



## **Background**

At our April 18, 2019 PDC meeting, Dr. John Capps, President of CVCC, met with the PDC and provided additional information about the Career and Technical Education Academy and how that would fit in supporting the manufacturing sector.

During the summer of 2019 the PDC conducted a survey of local government officials to identify and update regional priorities. In October 2019 a facilitated workshop, *Strategic Directions Roundtable*, was held with 35 local government officials discussing the outcome of the survey and working in groups to refine the priorities identified in the survey.

The outcome of the October discussion identified Economic Development as the priority area for the region.

At the November 21 PDC meeting, the PDC unanimously agreed to focus our energies to support the Advanced Manufacturing sector of our region's economy and asked staff to develop some implementation ideas.

At the January meeting the PDC explored several options to support the Advanced Manufacturing sector of our economy. At that meeting the PDC agreed that our best efforts to support the Advanced Manufacturing sector would be to support the establishment of a Career and Technical Education Academy at CVCC and asked staff to begin dialogue with the College staff and with public school superintendents.

## **GO Virginia Grant**

During 2019 the Community College utilized a grant to survey the business community to identify needs and gaps where a Career and Technical Academy could make the most impact. A proposed curriculum was developed from those survey responses. ([Attached](#))

Planning for the establishment of the Academy revolves around the establishment of two College staff positions:

- Director of Operations
- Director of Academy Development

To secure these positions, CVCC intends to apply to GO Virginia Region 2 for \$266,000 to support these positions over a two-year period to be matched by \$134,000 over two years. CVCC officials have asked the PDC for the match funds.

At the Executive Committee meeting of 6-29-20, the Committee heard a presentation from CVCC and unanimously agreed to recommend that the PDC support this request of \$134,000 over two years from PDC reserves.

### **Impact to PDC Reserves**

In March 2019 the PDC revised our fund balance policy to recommend that we keep a minimum of eight (8) months of operational expenses in our Reserve accounts.

As of May 31, 2020, there is \$845,145 in the PDC reserves. Following our policy, our reserves should not drop below \$597,612. So, the full amount is available and would leave \$113,533 for future use by the PDC.

	<b>Option 1</b>	<b>% of request</b>	<b>Option 2</b>	<b>% of request</b>	<b>Option 3</b>	<b>% of request</b>
<i>Gift</i>	\$134,000	100%	\$100,000	75%	\$75,000	56%
<i>Reserve balance after gift</i>	\$711,145		\$745,145		\$770,145	
<i>Funds available above minimum</i>	\$113,533		\$147,533		\$172,533	

Staff still envisions hiring an additional planner when the COVID-19 pandemic recedes, and we may need some reserves as a back-stop. It's not likely we'll ask for this position in this fiscal year.

There may be other projects or match money in the future that we would need some resources for.

## **Funding for Academy Staff positions after the first two years**

In conversations with the Executive Committee on 6-29, CVCC President John Capps assured the Committee that funding would be available for the two positions after the two-year start-up period from tuition and other state funds.

### **Recommended action:**

The Executive Committee has recommended that the entire \$134,000 request be provided from our reserve funds over a two-year period.

If the \$134,000 is pledged, staff recommends that the Commission not make further draws but reserve the balance for future initiatives, such as a back-stop for the new planner position in 2021-2022.

If the Commission gifts less than the full request, the funds could be provided at one time and need not spread over two fiscal years. That may make it easier on the Community College when trying to raise the balance.