and meet its objectives;
- 32 (6) Provision of student services at the optimum level to support the institutional mission
 33 and to achieve state goals and objectives;
- 34 (7) Strategies for using existing infrastructure and resources within each region, where
 35 feasible, to increase student access while controlling costs and maintaining academic quality; and
 36 (8) Other public policy objectives or initiatives adopted by the commission or council
 37 pursuant to the intent and purposes of this article and section one-a, article one of this chapter.
- 38 (d) Each institutional compact shall be updated bi-annually and shall follow the same
 39 general guidelines contained in this section.
- 40 (e) Development and updating of the institutional compacts is subject to the following
 41 conditions:
- 42 (1) The ultimate responsibility for developing and updating the compacts at the institutional 43 level resides with the board of advisors or the board of governors, as appropriate. It is the 44 responsibility of the commission or council to provide technical assistance as requested and to 45 assist the institution, with the exception of the exempted schools, in development of the strategies 46 to promote and support the institution pursuant to subsection (b) of this section;
- 47 (2) The commission and the council each shall establish a date by which institutions, with
 48 the exception of the exempted schools, under their respective jurisdictions shall submit their

49	compacts to the commission or council pursuant to the provisions of this article. The date
50	established by each state-level coordinating board shall apply uniformly to all institutions under
51	the jurisdiction of that coordinating board and shall meet the following additional conditions:
52	(A) Allow sufficient time for careful analysis of the compacts by the central office staff and
53	for review by members of the commission or the council, as appropriate; and
54	(B) Allow sufficient time for the institutions to make necessary revisions to the compacts
55	as provided in this section.
56	(3) The commission shall review each compact from the institutions under its jurisdiction
57	and either confirm the compact or return it with specific comments for change or improvement.
58	The council shall review each compact from the institutions under its juris
59	diction and either adopt the compact or return it with specific comments for change or
60	improvement. The commission and council, respectively, shall continue this process as long as
61	each considers advisable;
62	(4) By May 1 bi-annually, if the institutional compact of any institution as presented by that
63	institution is not confirmed by the commission or adopted by the council, then the commission or
64	council is empowered and directed to develop and adopt the institutional compact for the
65	institution and the institution is bound by the compact so adopted; and
66	(5) As far as practicable, the commission and council each shall establish uniform
67	processes and forms for the development and submission of the institutional compacts by the
68	institutions under their respective jurisdictions, taking into consideration the differences in
69	institutional missions and objectives. As a part of this function
70	(b) The commission and council each shall organize the statements of legislative goals
71	and objectives contained in this article and §18B-1-1a of this code in a manner that facilitates the
72	purposes therein.

73 (f) (c) Assignment of geographic areas of responsibility. ---

74

(1) The commission shall assign geographic areas of responsibility to the state institutions

75 of higher education under its jurisdiction, except for the exempted schools. For institutions other 76 than the exempted schools, the geographic areas of responsibility are made a part of their 77 institutional compacts shall be assigned in such a way as to ensure that all areas of the state are provided necessary programs and services to achieve state goals and objectives. The 78 79 commission and the council each shall develop data-based measures to determine the extent to 80 which institutions, with the exception of the exempted schools, under their respective jurisdictions 81 are providing higher education services aligned with state goals and objectives and institutional 82 missions within their geographic areas of responsibility. This information shall be reported in the 83 statewide report card data reporting system established pursuant to \$18B-1D-8 of this code.

(2) The council shall assign geographic areas of responsibility to the state institutions of
higher education under its jurisdiction, including the administratively linked institution known as
Marshall Community and Technical College, the administratively linked institution known as the
Community and Technical College at West Virginia University Institute of Technology and the
regional campus known as West Virginia University at Parkersburg.

(3) The geographic areas of responsibility for the state institutions of higher education
known as West Virginia School of Osteopathic Medicine, Marshall University and West Virginia
University are assigned by the Legislature statewide.

92 (4) The benchmarks established in the institutional compacts Each state institution of
 93 <u>higher education shall establish benchmarks which</u> include measures of programs and services
 94 by geographic area throughout the assigned geographic area of responsibility.

95 (g) (d) The compacts shall contain benchmarks to shall be used to determine progress
96 toward meeting the objectives in the compacts which shall be established by each state institution
97 of higher education. The benchmarks shall meet the following criteria:

98 (1) They shall be objective;

99 (2) They shall be directly linked to the <u>established</u> objectives; in the compacts

100 (3) They shall be measured by the indicators described in subsection (h) (e) of this section;

101 and

(4) Where applicable, they shall be used to measure progress in geographic areas ofresponsibility.

(h) (e) The rules required by §18B-1D-1(c) of this code shall include indicators which
 measure the degree to which the goals and objectives set forth in this article and §18B-1-1a of
 this code are being met by the institutions under the jurisdiction of the commission and the council,
 respectively.

(1) The rules pertaining to benchmarks and indicators in effect for the commission and the
council on the effective date of this section remain in effect for the institutions under their
respective jurisdictions until amended, modified, repealed or replaced by the commission or the
council, respectively, pursuant to the provisions of this article, §18B-1-6 of this code and §29A3A-1 *et seq.* of this code.

(2) The rules shall set forth at least the following as pertains to all state institutions ofhigher education, except the exempted schools:

(A) The indicators used to measure the degree to which the goals and objectives are beingmet;

(B) Uniform definitions for the various data elements to be used in establishing theindicators;

119 (C) Guidelines for the collection and reporting of data; and

(D) Sufficient detail within the benchmarks and indicators to provide the followinginformation:

(i) Measurable evidence that the pursuits of the institution are focused on the education
 needs of the citizens of the state and are aligned with the objectives of the institutional compacts
 and statewide master plans required pursuant to this section.

(ii) Delineation of the objectives and benchmarks for an institution so that the commission
 or council can precisely measure the degree to which progress is being made toward achieving

the goals and objectives provided in this article and §18B-1-1a of this code: *Provided*, That the
 commission has no authority regarding the objectives and benchmarks for exempted schools;

129 and

(iii) Identification of specific objectives within the master plan or compact of an institution
that are not being met or toward which sufficient progress is not being made.

(3) In addition to any other requirement, the rule established by the council shall set forthat least the following as pertains to community and technical college education:

134 (A) Benchmarks and indicators which are targeted to identify the following:

(i) The degree to which progress is being made by institutions toward meeting state goals
and objectives and the essential conditions for community and technical college education
pursuant to §18B-3C-3 of this code;

(ii) Information and data necessary to be considered by the council in making the
determination required by §18B-2C-3 of this code; and

(B) Sufficient detail within the benchmarks and indicators to provide clear evidence to
support an objective determination by the council that an institution's progress toward achieving
state goals and objectives and the essential conditions for community and technical college
education is so deficient that implementation of the provisions of §18B-2C-4 of this code is
warranted and necessary.

(i) The commission shall confirm the compacts developed for the institutions under its
jurisdiction, with the exception of the exempted schools, by the boards of governors or the boards
of advisors pursuant to this section and consistent with the powers and duties prescribed in
section four, article two-a of this chapter and section one, article six of this chapter.

(ii) The council shall approve the compacts developed for the institutions under its jurisdiction, by the boards of governors or the boards of advisors pursuant to this section and consistent with the powers and duties prescribed in section four, article two-a of this chapter and section one, article six of this chapter

Intr SB 760

ARTICLE 19. CAPITAL PROJECTS AND FACILITIES NEEDS.

§18B-19-4. Campus development plans.

1	(a) Each governing board shall update its current campus development plan and submit
2	the updated plan to the commission or council, as appropriate. for approval by the council or
3	confirmation by the commission, as appropriate, except that confirmation is not required by the
4	commission for the exempted schools. The submission of a plan or updated plan to the council
5	is for approval. A campus development plan shall be adopted by each governing board for a 10-
6	year period and shall align with criteria specified in the following sources:
7	(1) The system capital development oversight policy;
8	(2) The institution's approved master plan and compact; and
9	(3) The current campus development plan objectives.
10	(b) Campus development plans are intended to be aspirational; however, an institution's
11	plan shall be appropriate to its size, mission, and enrollment and to the fiscal constraints within
12	which the institution operates. At a minimum the campus development plan shall include the
13	following:
14	(1) The governing board's development strategy;
15	(2) An assessment of the general condition and suitability of buildings and facilities,
16	including deferred maintenance, life-safety and building code issues, ADA requirements and
17	energy efficiency;
18	(3) An assessment of the impact of projected enrollment and demographic changes on
19	building and facility needs;
20	(4) A comprehensive list of major deferred maintenance projects, individually exceeding
21	\$75,000 in cost, that need to be addressed for each campus by building or facility including an
22	estimated cost for each;

23 (5) An analysis as to all buildings and facilities as to the need for renovations, additions,

24 demolition or any combination thereof;

(6) A list of major site improvements that are needed, including vehicular and pedestrian
 circulation, parking, and landscaping;

27 (7) An analysis of telecommunications, utilities and other infrastructure improvements that28 are needed;

(8) A delineation of clear property acquisition boundaries that are reasonably appropriate
for campus expansion;

31 (9) A list of proposed new facilities and building sites;

32 (10) A list of capital projects in priority order;

33 (11) Estimates of the timing, phasing and projected costs associated with individual34 projects;

(12) If an institution has multiple campuses in close proximity, a delineation of how the
 campuses should interact and support each other to minimize duplication of facilities, improve
 efficiency and be aesthetically compatible;

(13) A statement of the impact of the plan upon the local community and the input afforded
local and regional government entities and the public with respect to its implementation; and

40 (14) Any other requirement established by the commission and council in the rules41 required by section seventeen of this article.

42 (c) Campus development plans shall incorporate all current and proposed facilities,43 including educational and general and auxiliary facilities.

(d) Not later than the next regularly scheduled meeting of the commission or council, as applicable, following the fifth anniversary date after the commission confirms <u>receives</u> or council approves, as appropriate, the development plan of a governing board the governing board shall report on the progress made in the first five years to implement the campus development plan for each campus under its jurisdiction. In addition, the governing board shall report on its plans to implement the remaining five-year period of its campus development plan.

- 50 (e) Each governing board shall update its campus development plan at least once during
- 51 each 10-year period and any update shall be submitted to the commission or council, as
- 52 appropriate and is those submitted to the council are subject to the confirmation of the commission
- 53 or approved by approval of the council. as appropriate
- 54 (f) Except for the governing boards of the exempted schools, a <u>A</u> governing board may
- 55 not implement a campus development plan or plan update that has not been confirmed by
- 56 <u>submitted to the commission or submitted to and approved by the council, as appropriate.</u>

NOTE: The purpose of this bill is to allow any state college and university, as defined in §18B-1-2, to apply to the Higher Education Policy Commission for designation as an administratively exempted school, a financially exempted school, or both.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.