West Virginia Council for Community & Technical College Education

AGENDA
January 24, 2019
9:30 am

Members
Robert Brown, Chair  Michael Graney
William Baker, Secretary  Tracy Miller
Kenneth Boggs  Charles Parker
Christina Cameron  Steve Roberts
Kathy D’Antoni  John Sorrenti
Michael Farrell  Harry Keith White

Sarah Armstrong Tucker, Chancellor
Directions to the Advanced Technology Center of South Central West Virginia
1201 Science Park Dr. South Charleston, WV 25303

Arriving from the EAST on I-64
(after leaving Charleston):
1. At I-64 exit 55, take Ramp (RIGHT) toward Kanawha Turnpike
2. Stay on Kanawha Turnpike [CR-12]
3. After about 0.5 mile, turn LEFT into the West Virginia Regional Technology Park (3300 Kanawha Turnpike)

Arriving from the WEST on I-64
(approaching Charleston):
1. At I-64 exit 54, turn RIGHT onto Ramp towards US-60 / MacCorkle Ave / South Charleston
2. Keep RIGHT to stay on Ramp towards US-60
3. Bear RIGHT (East) onto US-60 [MacCorkle Ave SW], then immediately turn RIGHT (South-East) onto SR-601 [Jefferson Rd]
4. After 0.5 mile, bear left at the traffic light onto Kanawha Turnpike [CR-12]
5. Continue straight (0.1 mile) through the next traffic light on Kanawha Turnpike
6. After about 0.5 mile, turn RIGHT into the West Virginia Regional Technology Park (3300 Kanawha Turnpike)
AGENDA

January 24, 2019
9:30 am

Advanced Technology Center, South Central West Virginia
Room 131-132
1201 Science Park Drive
South Charleston, WV 25303

Continental Breakfast Available at 8:30 am

I. Call to Order

II. Advisory Council of Students Annual Presentation

III. Advisory Council of Faculty Briefing

IV. Approval of Minutes
   A. *Approval of December 13, 2018, Meeting Minutes ..........................................................pg 6

V. General
   A. *Revisions to Procedural Rule, Series 25, Residency Classification for Admission and Fee Purposes, for Public Comment ..........................................................pg 9
   B. *WV Community and Technical College System Foundation .........................................pg 13

VI. Information Items
   A. EMSI Economic Impact Study ..........................................................pg 34
   B. 2018 Higher Education Report Card ..........................................................pg 43
   C. Legislative Session Update

VII. Additional Board Action and Comments
VIII. Upcoming Meetings

Location: Advanced Technology Center, South Central West Virginia
South Charleston, WV
Date: April 18, 2019
Time: 9:30 a.m.

IX. Adjournment
A meeting of the West Virginia Council for Community and Technical College Education was held on December 13, 2018, beginning at 9:30 a.m. at Embassy Suites in Charleston, West Virginia. Council members present were: Bill Baker, Kenneth Boggs, Robert Brown, Michael Graney, Tracy Miller, Charles Parker, Steve Roberts, and John Sorrenti. Joining via conference call were: Christina Cameron and Mike Farrell. Absent were: Kathy D’Antoni, and Harry Keith White. Also in attendance were Council staff, community and technical college presidents, faculty, staff, students, and guests.

Call to Order

Chairman Brown called the meeting to order and noted that a quorum was present.

1. Resolution Honoring Clarence Pennington

Mr. Roberts moved the adoption of the following resolution:

WHEREAS, Mr. Clarence “Butch” Pennington served as a founding member of the West Virginia Council for Community and Technical College Education, from January 15, 2004, to October 26, 2018; and,

WHEREAS, Mr. Pennington dutifully served as Chair of the Council for four, consecutive one-year terms, taking new members under his wing and mentoring them in their membership; and,

WHEREAS, He, as a native of Martinsburg, West Virginia, and a successful business owner, has been committed to the betterment of his community; and,

WHEREAS, His dedication to community and technical college education has positively impacted the lives of students, and has helped to create a strong, dependable workforce which will continue to allure businesses to the great state of West Virginia long into the future; and,

WHEREAS, Mr. Pennington is highly respected by the members of the Council, Council Staff, Presidents and the whole of the West Virginia Community and Technical College System;

THEREFORE, BE IT RESOLVED, That the West Virginia Council for Community and Technical College Education and the Community and Technical College
System of West Virginia expresses appreciation to Mr. Butch Pennington for his service to the citizens of West Virginia and extends best wishes to Butch and his wife Sherri, for continued success and much happiness in the future;

FURTHER, BE IT RESOLVED, That this resolution be inscribed upon the Council minutes of December 13, 2018, and a copy be delivered to Mr. Pennington.

Mr. Baker seconded the motion. Motion carried.

2. Election of Council Vice Chair

Ms. Miller nominated Christina Cameron as Vice Chair. The floor was opened to additional nominations. None were heard, therefore nominations were closed.

Mr. Parker seconded the nomination of Ms. Cameron. Motion carried.

3. Advisory Council of Classified Employees Annual Presentation

Carrie Watters, Vice Chair of the Advisory Council of Classified Employees (ACCE), briefed the Council on ACCE activities, highlighting the following:

- Concern regarding the Blue Ribbon Commission on Higher Education
  - ACCE strongly recommends the inclusion of the community and technical colleges in an overall permanent funding formula.
  - Any changes (if implemented) to the Higher Education Policy Commission may negatively affect shared services between the Council and Commission.

- Encouraging Partnerships not Competition
  - ACCE recommends a Council initiative identifying duplication of program offerings across Career and Technical education Centers (K-12), two-year and four-year institutions.

- PEIA
  - ACCE supports the Governor’s commitment of $100 million into PEIA’s stabilization, and supports a permanent funding solution.
  - Encourage continued coverage of pre-existing conditions.
  - Supports current salary tiers in coverage and encourages creation of new category for employee and spouse only.

- ACCE encourages focusing on the education needs of the workforce as a top priority.
- Feels lack of an authoritative entity over postsecondary education causes concern of noncompliance with personnel mandates, resulting in equity issues.
- Accolades
  - Supports oversight related to review of BOG rules and policies.
  - Reverse Credit initiative as a positive step for students.
  - Progress with co-requisite implementation.
4. **Blue Ribbon Commission Update**

Michael Farrell, Ex-Officio Council Member and Chair of the Higher Education Policy Commission, updated the Council on activities and recommendations of the Blue Ribbon Commission on Higher Education.

5. **Advisory Council of Faculty Annual Presentation**

Marybeth Beller, Chair of the Advisory Council of Faculty (ACF), provided an overview of the ACF and highlighted the following:

- The ACF shared information on Using Open Educational Resources to Save Student Expenses. The information cited the cost of student textbooks and provided less expensive and free alternatives.
- Additional information included:
  - Higher education funding and the rising cost per student, to attend public colleges and universities.
  - The ACF encourages PEIA funding to meet the needs of affordable and accessible healthcare.
  - The ACF supports the critical work of the HEPC and CCTCE to ensure transparency and oversight in college and university administration.
  - The inclusion of faculty in planning and decision making processes that affect higher education.
  - Preservation of Board of Governors’ autonomy.

6. **Approval of Minutes**

Mr. Graney moved the adoption of minutes from the October 11, 2018, meeting of the West Virginia Council for Community and Technical College Education.

Mr. Boggs seconded the motion. Motion carried.

**Finance and Facilities**

7. **Fiscal year 2018 Consolidated Audit Presentation**

Mr. Roberts moved the adoption of the following resolution:

RESOLVED, That the West Virginia Council for Community and Technical College Education accepts the audit of the Council’s Combined Financial Statements for the Fiscal Year ended June 30, 2018.

Mr. Baker seconded the motion. Motion carried.
8. **Higher Education Facilities Information System**

Mr. Roberts moved the adoption of the following resolution:

RESOLVED, That the West Virginia Council for Community and Technical College Education accepts the Sightlines Report on Capital Renewal and Classroom and Laboratory Condition Assessment and authorizes staff to complete the facilities inventory and classroom and laboratory utilization study.

Mr. Parker seconded the motion. Motion carried.

9. **Capital Project Priorities**

Mr. Graney moved the adoption of the following resolution:

RESOLVED, That the West Virginia Council for Community and Technical College Education approves the prioritized capital project list in for Fiscal Year 2020 and directs staff to report the capital project priorities to the Legislative Oversight Commission on Education Accountability in January 2019, as required by state law.

Mr. Baker seconded the motion. Motion carried.

**Academic Affairs**

10. **Post Audit Reports**

Mr. Sorrenti moved the adoption of the following resolution:

RESOLVED, That the West Virginia Council for Community and Technical College Education receives the post-audit reports for the occupational programs at Blue Ridge Community and Technical College and BridgeValley Community and Technical College and recommends that the programs be subject to the recommended actions as noted.

Mr. Boggs seconded the motion. Motion carried.

11. **Revisions to Procedural Rule, Series 21, *Freshman Assessment and Placement Standards***

Ms. Miller moved the adoption of the following resolution:

RESOLVED, That the West Virginia Council for Community and Technical College Education approves revisions to Series 21, Procedural Rule, *Freshmen Assessment and Placement Standards*, to be filed with the Secretary of State for the thirty-day public comment period.
FURTHER RESOLVED, That staff is instructed to final file the procedural rule with the Secretary of State at the conclusion of the comment period if no substantive comments are received.

Mr. Boggs seconded the motion. Motion carried.

General

12. Technical Program Development Grant

Mr. Baker moved the adoption of the following resolution:

RESOLVED, That the West Virginia Council for Community and Technical College Education approves the Technical Program Development grant award as proposed.

Mr. Parker seconded the motion. Motion carried.

Information Items

13. Academic Readiness Report

Zornitsa Georgieva, College Access and Success Research and Policy Analyst, presented a report which focuses on key metrics that assess student preparation as West Virginia high school graduates transition to postsecondary education.


Chris Treadway, Senior Director of Research and Policy, presented the tenth annual Financial Aid Comprehensive Report. Included in the report for academic year 2016-2017, are descriptions of and changes to West Virginia aid programs, policy recommendations for West Virginia aid programs, and longitudinal data about recipients of state financial aid and outcomes of these recipients.

Adjournment

There being no further business the meeting was adjourned.

Upcoming Council Meeting:

Location: Advanced Technology Center, South Central West Virginia
South Charleston, WV
Date: January 24, 2019
Time: 9:30 a.m.
Robert Brown, Chairman

William Baker, Secretary
WV Council for Community and Technical College Education  
Meeting of January 24, 2016

ITEM:  
Revisions to Series 25, Residency Classification for Admission and Fee Purposes

INSTITUTIONS:  
All

RECOMMENDED RESOLUTION:  
Resolved, That the West Virginia Council for Community and Technical College Education approves the proposed revisions to Series 25, Residency Classification for Admission and Fee Purposes, for submission to the Secretary of State for a thirty-day public comment period.

Further Resolved, That staff is instructed to final file the procedural rule with the Secretary of State at the conclusion of the comment period if no substantive comments are received.

STAFF MEMBER:  
Candace Kraus

BACKGROUND:  
Federal Public Law No: 115-251, The Department of Veterans Affairs Expiring Authorities Act of 2018, was signed into law on September 29, 2018. This law amends Title 38 USC 3679 to require all public institutions nationwide to offer in-state tuition and fee rates to any student using US Department of Veterans Affairs Vocational Rehabilitation benefits for any terms beginning March 1, 2019. These benefits are for veterans that have a service-connected disability. Our institutions were notified in January to accommodate this requirement pending a proposed change to Series 25 to mandate compliance with the Federal law.

Revisions to Series 25, Procedural Rule, Residency Classification for Admission and Fee Purposes, are proposed to bring the rule in compliance with the recent federal amendments.

It is recommended that the Council approve the rule for filing with the Secretary of State for a formal thirty-day, public comment period and for final filing with the Secretary of State at the conclusion of the comment period if no substantive comments are received.

1.1. Scope. -- Rule regarding residency classification of students for admission and fee purposes.

1.2. Authority. -- W. Va. Code §18B-10 and §18B-2B-6

1.3. Filing Date. -- May 31, 2017

1.4. Effective Date. -- July 1, 2017

§135-25-2. Classification for Admission and Fee Purposes.

2.1. Students enrolling in a West Virginia public institution of higher education shall be assigned a residency status for admission, tuition, and fee purposes by the institutional officer designated by the President. In determining residency classification, the issue is essentially one of domicile. In general, the domicile of a person is that person's true, fixed, permanent home and place of habitation. The decision shall be based upon information furnished by the student and all other relevant information. The designated officer is authorized to require such written documents, affidavits, verifications, or other evidence as is deemed necessary to establish the domicile of a student. The burden of establishing domicile for admission, tuition, and fee purposes is upon the student.

2.2. If there is a question as to domicile, the matter must be brought to the attention of the designated officer at least two (2) weeks prior to the deadline for the payment of tuition and fees. Any student found to have made a false or misleading statement concerning domicile shall be subject to institutional disciplinary action and will be charged the nonresident fees for each academic term theretofore attended.

2.3. The previous determination of a student's domiciliary status by one institution is not conclusive or binding when subsequently considered by another institution; however, assuming no change of facts, the prior judgment should be given strong consideration in the interest of consistency. Out-of-state students being assessed resident tuition and fees as a result of a reciprocity agreement may not transfer said reciprocity status to another public institution in West Virginia.


3.1. Domicile within the state means adoption of the state as the fixed permanent home and involves personal presence within the state with no intent on the part of the applicant or, in the case of a dependent student, the applicant's parent(s) to return to another state or country. Residing with relatives (other than parent(s)/legal guardian) does not, in and of itself, cause the student to attain domicile in this State for admission or fee payment purposes. West Virginia domicile may be established upon the completion of at least twelve (12) months of continued presence within the state prior to the date of registration: Provided that such twelve (12) months' presence is not primarily for the purpose of attendance at any institution of higher education in West Virginia. Establishment of West Virginia domicile with less than twelve (12) months' presence prior to the date of registration must be supported by evidence of positive and unequivocal
action. In determining domicile, institutional officials should give consideration to such factors as the ownership or lease of a permanently occupied home in West Virginia, full-time employment within the state, paying West Virginia property tax, filing West Virginia income tax returns, registering of motor vehicles in West Virginia, possessing a valid West Virginia driver's license, and marriage to a person already domiciled in West Virginia. Proof of a number of these actions shall be considered only as evidence which may be used in determining whether or not a domicile has been established. Factors militating against the establishment of West Virginia domicile might include such considerations as the student not being self-supporting, being claimed as a dependent on federal or state income tax returns or on the parents' health insurance policy if the parents reside out of state, receiving financial assistance from state student aid programs in other states, and leaving the state when school is not in session.


4.1. A dependent student is one (1) who is listed as a dependent on the federal or state income tax return of his/her parent(s) or legal guardian or who receives major financial support from that person. Such a student maintains the same domicile as that of the parent(s) or legal guardian. In the event the parents are divorced or legally separated, the dependent student takes the domicile of the parent with whom he/she lives or to whom he/she has been assigned by court order. However, a dependent student who enrolls and is properly classified as an in-state student maintains that classification as long as the enrollment is continuous and that student does not attain independence and establish domicile in another state.

4.2. A nonresident student who becomes independent while a student at an institution of higher education in West Virginia does not, by reason of such independence alone, attain domicile in this state for admission or fee payment purposes.

§135-25-5. Change of Residence.

5.1. A person who has been classified as an out-of-state student and who seeks resident status in West Virginia must assume the burden of providing conclusive evidence that he/she has established domicile in West Virginia with the intention of making the permanent home in this State. The intent to remain indefinitely in West Virginia is evidenced not only by a person's statements, but also by that person's actions. In making a determination regarding a request for change in residency status, the designated institutional officer shall consider those actions referenced in §135-25-3 of these rules. The change in classification, if deemed to be warranted, shall be effective for the academic term or semester next following the date of the application for reclassification.


6.1. An individual who is on full-time active military service in another state or a foreign country or an employee of the federal government shall be classified as an in-state student for the purpose of payment of tuition and fees: Provided, That the person established a domicile in West Virginia prior to entrance into federal service, entered the federal service from West Virginia, and has at no time while in federal service claimed or established a domicile in another state. Sworn statements attesting to these conditions may be required. The spouse and dependent children of such individuals shall also be classified as in-state students for tuition and fee purposes.

6.2. Persons assigned to full-time active military service in West Virginia and residing in the state shall be classified as in-state students for tuition and fee purposes. The spouse and dependent children of such individuals shall also be classified as in-state students for tuition and fee purposes.

6.3. Any student living in West Virginia and receiving education or vocational rehabilitation benefits
provided under Chapter 30 or Chapter 33 from the U.S. Department of Veterans Affairs shall be charged in-state tuition and fees to attend a West Virginia public institution of higher education so long as such student is considered a “covered individual” as described in 38 U.S.C. § 3679, as in effect at any time.


7.1. Students who meet the domiciliary requirements noted in Sections 3, 4, and 5 of this policy, and who are U.S. Permanent Resident Aliens, Political Asylees or Political Refugees, or who hold an A, E, G, H, I, L, O, P, R, TD, TN, U, or V visa, may apply to be reviewed for in-state residency for tuition purposes.

7.2. Students who hold B, C, D, F, J, K, M, or Q visas are not eligible for establishing in-state residency for tuition purposes.

7.3. Students who meet the domiciliary requirements and who are the beneficiary of a pending I-485 application to adjust status to permanent resident may apply to be reviewed for in-state residency for tuition purposes.


8.1. A person who was formerly domiciled in the State of West Virginia and who would have been eligible for an in-state residency classification at the time of his/her departure from the state may be immediately eligible for classification as a West Virginia resident provided such person returns to West Virginia within a one (1) year period of time and satisfies the conditions of §135-25-3 of these rules, regarding proof of domicile and intent to remain permanently in West Virginia.


9.1. Each institution shall establish procedures which provide opportunities for students to appeal residency classification decisions with which they disagree. The decisions of the designated institutional official charged with the determination of residency classification may be appealed in accordance with appropriate procedures established by the president of the institution. At a minimum, such procedures shall provide that:

9.1.a. An institutional committee on residency appeals will be established to receive and act on appeals of residency decisions made by the designated institutional official charged with making residency determinations.

9.1.a.1. The institutional committee on residency shall be comprised of members of the institutional community, including faculty and at least three, in any event, an odd number. The student representative(s) shall be appointed by the president of the institutional student government association while the faculty representative(s) shall be selected by the campus-wide representative faculty organization.

9.1.a.2. The student contesting a residency decision shall be given the opportunity to appear before the institutional committee on residency appeals. If the appellant cannot appear when the committee convenes a meeting, the appellant has the option of allowing committee members to make a decision on the basis of the written materials pertaining to the appeal or waiting until the next committee meeting.

9.1.b. The residency appeal procedures will include provisions for appeal of the decision of the institutional committee on residency appeals to the president of the institution.

9.1.c. Residency appeals shall end at the institutional level.
ITEM: WV Community and Technical College System Foundation

INSTITUTIONS: All

RECOMMENDED RESOLUTION: Resolved, That the West Virginia Council for Community and Technical College Education approves the proposed West Virginia Community and Technical Colleges Foundation, and approves the independent implementation of the Foundation.

STAFF MEMBER: Sarah Tucker/Dawn George

BACKGROUND:

The Foundation will provide an opportunity for our Community and Technical College System to leverage private scholarship dollars and grants to the benefit of all students attending our institutions.

Companies and organizations alike have approached the System office asking if they could provide donations to support specific types of training. They want those donations to benefit all community colleges. This foundation would not replace nor interfere with the foundations already established by the colleges. It would instead, augment the work of those foundations by leveraging dollars they are not able to obtain individually.

The foundation’s goal will be to support the institutions as they work to educate the workforce of tomorrow for West Virginia.
ARTICLES OF INCORPORATION OF THE WEST VIRGINIA COMMUNITY AND
TECHNICAL COLLEGES FOUNDATION, INC.

The undersigned hereby forms a non-stock corporation under the provisions of Chapter 31E,
Section 2 of the West Virginia Code and to that end sets forth the following:

ARTICLE I.

Name

The name of the corporation is THE WEST VIRGINIA COMMUNITY AND TECHNICAL
COLLEGES FOUNDATION, INC.

ARTICLE II.

Purpose

This Corporation is organized and shall be operated only for the following nonprofit educational
and charitable purposes:

A. To foster and promote the growth, progress, and general welfare of the West Virginia
   Community and Technical Colleges particularly, but without limitation:

   1. Provide money, personnel or other aids for the strengthening, development and
      enlargement of the Colleges and their programs now in existence or hereafter created;

   2. Make donations or contributions to, or assist in the support of, current Colleges activities
      and undertakings or the establishment and support of any new functions and/or objectives;

   3. Purchase or make contributions toward the acquisition of books, materials and equipment
      or the erection and construction of buildings and facilities, which will contribute to the
      educational and administrative resources of the Colleges;

   4. Provide educational loans, scholarships or grants-in-aid for students of the Colleges;
5. Contribute to and make donations for any and all proper objects, projects, functions, services and activities now or hereafter carried on or sponsored by the College.

B. To do all things which a Corporation of like character is, or may be authorized or permitted to do by the laws of the United States or West Virginia, provided such things are in accord with the general educational and charitable purpose of this Corporation as described above, and the policies and regulations of the West Virginia Council for Community and Technical College Education.

Notwithstanding the foregoing, the Corporation will not conduct or carry on any activity not permitted by an organization exempt from the Federal Income Tax Pursuant to Section 501(c)(3) of the Internal Revenue Code. Furthermore, the Corporation will not, as a substantial part of its activities, attempt to influence legislation, nor participate in or intervene in to any extent, in any political campaign for or against any candidate for political office. No part of the net earnings of the Corporation shall inure to the benefit of any member, trustee, director, officer or employee of the Corporation except that reasonable compensation may be paid for services rendered to or for the Corporation as the Board of this Corporation shall prescribe.

ARTICLE III.
Members

The Corporation shall have no members, the management of the Corporation being vested in the Board of Directors.

ARTICLE IV.
Directors

The Board of Directors of this Corporation shall consist of not less than five (5) persons, and not more than seven (7) persons. The initial Board of Directors consists of three (3) persons whose names and addresses follows:
The initial Board of Directors shall consist of three classes: those serving for one year, those serving for two years, and those serving for three years.

The Chancellor of the West Virginia Council for Community and Technical College Education shall be a director. The President shall be an ex-officio member of the Board. Members of the three classes are:

A. Serving for one year:

1. 

B. Serving for two years:

1. 

C. Serving for three years:

1. 

All future Directors shall be appointed by the Board of Directors for terms of three (3) years, except the Chancellor who shall be appointed by the College Board for a term concurrent to serve ex-officio for a term concurrent with tenure as Chancellor.

Vacancies in the Board of Directors may be filled by the Board of Directors at any regular or special meeting. If the vacancy so filled by the Board of Directors be that of the Chancellor, such vacancy shall be filled by the successor to such office. Any vacancies on the Board of Directors, if filled by the Board of Directors shall be for the unexpired term of the Director whose vacancy is so filled.
All members of the Board of Directors shall be eligible for reelection to the Board of Directors, for three (3) successive terms.

**ARTICLE V.**

**Registered Agent**

The name and business of the initial registered agent of this Corporation is: _______. This address, which is located in _______ County, is the initial registered address of this Corporation. The said registered agent is a resident of Virginia and is a Director of this Corporation.

**ARTICLE VI.**

**Liquidation**

In the event of liquidation, dissolution or termination of this Corporation by any means whatsoever, any assets available for distribution after provision for all obligations of this Corporation shall be distributed to the West Virginia Council for Community and Technical College Education. However, if the named beneficiary is, at the time of this Corporation’s dissolution no longer in existence, no longer a qualified distributee, or unwilling or unable to accept the assets of this Corporation, then such assets will be distributed exclusively for charitable purposes to an organization or organizations which are qualified as exempt organizations under Section 501(c)(3) of the Internal Revenue Code and selected by the Virginia State Board for Community Colleges.

**ARTICLE VII.**

**Indemnification**

The Corporation shall have the power to indemnify its Directors, officers and employees as provided for by section 13.1-205.1 in the Code of Virginia (1950), as same may be amended from time to time.
IN WITNESS WHEREOF, we, the undersigned incorporators, set our names this ____ day of __________, 2018.
ARTICLE I: PRINCIPAL OFFICE AND REGISTERED AGENT

A. Principal Office. The principal office of the West Virginia Community Colleges Foundation, a non-profit corporation incorporated under the laws of the state of West Virginia (hereinafter the “Foundation”), shall be in the state of West Virginia.

B. Other Offices. The Foundation may have such other office or offices at such suitable place or places within the state of West Virginia as may be designated from time to time by the Board of Directors of the Foundation.

C. Registered Agent. The Foundation shall continuously maintain a registered office in the state of West Virginia. The Board of Directors of the Foundation shall appoint and continuously maintain a registered agent in the state of West Virginia, having a business office identical with the registered office. The registered agent shall be a resident of the state of West Virginia or a corporation, whether for profit or not for profit.

ARTICLE II: PURPOSES

The purposes of the Foundation, subject to the limitation of Article VII herein, are to support the mission of the community college system and to foster and promote the growth, progress, and general welfare of the community college system; to support programs, services, and activities of the community college system which promote its mission; to support and promote excellence in administration and instruction throughout the community college system; to provide an alternative vehicle for contributions of funds to support programs, services, and activities that are not being funded adequately through traditional resources; to broaden the base of the community college system’s support; and to communicate to the public the community college system’s mission and responsiveness to local needs.
ARTICLE III: BOARD OF DIRECTORS

A. General Authority. There shall be a Board of Directors of the Foundation, which shall manage, supervise, and control the business, property and affairs of the Foundation. The Board of Directors shall be vested with the power possessed by the Foundation itself, including the powers to determine the policies of the Foundation and prosecute its purposes; to appoint and remunerate agents and employees; and to manage and disburse the funds of the Foundation. The Board of Directors shall also have the power to adopt such rules for the conduct of its business, responsibility, and authority as shall be deemed advisable, insofar as such delegation of authority is not inconsistent with or repugnant to the Articles of Incorporation or the Bylaws of the Foundation (in their present form as they may be amended) or to any applicable law. The Incorporators of the Foundation shall be the initial Board of Directors.

B. Specific Authority. Without limiting the generality of the foregoing, the Board of Directors of the Foundation shall be responsible for:

(1) Appointing members to the Board of Directors

(2) Developing and reviewing the Foundation’s programs, fiscal policies, and other activities

(3) Designating and appointing, by resolution adopted by a majority of Directors then in office, an Executive Committee comprised of the Chair of the Board of Directors of the Foundation, the Chancellor of the West Virginia Council for Community and Technical Colleges, and one Director who is a member of the West Virginia Council for Community and Technical Colleges, and one other member of the Board of Directors. The Executive Committee shall have and may exercise all powers and authority of the Board of Directors when said Board is not in session, subject only to such restrictions or limitations as the Board of Directors may from time to time specify. Notwithstanding the foregoing provision, the Executive Committee shall not have authority to do the following: 1.) alter, amend or appeal the Corporation Charter or Bylaws; 2.) to appoint directors; 3.) to authorize the sale, lease, exchange or mortgage all, or substantially law, of the
property and assets of the Foundation; 4.) to authorize the voluntary dissolution of the Foundation or to revoke proceedings therefore; 5.) to adopt a plan for the distribution of the Foundation’s assets; and 6.) to amend, alter or repeal any resolution of the Board of Directors, which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of the Executive Committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director of any responsibility imposed by law.

(4) Designating and appointing, by resolution adopted by a majority of Directors then in office, any other committee or committees for such purpose or purposes as the Board may from time to time deem proper. One of those committees shall at all times be a standing audit committee with at least three members who are not also serving as officers of the foundation or as members of any other committee related to finance.

C. Membership. The Board of Directors of the Foundation shall be composed of no less than five (5) nor more than seven (7) persons as follows:

(1) The Chair or designee and one other member of the West Virginia Council for Community and Technical College Education.

(2) The Chancellor of the West Virginia Council for Community and Technical Colleges.

(3) One representative of the State Advisory Committee of Community and Technical College Presidents.

(4) Outstanding citizens who have demonstrated leadership in business, civic and philanthropic roles in their communities.

D. Term of Office.

(1) Each at-large member of the Board of Directors of the Foundation shall serve for a term of four (4) years. The terms shall be staggered so that approximately one-third of such terms expire
each year. There shall be a limitation of three (3) succeeding four-year terms. Members may be reappointed following a one-year absence from the Board of Directors.

(2) The Chair and Chancellor of the West Virginia Council for Community and Technical College Education and the Chancellor are members of the Board of Directors during the terms of office as Chair, State Board member, State President.

(3) The representatives of the trustees, presidents, resource development offices and economic developers will serve one-year terms, with the possibility of renewal at the discretion of the presidents of the organizations they represent.

(4) To facilitate appointment of approximately one-third of the Board of Directors the Foundation each year, initial appointments shall be made for one-year, two-year, and three-year terms, commencing in 2019.

(5) The Chair of the Board of Directors of the Foundation shall be responsible for determining the number of directors, in conformance with the foregoing subsections (1) and (2), to be filled each year.

E. Vacancies. Any vacancy on the Board of Directors, as occurs by reason of conclusion of term, resignation, death, incapacity, or the like of a member thereof, shall be filed by appointment by the Board of Directors, and any such person shall serve the unexpired term.

F. Resignation and Removal.

(1) Any director may resign at any time by giving written notice to the Chair of the Board of Directors of the Foundation. Such resignation shall take effect at the time specified therein, or, if no time is specified, at the time of acceptance thereof as determined by the Chair of the Board.
(2) Any director may be removed by action of a majority of the Board of Directors of the Foundation. Failure to be present for three consecutive meetings of the Board may constitute good cause for removal of a director from the board.

G. Meetings. At least one meeting of the Board of Directors of the Foundation shall be held each calendar year at such time, day, and place as shall be designated by the Chair of the Board of the Foundation in the notice of the meeting, for the purpose of transacting such business as may come before the meeting. In any year in which the Board holds more than one meeting, the Chair of the Board of the Foundation will designate which meeting constitutes the “annual meeting.”

H. Special Meetings. Special meetings of the Board of Directors may be called at the direction of the Chair of the Board of Directors of the Foundation or by three of the directors, to be held at such time, day, and place as shall be designated in the notice of the meeting.

I. Notice. Notice of the time, day, and place of any meeting of the Board of Directors shall be given at least ten (10) days previous thereto by notice sent by mail, fax, e-mail or other written electronic communication medium to each director at the provided in the records of the Foundation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by fax, e-mail or electronic communication medium, such notice shall be deemed delivered when the sender receives confirmation of delivery. The purpose or purposes of which a special meeting is called shall be stated in the notice thereof. Any director may waive notice of a meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

J. Quorum. Those directors present shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

K. Manner of Acting. The act of a majority of directors in person at a meeting of the Board of Directors or in writing without a meeting (including any by mail ballot) shall be the act of the
Board of Directors. In the absence of a quorum, any action taken shall be recommendatory only but may become valid if subsequently confirmed by a majority vote, in conformance with the quorum requirements hereunder, of the Board of Directors.

L. Compensation. No director shall be entitled to, or shall receive any compensation for attending meetings of the Board of Directors, or for any services rendered to the Foundation. However, the Board of Directors may elect to reimburse the expenses of a Director, but not to pay the director any wages, salary or other compensation for services rendered as a director, and provided said expenses are incurred in providing services to the Foundation which are customarily performed without reimbursement of expenses. Nothing herein contained shall be construed to preclude any director from serving the Foundation in any other capacity and receiving compensation therefore.

M. Execution of Instruments. The name of the Foundation may be used to designate the directors collectively, and all instruments may be affected by them in such name upon the signature of any director or other person that the director may designate for that purpose, except as otherwise provided herein.

N. Annual audit. The directors shall cause an annual audit of the financial affairs of the Foundation to be undertaken by a certified public accountant.

**ARTICLE IV: OFFICERS**

A. The officers of the Foundation shall consist of a Chair, a Vice Chair, a Secretary, and a Treasurer, and may include such other officers as may be elected by the Board of Directors with such powers and duties, consistent with these Bylaws, as the Board may determine. One person may not hold more than one office.

B. Election of Officers.
(1) The officers of the Foundation (See Article IV, C, hereof) shall be elected by the members of the Board of Directors of the Foundation. Such election shall take place at the annual meeting of the Foundation. In a case where more than one person shall be nominated for the office, votes shall be cast by secret ballot. In the case of a tie ballot, the then-Chair of the Board of the Foundation shall declare the election of the position(s) void and additional nominations shall be called for before another vote is taken. If more than two candidates are nominated and there is a tie between two of these candidates having the most votes, then the candidates with the least number of votes shall withdraw and the election shall be conducted again.

(2) Nominations of candidates for officers of the Foundation shall be made by members of the Board of Directors in annual meeting assemble or, if a majority of the voting director so determine, by a Nominating Committee. If such a Committee is formed, once the consent of each candidate is obtained, the Nominating Committee shall report the names of the nominee to the Board of Directors at the meeting. The then-Chair of the Board of the Foundation shall give opportunity for nominations to be made from the floor, following which all nominations shall be closed, and the election shall proceed.

C. The Chancellor of West Virginia Community and Technical Colleges shall be the Secretary of the Foundation.

D. Term of Office. The officers of the Foundation shall be installed at the annual meeting at which he or she is elected and shall hold office for two years, until the next succeeding annual meeting or until his or her successor shall become qualified and duly elected.

E. Resignation and Removal. An officer may resign at any time by giving written notice to the Chair of the Board of the Foundation. Such resignation shall take effect at the time specified therein or, if no time is specified, at the time of acceptance thereof as determined by the Chair. An officer may be removed by the Board of Directors at any regular or special meeting of the Board at which a quorum is present. Removal of officers requires a two-thirds majority of the Board members eligible to vote.
F. Vacancies. In case of resignation of any officer of the Foundation or, if for any other reason including conclusion of term, ineligibility or removal, an officer is unable to complete his or her term on the Board of Directors, the Board shall appoint a successor to complete the unexpired term. In case an officer relinquishes the office without resignation for the Board of Directors, the Board shall elect a new officer.

G. Chair. The Chair of the Board of the Foundation shall have all powers and shall perform all duties commonly incident to and vested in the office of chair of the board or directors of trustees of a corporation and resident of a corporation, including but not limited to being the chief executive officer of the Foundation, and having general knowledge of and responsibility for supervision of the affairs of the Foundation. Notwithstanding the foregoing, the Chair of the Board shall have the following specific powers and duties;

1. Shall prepare the agenda for all meetings of the Board of Directors.

2. Shall be an ex officio member without vote of all committees of the Foundation.

3. May endorse for collection on behalf of the Foundation checks, notes and other obligations.

4. Shall sign, in the name of and on behalf of the Foundation, any contracts or agreements the Board of Directors may authorize.

5. Shall perform such other duties as the Board of Directors may from time to time designate.

H. Vice Chair. In the event of the absence, inability or death of the Chair, the Vice Chair shall have all the powers and perform all the duties of the Chair. The Vice Chair shall perform such other duties as from time to time may be designated by the Chair or by the Board of Directors.
I. Secretary. The Secretary of the Foundation shall have all the powers and shall perform all duties commonly incident to and vested in the office of secretary of a corporation, including the following duties and responsibilities.

(1) Shall attend all meetings of the Board of Directors and of such committees as may be duly appointed, and be responsible for keeping true minutes of the proceedings of all such meetings, preserving them in books of the Foundation and distributing them.

(2) Shall assure that all notices are given in accordance with these Bylaws.

(3) Shall have charge of such books, documents and papers as the Board of Directors may determine and shall have custody of the corporate seal.

(4) May sign with the Chair, in the name and on behalf of the Foundation, any contracts or agreements which the Board of Directors authorize and, when so authorized or ordered, may affix the seal of the Foundation.

(5) Shall also perform such other duties as the Board of Directors may from time to time designate.

J. Treasurer. The Treasurer of the Foundation shall have all powers and shall perform all duties commonly incident to and vested in the office of treasurer of a corporation, including the following duties and responsibilities:

(1) Shall be responsible for, subject to the direction of the Board of Directors, developing and reviewing the fiscal policies of the Foundation.

(2) Shall assure that all monies of the Foundation are deposited in a bank or banks or trust company or trust companies approved by the Board of Directors, showing all receipts and expenditures for the current year.
(3) Shall render a report of the finances of the Foundation at the annual meeting of the Foundation or whenever requested by the Board of Directors, showing all receipts and expenditures for the current year.

(4) Shall have the custody of all funds, securities, and other property of the Foundation, subject to such rules as may be imposed by the Board of Directors.

(5) May endorse for collection on behalf of the Foundation checks, notes and other obligations, and shall deposit the same to the credit of the Foundation at such bank or banks or depository or depositories as the Board of Directors may approve.

(6) Shall sign all receipts and vouchers, together with such other officer or officers, if any, as shall be designated by the Board of Directors.

(7) Shall enter regularly on the books of the Foundation, to be kept by him or her for the purpose, a full and accurate account of all monies and obligations received and paid or incurred by him or her or an account of the Foundation, and shall be responsible to see that annual financial statements are prepared, and shall exhibit such books at all reasonable times to any director on application at the office of the Foundation.

K. Bonding. Any or all officers of the Foundation shall be required to have bond for the faithful performance of his or her duties, in such sum and with such sureties as the Board of Directors may require and obtain.

**ARTICLE V: FISCAL YEAR**

The fiscal year of the Foundation shall coincide with the fiscal year of the West Virginia Council for Community and Technical Colleges (July 1 – June 30) unless otherwise ordered by the Board of Directors.
ARTICLE VI. SEAL

The Board of Directors of the Foundation may provide a corporate seal, which shall be in such form as determined by the Board of Directors.

ARTICLE VII: INDEMNIFICATION

A. The Foundation indemnifies each member of its Board of Directors, as described in Article III hereof, and each of its officers, as described in Article IV hereof, for the defense of civil or criminal actions or proceedings as hereinafter provided and, notwithstanding any provision in these Bylaws, in a manner and to the extent permitted by applicable law.

B. The Foundation indemnification of each of its Directors and Officers, as aforesaid, from and against any and all judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys’ fees, actually and necessarily incurred or imposed as a result of such action and proceeding, or any appeal therein, imposed upon or asserted against him or her by reason of having been such a director of officers and acting within the scope of his or her official duties, but only when the determination shall have been made judicially that he or she acted in good faith for a purpose which he or she reasonably believed to be in the best interests of the Foundation and, in the case of a criminal action or proceeding, in addition, had not reasonable cause to believe that his or her conduct was unlawful. All determination in the foregoing by the Board of Directors shall rely on the advice of independent legal counsel on questions involved.

C. Every reference herein to a member of the Board of Directors or officers of the Foundation shall include every director and officer thereof or former director and officer thereof. This indemnification shall apply to all the judgments, fines, amounts in settlement, and reasonable expenses described above whenever arising, allowable as above-stated. The right of indemnification herein provided shall be in addition to any and all rights to which any director of officer of the Foundation might otherwise be entitled and the provisions hereof shall neither impair nor adversely affect such rights.
ARTICLE VIII: LIMITATION OF ACTIVITIES

The Foundation is organized and operated excluding for charitable, educational and scientific purposes within the meaning of sections 170 (c) (2) (B), 501 (c) (3), 2055 (a) (2), 2522 (a) (2) of the Internal Revenue Code. No substantial part of the activities of the Foundation shall be the carrying on of propaganda or otherwise attempting to influence legislation and the Foundation shall be empowered to make the election authorized under section 501 (h) of the Internal Revenue Code. The Foundation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision herein, the Foundation shall not carry on any activities not permitted to be carried on by any organization:

(a) Exempt from federal income taxation under 501 (a) of the Internal Revenue Code as an organization described in section 501 (c) (3) of such Code.

(b) Described in section 501 (a) (1), (2), or (3) of the Internal Revenue Code (as the case may be), and/or

(c) Contributions to which are deductible under sections 170 (c) (2), 2055 (a) (2), or 2522 (a) (2) of the Internal Revenue Code.

The Foundation shall use its funds only to accomplish the objectives and purposes specified in these Bylaws, and no part of net earnings of the Foundation shall benefit or be distributed to its directors, officers, other private individuals, or organizations and operated for profit, except that the Foundation is authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its purposes.

ARTICLE IX: DUTY OF LOYALTY AND CONFLICT OF INTEREST

a. Self-Dealing Transactions: Directors May Be Liable For Damage to Corporation
A “self-dealing” transaction is one between a director and the foundation in which the director has a “material financial interest.” Such transactions include payment of a salary, contract fee, commission or other benefit of material economic value from the foundation to one or more of its directors, or to a corporation or partnership in which a director has a material financial interest. In reviewing self-dealing transactions a financial interest is “material” to a director if it is large enough to create an appearance of conflict of interest. This is a question of fact in each case.

Self-dealing transactions between a director and the foundation on which the director serves are inherently suspect. The director’s first duty of loyalty is to the charity, and it may be difficult for a director to carry out that duty if he or she is also looking to make a profit from transacting business with the charity. A majority of disinterested board of directors is absolutely critical to insure that the charity is protected against unfair self-dealing transactions and other conflicts of interest.

When a self-dealing transaction is not fair to the charity, and when the self-dealing director charges an unreasonable price or makes and excessive profit from a self-dealing transaction, the charity suffers damage to its assets. The Foundation may sue the responsible directors to recover from them the actual damages to charity, plus interest, and in some cases punitive damages. Any damages recovered are returned to the charity. Often the self-dealing directors and other directors responsible for the damage are removed from the charity’s board.

Of course, there are cases of self-dealing where the charity actually benefits and its treated fairly. If a director contracts with the charity he serves to provide needed services at a fair price, if the terms are reasonable to the charity, if the contract is for the charity’s benefit (not the director’s benefit), and if the charity “could not have obtained a more advantageous arrangement with reasonable effort under the circumstances,” there is not likely to be any damage to the charity from the self-dealing transaction. If the directors have all the facts before them and in good faith, find that these criteria are met, they may “validate” a self-dealing transaction and protect the disinterested director(s) against liability for self-dealing.

Obviously, if the “disinterested” directors do not conduct their review of self-dealing in good faith but merely as a sham to protect other directors, there would be no effective validation. In cases of fraud and collusion by the directors, all directors could be held liable for damages to the charity.
b. Director May Be Liable For Making Prohibited Loans From the Charitable Corporation

A director may be held personally liable for making a loan the charitable assets to a director officer of a public benefit corporation. Prior approval from a court is required for most loans from a public benefit corporation to an officer or director.

c. Director May Be Liable For Prohibited Distribution of the Charitable Assets

A director may be personally liable for making or receiving a prohibited “distribution” of the public benefit corporation’s assets. Examples of prohibited distribution include: 1) transfers of corporate funds or assets to directors, officers or members without fair consideration; 2) payment of excessive or unauthorized salaries, non-contractual benefits or bonuses; 3) improper gifts of charitable assets unrelated to carrying out the charitable purposes.

ARTICLE X: DISSOLUTION

On dissolution or final liquidation of the Foundation, any remaining assets shall, after payments or the making of provision for payment of all of the lawful debts and liabilities of the Foundation, be distributed to one or more regularly organized and qualified charitable, educational, or scientific organizations to be selected by the Board of Directors in conformance with the Articles of Incorporation of the Foundation.

ARTICLE XI: AMENDMENTS TO BYLAWS

These Bylaws may be amended or repealed by an affirmative vote of two-thirds of the voting membership of the Board of Directors present at a meeting of the Board. A copy of the exact wording, or a summary, of an amendment to be considered at a meeting shall be mailed to each member of the Board at least ten days prior to the date of the meeting, as part of the notice of such meeting. An amendment so made shall be effective immediately after adoption unless an effective date is specifically adopted at the time the amendment is enacted.

ARTICLE XII: AMENDMENTS TO ARTICLES OF INCORPORATION
The Articles of Incorporation of the Foundation may be amended or repealed by an affirmative vote of two-thirds of the voting members of the Board of Directors present at a meeting of the Board. A copy of the exact wording, or a summary, of an amendment to be considered at a meeting shall be mailed to each member of the Board at least ten days prior to the date of the meeting, as part of the notice of such meeting. An amendment so made shall be effective immediately after adoption unless an effective date is specifically adopted at the time the amendment is enacted.

ARTICLE XIII: REFERENCES

Reference herein to sections of the Internal Revenue Code are to provisions of such Code as those provisions are now enacted, as of 1954 and subsequent amendments, or to corresponding provisions of any future United States internal revenue law.
The West Virginia Community and Technical College System contracted with EMSI to provide an economic impact study of community colleges in West Virginia. The following Executive Summary highlights the terrific work done at our community colleges. The entire report may be viewed at this link:

http://download.economicmodeling.com/WVCTCS_Final
The Economic Value of the West Virginia Community and Technical College System

EXECUTIVE SUMMARY
THE West Virginia Community and Technical College System (CTCS) creates value in many ways. The colleges play a key role in helping students increase their employability and achieve their individual potential. The colleges draw students to the state, generating new dollars and opportunities for West Virginia. The colleges provide students with the education, training, and skills they need to have fulfilling and prosperous careers. Furthermore, the colleges are places for students to meet new people, increase their self-confidence, and promote their overall health and well-being.

CTCS influences both the lives of students and the state economy. The colleges support a variety of industries in West Virginia, serve state businesses, and benefit society as a whole in West Virginia from an expanded economy and improved quality of life. The benefits created by CTCS even extend to the state and local government through increased tax revenues and public sector savings.

This study measures the economic impacts created by CTCS on the business community and the benefits the colleges generate in return for the investments made by their key stakeholder groups—students, taxpayers, and society. The following two analyses are presented:

**Economic impact analysis**

**Investment analysis**

All results reflect employee, student, and financial data, provided by the colleges and the West Virginia Higher Education Policy Commission, for fiscal year (FY) 2016-17. Impacts on the West Virginia economy are reported under the economic impact analysis and are measured in terms of added income. The returns on investment to students, taxpayers, and society in West Virginia are reported under the investment analysis.
CTCS promotes economic growth in West Virginia through the colleges’ direct expenditures and the resulting expenditures of students and state businesses. The colleges serve as employers and buyers of goods and services for their day-to-day operations. By providing affordable and accessible programs, the colleges retain students in West Virginia, whose expenditures benefit state vendors. In addition, the colleges are primary sources of higher education to West Virginia residents and suppliers of trained workers to state industries, enhancing overall productivity in the state workforce.

**Operations Spending Impact**

CTCS colleges add economic value to West Virginia as employers of state residents and large-scale buyers of goods and services. In FY 2016-17, CTCS employed 1,950 full-time and part-time faculty and staff, 87% of whom lived in West Virginia. Total CTCS payroll was $88.3 million, much of which was spent in the state for groceries, mortgage and rent payments, dining out, and other household expenses. In addition, the colleges spent $65.2 million on day-to-day expenses related to facilities, supplies, and professional services.

CTCS’s day-to-day operations spending added $98.2 million in income to the state during the analysis year. This figure represents the colleges’ payroll, the multiplier effects generated by the in-state spending of the colleges and their employees, and a downward adjustment to account for funding that the
colleges received from state sources. The $98.2 million in added income is equivalent to supporting 2,186 jobs in the state.

**Student Spending Impact**

Some students relocated to West Virginia to attend CTCS colleges. These students may not have come to the state if the colleges did not exist. In addition, some in-state students, referred to as retained students, would have left West Virginia if not for the existence of CTCS. While attending the colleges, these relocated and retained students spent money on groceries, accommodation, transportation, and other household expenses. This spending generated $8 million in added income for the state economy in FY 2016-17, which supported 285 jobs in West Virginia.

**Alumni Impact**

The education and training the colleges provide for state residents has the greatest impact. Since the colleges were established, students have studied at CTCS colleges and entered the state workforce with greater knowledge and new skills. Today, thousands of former CTCS students are employed in West Virginia. As a result of their educations at CTCS colleges, the students receive higher earnings and increase the productivity of the businesses that employ them. In FY 2016-17, CTCS alumni generated $1.1 billion in added income for the state economy, which is equivalent to supporting 14,530 jobs.

**Total Impact**

CTCS added $1.2 billion in income to the West Virginia economy during the analysis year, equal to the sum of the operations spending impact, the student spending impact, and the alumni impact. For context, the $1.2 billion impact was equal to approximately 1.7% of the total gross state product (GSP) of West Virginia. This contribution that the colleges provided on their own was larger than the entire Agriculture, Forestry, Fishing, & Hunting industry in the state.

CTCS’s total impact can also be expressed in terms of jobs supported. The $1.2 billion impact supported 17,001 state jobs, using the jobs-to-sales ratios specific to each industry in the state. This means that one out of every 52 jobs in West Virginia is supported by the activities of the colleges and their students. In addition, the $1.2 billion, or 17,001 supported jobs, impacted state industries in different ways. Among non-education industry sectors, CTCS supported the most jobs in the Health Care & Social Assistance industry sector – supporting 3,515 jobs in FY 2016-17. These are impacts that would not have been generated without the colleges’ presence in West Virginia.
Investment analysis

An investment analysis evaluates the costs associated with a proposed venture against its expected benefits. If the benefits outweigh the costs, then the investment is financially worthwhile. The analysis presented here considers CTCS as an investment from the perspectives of students, taxpayers, and society in West Virginia.

Student perspective

In FY 2016-17, CTCS colleges served 26,337 credit and 6,548 non-credit students. In order to attend the colleges, the students paid for tuition, fees, books, and supplies. They also took out loans and will incur interest on those loans. Additionally, students gave up money they would have otherwise earned had they been working instead of attending college. The total investment made by CTCS students in FY 2016-17 amounted to a present value of $161.7 million, equal to $46.5 million in out-of-pocket expenses (including future principal and interest on student loans) and $115.2 million in forgone time and money.

In return for their investment, CTCS’s students will receive a stream of higher future earnings that will continue to grow throughout their working lives. For example, the average CTCS associate degree graduate from FY 2016-17 will see an increase in earnings of $9,900 each year compared to a person with a high school diploma or equivalent working in West Virginia. Over a working lifetime, the benefits of the associate degree over a high school diploma will amount to an undiscounted value of $356.4 thousand in higher earnings per graduate. Altogether, CTCS’s FY 2016-17 students will receive $768.7 million in higher future earnings over their working lives, as a result of their education and training at CTCS colleges.

<table>
<thead>
<tr>
<th>Degree Level</th>
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<tr>
<td>&lt; HS</td>
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<tr>
<td>Bachelor’s</td>
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Source: Emsi complete employment data.

The average associate degree graduate from a CTCS college will see an increase in earnings of $9,900 each year compared to a person with a high school diploma or equivalent working in West Virginia.

STUDENTS SEE A HIGH RATE OF RETURN FOR THEIR INVESTMENT IN CTCS

Average annual return for CTCS students: 21.7%
Stock market 30-year average annual return: 10.1%
Interest earned on savings account (National Rate Cap): 0.8%

The students’ benefit-cost ratio is 4.8. In other words, for every dollar students invest in an education at CTCS colleges, in the form of out-of-pocket expenses and forgone time and money, they will receive a cumulative value of $4.80 in higher future earnings. Annually, the students’ investment in CTCS has an average annual internal rate of return of 21.7%, which is impressive compared to the U.S. stock market’s 30-year average rate of return of 10.1%.

**Taxpayer perspective**

CTCS generates more in tax revenue than it takes. These benefits to taxpayers consist primarily of taxes that the state and local government will collect from the added revenue created in the state. As CTCS students will earn more, they will make higher tax payments throughout their working lives. Students’ employers will also make higher tax payments as they increase their output and purchases of goods and services. By the end of the FY 2016-17 students’ working lives, the state and local government will have collected a present value of $220.8 million in added taxes.

Benefits to taxpayers will also consist of savings generated by the improved lifestyles of CTCS students and the corresponding reduced government services. Education is statistically correlated with a variety of lifestyle changes. Students’ CTCS educations will generate savings in three main categories: 1) healthcare, 2) crime, and 3) income assistance. Improved health will lower students’ demand for national health care services. In addition, students will less likely to interact with the criminal justice system, resulting in a reduced demand for law enforcement and victim costs. CTCS students will be more employable, so their reduced demand for income assistance such as welfare and unemployment benefits will benefit taxpayers. For a list of study references, contact CTCS for a copy of the main report. Altogether, the present value of the benefits associated with a CTCS education will generate $13.8 million in savings to state and local taxpayers.

Total taxpayer benefits amount to $234.6 million, the present value sum of the added taxes and public sector savings. Taxpayer costs are $78.8 million, equal to the amount of state and local government funding CTCS received in FY 2016-17. These benefits and costs yield a benefit-cost ratio of 3.0. This means that for every dollar of public money invested in CTCS in FY 2016-17, taxpayers will receive a cumulative value of $3.00 over the course of the students’ working lives.

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<thead>
<tr>
<th>Benefit-cost Ratio</th>
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<td><strong>STUDENT PERSPECTIVE</strong></td>
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<td>Present value benefits</td>
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</tr>
<tr>
<td>$2.2 billion</td>
<td>Net present value</td>
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</table>

* The rate of return is not reported for the social perspective because the beneficiaries of the investment are not necessarily the same as the original investors.
course of the students’ working lives. The average annual internal rate of return for taxpayers is 8.3%, which compares favorably to other long-term investments in the public and private sectors.

Social perspective

Society as a whole in West Virginia benefits from the presence of CTCS in two major ways. Primarily, society benefits from an increased economic base in the state. This is attributed to higher student earnings and increased business output, which raise economic prosperity in West Virginia.

Benefits to society also consist of the savings generated by the improved lifestyles of CTCS students. As discussed in the previous section, education is statistically correlated with a variety of lifestyle changes that generate social savings. Note that these costs are avoided by the consumers but are distinct from the costs avoided by the taxpayers outlined above. Healthcare savings include avoided medical costs associated with smoking, alcohol dependence, obesity, drug abuse, and depression. Savings related to crime include reduced security expenditures and insurance administration, lower victim costs, and reduced expenditures by the criminal justice system. Income assistance savings include reduced welfare and unemployment claims. For a list of study references, contact CTCS for a copy of the main report.

Altogether, the social benefits of CTCS equal a present value of $2.5 billion. These benefits include $2.4 billion in added income through students’ increased lifetime earnings and increased business output, as well as $51.1 million in social savings related to health, crime, and income assistance in West Virginia. People in West Virginia invested a present value total of $298.9 million in CTCS in FY 2016-17. The cost includes all of the colleges’ expenditures and student costs.

The benefit-cost ratio for society is 8.3, equal to the $2.5 billion in benefits divided by the $298.9 million in costs. In other words, for every dollar invested in CTCS, people in West Virginia will receive a cumulative value of $8.30 in benefits. The benefits of this investment will occur for as long as CTCS’s FY 2016-17 students remain employed in the state workforce.

Summary of investment analysis results

The results of the analysis demonstrate that CTCS is a strong investment for all three major stakeholder groups—students, taxpayers, and society. As shown, students receive a great return for their investments in a CTCS education. At the same time, taxpayers’ investment in CTCS returns more to government budgets than it costs and creates a wide range of social benefits throughout West Virginia.
Conclusion

The results of this study demonstrate that CTCS creates value from multiple perspectives. The colleges benefit state businesses by increasing consumer spending in the state and supplying a steady flow of qualified, trained workers to the workforce. CTCS colleges enrich the lives of students by raising their lifetime earnings and helping them achieve their individual potential. The colleges benefit state and local taxpayers through increased tax receipts and a reduced demand for government-supported social services. Finally, CTCS benefits society as a whole in West Virginia by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of students.

About the Study

Data and assumptions used in the study are based on several sources, including the FY 2016-17 academic and financial reports from CTCS colleges and the West Virginia Higher Education Policy Commission, industry and employment data from the U.S. Bureau of Labor Statistics and U.S. Census Bureau, outputs of Emsi’s Multi-Regional Social Accounting Matrix model, and a variety of studies and surveys relating education to social behavior. The study applies a conservative methodology and follows standard practice using only the most recognized indicators of economic impact and investment effectiveness. For a full description of the data and approach used in the study, please contact CTCS for a copy of the main report.

Emsi

Emsi is a leading provider of economic impact studies and labor market data to educational institutions, workforce planners, and regional developers in the U.S. and internationally. Since 2000, Emsi has completed over 1,800 economic impact studies for educational institutions in four countries. Emsi has also conducted aggregate studies for 32 statewide community college systems. Visit www.economicmodeling.com for more information about Emsi’s products and services.
West Virginia Code §18B-1D-8 statutorily mandates the West Virginia Higher Education Report Card. This annual accountability report provides year-end higher education statistics for both of the state’s higher education systems, the West Virginia Higher Education Policy Commission (Commission) and West Virginia Council for Community and Technical College Education (Council). Many of the enrollment, retention, graduation, and financial aid statistics found throughout this publication are reflective of the individual master plans approved by the Commission (Leading the Way Access. Success. Impact. 2013-2018) and the Council (Fulfilling the Vision 2015-2020). This edition of the West Virginia Higher Education Report Card primarily focuses on the 2017-18 academic year.

DATA HIGHLIGHTS:

Statewide Data

College-Going Rates

- The overall college-going rate decreased 0.3 percentage points from 55.0 percent to 54.5 percent between 2016 and 2017. The in-state college-going rate increased slightly from 47.2 percent to 47.4 percent between 2016 and 2017. The overall and in-state college going rates have decreased 1.4 and 0.9 percentage points, respectively, since 2013.

Degrees/Certificates Awarded

- The total number of degrees and credentials awarded at West Virginia public institutions during the 2017 academic year was 18,399, which is 0.9 percent lower than the 18,573 credentials awarded in 2016. Over the ten-year period from 2008 to 2017, the total number of degrees and credentials has increased by 23.3 percent from the 2008 level of 14,917.
Community and Technical College System Data

Enrollment

- The number of students enrolled in for-credit classes at community and technical colleges has decreased 6.3 percent, from 20,150 in 2016 to 18,878 in 2017. For-credit enrollment has decreased 21.0 percent since the fall of 2013.

- Annual headcount enrollment decreased 9.1 percent, from 26,321 in 2016 to 23,938 in 2017. Since 2013, annual headcount enrollment has decreased 24.5 percent.

- The number of adult students enrolled in for-credit classes decreased 6.9 percent from 2016 to 2017, and 26.1 percent since fall 2013.

- Part-time student enrollment decreased 5.2 percent from 2016 to 2017, and 12.36 percent since fall 2013.

Tuition and Fees

- Increases in tuition and fees from 2016 to 2017 at community and technical colleges ranged from a low of 4.3 percent at Blue Ridge Community and Technical College to a high of 7.0 percent at New River Community and Technical College. Mountwest Community and Technical College was the only institution in the public two-year sector that did not increase tuition and fees between 2016 and 2017.

- Over the five-year period from 2013 to 2017, tuition and fee increases varied from a low of 11.6 percent at Mountwest Community and Technical College to a high of 31.8 percent at West Virginia Northern Community College.

Degrees/Certificates Awarded

- The number of certificates and degrees awarded within the community and technical college system decreased 5.1 percent from 2016 to 2017. Over the five-year period since 2013, the number of certificates and degrees conferred increased 0.8 percent.

- The number of students entering bachelor’s degree programs the following fall after enrollment in a community college decreased 4.9 percent, from 1,299 in the fall of 2015 to 1,235 in the fall of 2016.

Developmental Education
• The percentage of first-time freshmen enrolled in remedial education courses increased by 2.2 percentage points, from 49.2 percent in 2016 to 51.4 percent in 2017.

• The proportion of first-time freshmen requiring remediation who passed a credit-bearing college-level course within two years increased 20.2 percentage points in English and 37.0 percentage points in math, from 2012 to 2016.

Workforce Development

• The total number of skill enhancement completers decreased from 12,977 in 2016-17 to 10,497 in 2017-18. During the same period, the number of students completing skillset programs increased from 9,279 to 10,497. These figures are typically reflective of the training need of employers in the immediate regions surrounding an institution.

• The total number of training contact hours delivered in the Community and Technical College System decreased 0.9 percent, from 797,496 in 2016 to 804,586 in 2017.

• The number of students completing career-technical certificate programs decreased 1.1 percent from 1,462 in 2016 to 1,446 in 2017. Since 2013, the number of certificate completers has increased from 1,036 to 1,446, a growth of 39.6 percent.

• The number of students completing career-technical associate degree programs decreased 1.7 percent from 2016 to 2017. Career-technical associate degree program completion has decreased by 5.3 percent since 2013.