Virginia Tech Board of Visitors Meeting

Information Session

Sunday, June 3, 2018
1:30 - 3:30 p.m.
The Classroom Building, Auditorium (Room 160)
Virginia Tech Campus

Tour of Classroom Building and Integrated Security Education and Research Center (ISERC)
- Dr. Ken Smith, Vice Provost, Academic Resource Management
- Dr. Kira Gantt, Associate Director of Education and Outreach, Hume Center for Security and Technology

Industry Partnerships and Technology Transfer
- Dr. Theresa Mayer, Vice President for Research and Innovation

Strategic Planning Update
- Dr. Menah Pratt-Clarke, Vice President for Strategic Affairs & Vice Provost for Inclusion and Diversity

InclusiveVT
- Summary of May 3 Town Hall Meeting
  - Dr. Menah Pratt-Clarke, Vice President of Strategic Affairs & Vice Provost for Inclusion and Diversity

Increasing Diversity in Science: Concrete Steps
- Dr. Sally Morton, Dean, College of Science

The Promotion and Tenure Process
- Dr. Jack Finney, Vice Provost for Faculty Affairs

Constituent Reports
- Mr. Seyi Olusina, Undergraduate Student Representative to the Board
- Mr. Brett Netto, Graduate Student Representative to the Board
- Mr. Robert Sebek, Staff Representative to the Board
- Dr. Hans Robinson, Faculty Representative to the Board

Annual Cycle of BOV Agenda Items
- Mr. Dennis Treacy, BOV Rector
Industry Partnerships and Technology Transfer

Updates, Facts and Figures, Actions | June 2018
Advancement & Research and Innovation

Discovery

Sponsored Programs & Philanthropic Gifts
Discovery ... to Market

Intellectual Property
University owns all rights on IP discovered under government-funded research

University IP is licensed to:
- Established companies
- University start-up ventures

The terms of the licensing deal include royalty fees and/or equity stakes

Royalty Streams
A percentage of gross or net revenues derived from the use of an asset or a fixed price per unit sold of an item

Equity Streams
A share of the (future) profits on sale of a new venture
Intellectual Property

For industry-funded programs, the parties generally agree to the rights of any future IP created before the program begins.

Licensing terms typically consider the industry investment in the research:

- Non-exclusive or exclusive
- Royalty or non-royalty bearing
- Restricted field of use or all fields of use

Generally limits the licensing revenue to the university and inventors, and restricts the use of the IP in new ventures.
Federal and industry-supported research at Virginia Tech

### FY16 Federal Expenditure Rank – 61st

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<th>Rank</th>
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<th>Federal</th>
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<td>Carnegie Mellon U.</td>
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<td>U. Hawaii, Manoa</td>
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<tr>
<td>78</td>
<td>65</td>
<td>Albert Einstein C. of Medicine</td>
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### FY16 Industry Expenditure Rank – 28th

<table>
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<tr>
<th>Rank</th>
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<td>14</td>
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<td>MIT</td>
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<tr>
<td>22</td>
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<td>Mt. Sinai Medical</td>
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<td>Texas A&amp;M</td>
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<tr>
<td>35</td>
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<td>Emory U.</td>
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* Virginia Tech FY16 Federal Expenditure Rank – 61st
  FY16 Industry Expenditure Rank – 28th
Discovery to Market – a platform for engagement and growth

LINK Center for Advancing Industry Partnerships
- Holistic approach to industry engagement
- Relationship management
- Sponsored programs business terms
- Philanthropic giving
- Strategic concept and proposal development
- Faculty engagement, education, culture

Responsibilities
- Patentability assessments and whitespace analysis
- Patent filings, prosecution, maintenance
- Agreement administration and management
- Accounting and fund distribution

Intellectual Property Management within a VT affiliated corporation
LINK – the essentials

- Founded in Summer 2017 as a Presidential Priority
- Partnership between Research, Advancement, Colleges, Institutes
- Replaced Corporate and Foundation Relations and selected staff in Research and Innovation
- Recruited Executive Director, Dr. Brandy Salmon, with 20+ years of business development and innovation management experience
- Center has been staffed with Director, two Associate Directors, and two Project Coordinators
- Key operations are underway and team is supporting full range of industry engagement activities
Industry partnership highlights at Virginia Tech
As member of selected group of universities, Virginia Tech excels as a Ford Alliance Partner, continuing to win numerous sponsored research programs as part of competitive award process.
One of the largest companies producing farm equipment globally, Mahindra Group, joins the Virginia Tech Corporate Research Center to become its largest internationally headquarterd tenant and begins comprehensive sponsored research partnership with Virginia Tech.
Block.one donated $3M to support a new curricula to enhance blockchain programming skills. The first step in what we hope will be a comprehensive partnership and platform for blockchain education and research.
Qualcomm maintains its support for Think-a-bit Labs, which has touched ~5000 students and teachers, primarily from underserved and underrepresented communities in the D.C. area since its inception in 2016. The Labs are a model for pathway programs supported through industry-university partnership.
Tech Transfer is important to Virginia Tech

01 Faculty and student recruitment and retention

02 Value creation and knowledge dissemination

03 Entrepreneurial initiatives and culture

04 Bayh-Dole Act to protect and promote IP created with federal funding

05 Economic development and public good

06 Commitments to the community and the Commonwealth
Bayh-Dole Act requires universities that accept federal dollars to provide technology transfer support.

Perhaps the most inspired piece of legislation to be enacted in America over the past half-century.” - Economist, 2002

Non-profits including Universities
- Elect to retain title to innovations developed under federally funded research
- Promote use of inventions
- File patents on inventions they intend to own
- Give licensing preferences to small business

Federal Government
- Retains non-exclusive license to practice
- Retains march-in rights

![Pie chart showing funding distribution](chart.png)

- Federal 73.78%
- Industry 7.25%
- Nonprofit 7.74%
- State and local 7.53%
- All other sources 3.71%

$197 million
Virginia Tech is committed to supporting economic development and impact in the Commonwealth and beyond

“One of the things that is important to me and to Tim Sands is we don’t want VTC to be the end game. We are the catalyst for innovation, entrepreneurship and economic growth for this region. That’s where we see the end game as more a continued growth and change, and real excitement to grow the economy.”

-- Carilion CEO Nancy Agee, Roanoke Times, October 2017
An effective and efficient intellectual property and marketing strategy is essential for successful technology commercialization efforts.
Virginia Tech’s disclosure of technologies and patent applications relative to others illustrates the pipeline.

![Invention Disclosures and Patent Applications – Five Year Average (AUTM)](chart)

- Invention disclosures
- Patent applications

*Universities with similar total research expenditures*
Virginia Tech’s licensing revenue provides one measure of value creation

Licensing revenue from various institutions:
- Northwestern = $200M
- Princeton = $135M
- UC System = $130M
- UT System = $88M
- MIT = $70M
- Stanford = $45M

* ~50% of current licensing revenue is from the small grain breeding program

Licensing Revenue – Five Year Average (AUTM)
Virginia Tech’s portfolio of non-agriculture agreements illustrate prior decisions and trade-offs

<table>
<thead>
<tr>
<th>Non Agriculture</th>
<th>Total active agreements</th>
<th>Percent that are royalty-free</th>
<th>Total number of agreements with any chance of royalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>192</td>
<td>65%</td>
<td>~60</td>
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<table>
<thead>
<tr>
<th>Agriculture</th>
<th>Total active agreements</th>
<th>Percent with chance of royalty</th>
<th>Percent of royalties from seed-related agreements available to support IP management</th>
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</thead>
<tbody>
<tr>
<td>50</td>
<td>100%</td>
<td>~20%</td>
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Industry Affiliate Programs offer pre-competitive research and technology development to industry partners.

- Established in 1998 as an NSF-funded Engineering Research Center, the Center for Power Electronics Systems (CPES) is now a Virginia Tech Industry Affiliate Program.
- 80+ members pay dues in exchange for non-exclusive royalty free licenses to IP, which is supported by membership dues.
- The large patent estate (50+ awarded patents) includes technologies that can be found in virtually every mobile device and many other notable inventions.

80+ Industry Members

form the CPES Industry Affiliate Program with annual membership dues between $25K - $50K.
The seed-related agriculture portfolio illustrates (a) impacts of decisions on future investment and (b) areas of strength.

<table>
<thead>
<tr>
<th>Non-Agriculture</th>
<th>Agriculture</th>
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<tbody>
<tr>
<td>192 Total active agreements</td>
<td>50 Total active agreements</td>
</tr>
<tr>
<td>65% Percent that are royalty-free</td>
<td>100% Percent with chance of royalty</td>
</tr>
<tr>
<td>~60 Total number of agreements with any chance of royalty</td>
<td>~80% Percent of royalties from seed-related agreements are returned to support the small grain seed program; not available to support IP management</td>
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</table>
Unreimbursed legal fees serve as a proxy for investment.
Discovery to Market – a platform for engagement and growth

**DISCOVERY TO MARKET**

**LINK** Center for Advancing Industry Partnerships
- Holistic approach to industry engagement
- Relationships with industry contacts
- Sponsored program business terms
- Philanthropic giving
- Strategic concept and proposal development
- Faculty engagement, education, culture

**LAUNCH** Center for New Ventures
- Support for entrepreneurs and start-ups
- Relationships with angel and venture investors
- Proof-of-Concept grant (with VRIC)
- Entrepreneur-in-Residence (EIR) program
- Alumni and community engagement
- Technology showcases and marketing

**Intellectual Property Management**

- Patentability assessments and whitespace analysis
- Patent filings, prosecution, maintenance
- Agreement administration and management
- Accounting and fund distribution

within a VT affiliated corporation
Ongoing efforts are driving enhancements to technology transfer and commercialization at Virginia Tech

1. Integrate tech transfer function with other Virginia Tech teams, including industry partnerships, new ventures, sponsored programs, colleges, and institutes.

2. Create an affiliation agreement and funding model that aligns with university goals.

3. Move beyond risk averse culture focused on administrative functions and process to one that values innovation and growth.

4. Refocus away from late-stage agreement management to proactive identification of market needs, partners, applications, and engagement.

5. Identify funding to support technology commercialization efforts and start-ups.
Strategic Planning Update

Menah Pratt-Clarke
Vice President for Strategic Affairs
Strategic Planning Process Update
June 2018
The Big Picture: Developing the Process and Framework

- Information gathering and collaboration.
  - January – April 2018 Retreats, committee meetings, collaboration with university units.

- Develop mission, vision, core values and objectives.
  - March 2018 – Draft mission, vision, core values and objectives, develop communication strategy, workgroups and university presentations to subcommittees.

- Campus engagement and communication.
  - April and May 2018 – Engage and inform campus of the strategic planning process.
Committee Presentations and Discussions (January to May)

- Metrics In Academia (Ron Fricker)
- HUME (Charles Clancy)
- Rankings and Metrics Indicators (James Harder, Mallory Miller)
- Destination Areas (Marcia Davitt)
- Research (Theresa Mayer)
- Institute for Society Culture and Environment (Karen Roberto)
- Institutional Research (Roxanne Gile, Abhay Joshi)
- Institute for Creativity Arts and Technology (Ben Knapp)
- Financial Resource Metrics (Savita Sharma)
- Academic Affairs Metrics (Ken Smith)
- Biocomplexity Institute (Chris Barrett)
- Virginia Tech Transportation Institute (Tim Dingus)
- Institute for Critical Technology and Applied Science (Stefan Duma)
- Auxiliary Budget Process (Tim Hodge)
Draft Vision
An inspirational and aspirational statement of what we want to become

We will be the global leader for transformative change in the spirit of *Ut Prosim* (That I May Serve).
As a public land grant university, we enhance personal development; foster economic growth and sustainability; promote diverse and inclusive communities; advance the human condition; and improve the quality of life through knowledge, discovery, innovation, and creativity.
Draft Strategic Objectives

The key principles that support the vision and mission

Global Land-Grant

Engage in integrated approaches to discovery, learning, and engagement – regionally, nationally, and the nation through economic development,

Economic Development

Support the viability of the Commonwealth of Virginia and the nation through economic development, industry partnerships, and talent development.

Research and Discovery

Advance knowledge acquisition, discovery, innovation, and the creative process within and across disciplines.

Student Success

Prepare students, through innovative teaching and learning, to be empathetic, creative, informed, and engaged citizens.
Draft Strategic Objectives

The key principles that support the vision and mission

Inclusion, Diversity, and Excellence
Promote the institutional and individual commitment to community, diversity, equity, and excellence in accordance with the Principles of Community.

Financial Sustainability
Identify and manage new, diverse, and sustainable revenue sources and implement versatile and robust financial management models and systems.

Campus of the Future
Create and sustain an infrastructure that supports world-class talent and provides dynamic learning and discovery environments through a technology-enhanced campus.

Continuous Planning
Integrate continuous planning, evaluation, and assessment for agile, flexible, and data-informed decisions.
Draft Core Values
The foundation for the vision, mission, and strategic objectives

Collaboration and Integration.
We value an integrated approach to discovery, learning, and outreach that is collaborative, transdisciplinary, and impactful.

Diverse and Inclusive Communities.
We value the imperative of diversity, inclusion, and equity to achieve excellence.

Access and Affordability.
We are committed to creating affordable educational opportunities for the Commonwealth of Virginia consistent with its land-grant mission.

Mutual Respect and Open Expression.
We support and promote open expression, self-awareness, mutual respect, and the engagement of different perspectives to enhance discovery, learning, and outreach.

Ethics and Integrity.
We expect the university and its members to maintain the highest standards of integrity and ethical behavior, both personally and professionally.

Reflection and Improvement.
We value continuous evaluation and improvement to advance individual and institutional objectives.
Summer Work Plan

- Refine and revise vision, missions, values, and objectives
- Develop white paper on metrics and rankings
- Begin to identify high-level goals for strategic objectives
Questions

Materials and feedback link:
http://www.beyondboundaries.vt.edu/strategic
planning.html

Email us at:
strategicaffairs@vt.edu

Office for Strategic Affairs
Virginia Tech
BOV Update from May 3, 2018 Town Hall on Diversity

Tim Sands, President
Menah Pratt-Clarke, Vice President for Strategic Affairs
Vice Provost for Inclusion and Diversity
Inclusion and Diversity at Virginia Tech

Where we’ve been, Where we’re going, How we’re making a difference
The national conversation on diversity
InclusiveVT: Institutional and individual commitment to *Ut Prosim* in the spirit of community, diversity, and excellence. (May, 2016)

**Diversity Strategic Goals:**

- Institutionalizing structures that promote sustainable transformation
- Increasing faculty, staff, and student diversity
- Ensuring a welcoming, affirming, safe, and accessible campus climate
- Preparing students for service through an understanding of issues of identity, the human condition, and life chances.
Impact Overviews

Institutionalizing structures that promote sustainable transformation
InclusiveVT Framework

Deans, VPs
Provides unit leadership

Advance InclusiveVT
Advises on faculty recruitment & retention

InclusiveVT Representatives
Builds community

Diversity Committees
Plans programs

President’s InclusiveVT Executive Council
- Defines vision
- Sets goals for inclusion & diversity

Office for Inclusion & Diversity
- Builds capacity
- Facilitates execution of vision and mission

CEOD, Caucuses, Community and Cultural Centers & Alliances
Cross-cutting advocacy
Diversity Strategic Planning (2017-2018)

Accelerating Diversity Outcomes

16 Sr. Mgmt. Areas
2 Vice Provost Areas
40 Academic depts.
Compositional Diversity
Increasing faculty, staff, and student diversity
Project 2022

Fall 2017
13% URM
30% URM/USS

Fall 2022
25% URM
40% URM/USS

- Fall census of entering undergraduate class, including first-year and transfer students
- URM = UnderRepresented Minority
- USS = UnderServed Students (First-generation & Pell)
- URM/USS not double-counted
New Leadership (2017)

Increase in underrepresented and underserved applications

Admissions restructuring, non-cognitive factors, pipeline programs, life experiences, leadership, overcoming obstacles

Luisa Havens, Vice Provost
Juan Espinoza, Associate VP
Alphonso Garrett, Director, Diversity
Enrollment Management Outreach Programs

➢ Hispanic College Institute Pre-College Program
➢ Native American Pre-College Outreach
➢ College Access Collaborative Summer Programs
➢ Black College Institute Pre-College Program
Initiatives Benefitting Students

- Student Success Center
- Cultural Community Centers
- Task Force Reviewing Student Support
- Life Science Mentoring
- Ujima LLC
- SOAR Program
Retention Support

FINANCIAL AID AND SCHOLARSHIPS (Beyond Boundaries, InclusiveVT Excellence Fund)

TUTORING / MENTORING (Cultural Community Centers, Student Success Center)

SOAR (Student Opportunity and Achievement Resources)

The Commonwealth of Scholars (Academic Excellence)
Faculty Hiring

- Target of Talent
- Future Faculty Fellows
- Advance InclusiveVT
- Diversity Search Advocates

DiversityEdu For Faculty Searches

- 75% completion

- 30 Underrepresented hires anticipated 2017-18

Actions
Education and Training
Overview

Ensuring a welcoming, affirming, safe, and accessible campus climate
DiversityEdu

Providing a common knowledge and basic foundation around diversity and inclusion consistent with Ut Prosim and the Principles of Community.

Year One-2016
- 5571 students
- 93.1% completion

Year Two - 2017
- 7201 students
- 99.5% completion

Looking Forward: **100% completion**

Extending the DiversityEdu message through face-to-face dialogue in FYE, HRL, and IEC
Strategic Diversity Education:

Tied to the InclusiveVT mission and goals:
• transformational infrastructure,
• compositional diversity,
• campus climate,
• the academic mission.

Tier One: “Inclusion Edu” (all employees)

Tier Two: Diversity Awareness + Inclusive Pedagogy (open enrollment)

Tier Three: Capacity Building + Inclusive Excellence (targeted cohorts)
Diversity Programming

- Generative
- Mission-focused
- Responsive

2015 Reading Groups
2016 Unfinished Conversations
2017 Diversity Infrastructure
2018 Courageous Conversations
Impact on the Academic Mission

Preparing students for service through an understanding of issues of identity, the human condition, and life chances.
Pathways: General Education at VT

- Approved as a Core Area
- Critical Analysis of Equity and Identity in the United States
- Collegiate hires
- Presidential Pathways Teaching Fellows
- 4 Offers made to post-doctoral teaching fellows
- Beyond General Education

UJIMA Living Learning Community
(Africana Studies Program)

Required component in graduate student and professional student education

Equity and Social Disparity in the Human Condition Strategic Growth Area
What’s Next

• Integration of diversity into university strategic planning framework
• Focusing on capacity-building around diversity competency
• Continuing faculty diversity recruitment momentum and focusing on retention
• Developing comprehensive strategies for student success
• College/Unit Accountability with Diversity Plans
Increasing Diversity in Science: Concrete Steps

Consensus
Leadership
Commitment
Implementation

Sally C. Morton, Dean
“Who we are, where we come from, and what we’ve experienced influence the way we perceive issues and solve problems. I think the most diverse group will produce the best product.”

Tim Cook, CEO, Apple
Consensus:
The College of Science
Values Diversity
Equitable
Essential
Pragmatic
Leadership

Michel Pleimling has been named Director of Inclusion and Diversity for the College of Science, with a mission of helping create a faculty, student body, and community that is diverse and welcoming.
“We know that new challenges require new thinking and continued innovation. That’s why embracing diversity and inclusion is not just a nice-to-have, but rather a business priority.”

-Mary Barra, CEO, General Motors
Our Initial Focus: Increasing Faculty Diversity

The College committed philosophically, procedurally, and financially to increasing the number of under-represented minority faculty.
Our Ongoing Commitment

Faculty
Students
Staff
Education
Pipeline

AdvanceVT
InclusiveVT

College
Diversity
Committee

Departmental
Committees

Women In The Sciences
Our Initial State: Fall 2016

298 Instructional Faculty

- Biological Sciences
- Chemistry
- Economics
- Geosciences
- School of Neuroscience
- Academy of Integrated Science
- Mathematics
- Physics
- Psychology
- Statistics

<table>
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<tr>
<th>Faculty Characteristics</th>
<th>Number and Percent (Fall 2016)</th>
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<tr>
<td>Women</td>
<td>92 (31%)</td>
</tr>
<tr>
<td>White</td>
<td>232 (78%)</td>
</tr>
<tr>
<td>Asian</td>
<td>49 (16%)</td>
</tr>
<tr>
<td>Hispanic</td>
<td>10 (3%)</td>
</tr>
<tr>
<td>African American</td>
<td>5 (2%)</td>
</tr>
<tr>
<td>American Indian or Alaska Native</td>
<td>2 (1%)</td>
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### Science’s Current State

**Doctorates earned by African Americans in the U.S. in 2016**

<table>
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<th>Field</th>
<th>Number</th>
<th>Percent</th>
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</thead>
<tbody>
<tr>
<td>Psychology</td>
<td>233</td>
<td>6.9%</td>
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<tr>
<td>Chemistry</td>
<td>65</td>
<td>4.1%</td>
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<tr>
<td>Mathematics or Statistics</td>
<td>36</td>
<td>3.8%</td>
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<tr>
<td>Economics</td>
<td>18</td>
<td>3.5%</td>
</tr>
<tr>
<td>Geosciences</td>
<td>10</td>
<td>1.2%</td>
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</tbody>
</table>

66 African American women received a PhD in Physics in the U.S. between 1972 and 2012. During that time, 22,172 white men did.
Implementation: Creative Approaches

Institutionalizing our structure to promote sustainable transformation

• Committing College hiring lines
• Bridging post-docs
• Fellowships and scholarships
• Outreach
“We will make progress every year towards building a more diverse workforce and creating opportunities at every level of the company for all of Microsoft's employees.”

-Satya Nadella, CEO, Microsoft
Projected Results Fall 2018

Projected increases in Tenured, Tenure-track and Collegiate Faculty:

- 13 women
- 2 African Americans
- 2 Hispanics
The Promotion and Tenure Process

JACK W. FINNEY
VICE PROVOST FOR FACULTY AFFAIRS
BOV INFORMATION SESSION, JUNE 3, 2018
Faculty Ranks

Assistant Professor

• Responsibilities in teaching; research, scholarship, or creative achievements; and outreach and professional service; six year probationary period

Associate Professor

• Accomplishments in an appropriate combination of outstanding teaching; research, scholarship, or creative achievements; and outreach and professional service

Professor

• National or international recognition and excellence in research, scholarship, or creative achievement
Tenure

- Tenure is awarded when the community of scholars has judged the candidate to have met the teaching, research, and/or service expectations of the discipline, college, and university.

Continued Appointment

- Continued appointment is a parallel tenure status for library and extension faculty who demonstrate excellent service to Virginia Tech and continued professional growth and engagement.

Tenure and continued appointment ensure academic freedom in research and teaching.
I. Executive Summary
II. Recommendation Letters (internal and external)
III. Candidate’s Statement
IV. Teaching and Advising Effectiveness
V. Research and Creative Activities
VI. International & Professional Service and Other Outreach & Extension Activities
VII. University Service
VIII. Work Under Review or In Progress
IX. Other Pertinent Activities
Evaluation Process for Promotion & Tenure

- Department P&T Committee
- Department Head
- College P&T Committee
- Dean
- University P&T Committee
- Provost
- President
- Board of Visitors
Promotion & Tenure Policies & Practices

- Six-year probationary period
- 2nd and 4th year reviews of progress
- Extend the tenure clock policy
- Non-mandatory promotion to associate with tenure
- Mentoring for assistant professors
- Mentoring for associate professors
- Written expectations and standards
- Workshops on the promotion process
  - P&T committee members and heads
  - Promotion to professor
  - College committees and faculty
Promotion & Tenure Success, 2010-2018

- 2010-11: 94%
- 2011-12: 95%
- 2012-13: 94%
- 2013-14: 86%
- 2014-15: 96%
- 2015-16: 84%
- 2016-17: 86%
- 2017-18: 92%
Questions?
<table>
<thead>
<tr>
<th>August/September</th>
<th>November</th>
<th>March/April</th>
<th>June</th>
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<tbody>
<tr>
<td>Board orientation /retreat</td>
<td>Annual strategic plan progress report</td>
<td>Tuition and fees</td>
<td>All budgets</td>
</tr>
<tr>
<td>President’s evaluation</td>
<td>Pratt Fund expenditures report</td>
<td>Graduate student compensation</td>
<td>Promotion and tenure</td>
</tr>
<tr>
<td>Faculty Handbook revision</td>
<td>External Awards – Ruffner Medal and University Distinguished Achievement Award</td>
<td>Faculty research leaves</td>
<td>Faculty compensation plan</td>
</tr>
<tr>
<td>National Distinction Program</td>
<td>Athletics department contractual payments for next calendar year</td>
<td>Capital outlay plan/update</td>
<td>Six-year plan/update</td>
</tr>
<tr>
<td>Resolution to Exclude Certain Officers/Directors</td>
<td>Discussion with APA auditor</td>
<td>Selection of student reps for next academic year</td>
<td>Election of BOV Officers</td>
</tr>
<tr>
<td>ACC Governing Board Annual Certification</td>
<td>Review debt ratio/capacity</td>
<td>University annual audited financial report</td>
<td>Enrollment Management Report</td>
</tr>
<tr>
<td>Resolutions of Appreciation for BOV whose terms ended</td>
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<td>NCAA Compliance Report</td>
<td>Discussion with APA Auditor</td>
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<tr>
<td>Every Meeting: Higher Ed Institutional Performance Measures</td>
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<td>Related Corporations – Annual Report on Compliance</td>
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<td>Requests for emeritus status</td>
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<td>• Endowed chairs/professorships/fellowships</td>
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<td>• Faculty salary program (schedule determined by General Assembly)</td>
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<td>• SACSCOC update</td>
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<td>Related corporation affiliation agreements</td>
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<td>• Capital project resolutions</td>
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BOARD OF VISITORS

MEETING

June 3-4, 2018

Virginia Polytechnic Institute and State University
Board of Visitors Meeting Schedule
June 3-4, 2018

Sunday, June 3: All activities on Sunday (except meals) are at the Classroom Building (CB). Transportation will be provided between The Inn/Grove and the CB and Lavery Hall, or Board members may walk.

9:45 a.m. Van transports BOV members from The Inn/Grove to the Classroom Building

10:00 – 10:30 a.m. Compliance, Audit, & Risk Committee (Kazmi, Long, Mills, Valeiras) will meet in Closed Session, Room 110A.

10:30 – 11:45 a.m. Compliance, Audit, & Risk Committee (Kazmi, Long, Mills, Valeiras) will meet in Open Session, Room 110B. All Board members are encouraged to attend.

12:00 – 1:00 p.m. Lunch for the Board in the 1872 Fire Grill at Turner Place in Lavery Hall.

12:00 – 1:00 p.m. Executive Committee lunch meeting in Closed Session (Treacy, Kazmi, Petrine, Quillen, Sanghani, Valeiras), Turner Place, Community Room (Room 150).

1:30 – 3:30 p.m. Information Session for the full Board in the auditorium (Room 160). Includes tour of building and the Integrated Security Education and Research Center (ISERC), technology commercialization, strategic plan, InclusiveVT, science diversity, promotion and tenure, and constituent reports.

3:45 – 5:30 p.m. Governance & Administration Committee (Kazmi, Sanghani, Veatch) will meet in Open Session in Rooms 110A and B. All Board members are encouraged to attend.

6:25 p.m. Bus departs from the front of The Inn to The Grove for dinner (by invitation only) Transportation will be provided back to The Inn after dinner.

Monday, June 4: All meetings on Monday morning will be held at the Classroom Building (CB).

7:45 a.m. Van transports Finance & Resource Committee and other BOV members to CB.

8:00 a.m. Finance & Resource Management Committee Closed Session in Room 110B.
8:15 a.m. Finance & Resource Management Committee Open Session in Room 130B.

8:15 a.m. Van transports Academic, Research, and Student Affairs Committee and other BOV members from The Grove/Inn to the Classroom Building

8:25 a.m. Buildings & Grounds Committee assembles in lobby of The Inn for tour of English Field, Rector Field House, and O’Shaughnessy Hall, departing by bus at 8:30 a.m.

8:30 a.m. Academic, Research, & Student Affairs Committee Closed Session in Room 110A.
9:00 a.m. Academic, Research, & Student Affairs Committee Open Session in Room 120.

10:00 a.m. Buildings & Grounds Committee Open Session in Room 130A.

11:15 a.m. Buildings & Grounds Committee and Finance & Resource Management Committee will meet jointly in Open Session in Rooms 130A and B.

12:00 noon Lunch for the Board at The Inn in Old Guard Salon and Preston’s main dining room. Transportation will be provided to The Inn, or Board members may walk.

1:00 p.m. Bus departs promptly from the front of The Inn.
1:15 p.m. Full Board Meeting in Torgersen Hall Board Room (2100)

4:00 p.m. (time approximate) Meeting concludes/depart Blacksburg; transportation provided back to The Inn, The Grove, and VT Airport.
**INDEX - Board of Visitors Meeting – June 3-4, 2018**

**Cover**  
Cover, Index, Membership Listing, Committee Assignments

**Tab A**  
Information Session – Sunday, June 3, 2018

**Tab B**  
Open Session Agenda – Monday, June 4, 2018

**Tab C**  
Approval of Consent Agenda Open Items
- Approval of Minutes from March 26, 2018 BOV Meeting
- Academic, Research, and Student Affairs Committee General Report – Monday, June 4, 2018 Meeting
- Buildings and Grounds Committee General Report – Monday, June 4, 2018 Meeting
- Compliance, Audit, and Risk Committee General Report – Sunday, June 3, 2018 Meeting
- Finance and Resource Management Committee General Report – Monday, June 4, 2018 Meeting
- Governance and Administration Committee General Report – Sunday, June 3, 2018 Meeting
- *Resolution for Approval of the 2018-19 Pratt Fund Budgets
- Resolution for Approval to Discontinue Degree, Bachelor of Science in Environmental Policy and Planning
- Resolution for Approval to Adopt the Virginia Tech Carilion School of Medicine Student Honor Code, Attributes of Professionalism, and Teacher-Learner Compact
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- Resolution for Approval of the 2018-19 Virginia Tech-Wake Forest University School of Biomedical Engineering and Sciences Budget
- Resolution for Approval to Reappoint University Commissioner to the Hotel Roanoke Conference Center Commission
- Report of Research and Development Disclosures (no action required)
- Report of Information Session (no action required)

**Tab D**  
Report of Academic, Research, and Student Affairs Committee - Agenda/Briefing Report

**Tab E**  
Academic, Research, and Student Affairs Agenda Items for Board Approval
- Resolution for Approval of a New Degree, Bachelor of Arts in Science, Technology, and Society
- Resolution for Approval of a New Degree, Bachelor of Science in Science, Technology, and Society

**Tab F**  
Report of Buildings and Grounds Committee - Agenda/Briefing Report

**Tab G**  
Buildings and Grounds Agenda Items for Board Approval
- Resolution for Approval of Agreement to Amend the Articles of Incorporation of the Montgomery Regional Solid Waste Authority and to Extend Term of User Agreement Between the Authority and the University
- Resolution for Approval of Appointments to the Montgomery Regional Solid Waste Authority
- **Resolution for Approval for Planning the Capital Project for Slusher Residence Hall Replacement**
- **Resolution for Approval for Capital Project for Dietrick First Floor and Plaza Renovation Supplement**

Tab H Report of Compliance, Audit, and Risk Committee – Agenda/Briefing Report

Tab I Report of the Finance and Resource Management Committee – Agenda/Briefing Report

Tab J Finance and Resource Management Agenda Items for Board Approval
- Resolution for Approval on Report and Recommendation Regarding Quasi-Endowments
- Resolution for Approval on University Lines of Credit
- Resolution for Approval of 2018-19 Faculty Compensation Plan
- Resolution for Approval of the 2018-19 Auxiliary Systems Budgets:
  i. Dormitory and Dining Hall System Budget
  ii. Electric Service Utility System Budget
  iii. University Services System Budget
  iv. Athletic Facilities System Budget
- Resolution for Approval of the 2018-19 University Budget: Operating and Capital
- Resolution for Approval of Year-to-Date Financial Performance Report (July 1, 2017 – March 31, 2018)
- **Resolution for Approval for Planning the Capital Project for Slusher Residence Hall Replacement**
- **Resolution for Approval for Capital Project for Dietrick First Floor and Plaza Renovation Supplement**

Tab K Report of the Governance and Administration Committee – Agenda/Briefing Report

Tab L Open Session President’s Report Items for Board Approval and Information

Tab M Motion to Begin Closed Session

Tab N Closed Session Agenda – Monday, March 26, 2018

Tab O Approval of Consent Agenda Closed Items
- Resolutions for Approval of Emeritus Requests (4)
- Resolution for Approval of Endowed Chairs, Professorships, or Fellowships (1)
- Resolutions for Approval of the Exception to the Virginia Conflict of Interests Act (2)
- Resolution for Approval of Faculty Leave Request (1)

Tab P Closed Session Salary and Personnel Actions for Board Approval
- *Resolution for Ratification of the Personnel Changes Report*
- *Resolution for Approval of the 2018-19 Promotion, Tenure, and Continued Appointment Program (125)*

Tab Q Closed Session President’s Report Items for Board Approval and Information
- Resolution on Naming University Facility (1)
- Resolutions for Approval of Special Recognition (2)

Tab R Litigation Report – (Not for approval)

Tab S Motion to Return to Open Session

Tab T Report of the Nominating Committee
*These items have been reviewed by the Academic, Research, & Student Affairs Committee and the Finance & Resource Management Committee of the Board of Visitors.

**These items have been reviewed by the Buildings and Grounds Committee and the Finance and Resource Management Committee of the Board of Visitors.

There is no public comment period at this meeting.
CURRENT MEMBERS OF THE BOARD OF VISITORS:

Mr. Greta J. Harris  
Mr. Charles T. Hill  
Ms. Anna L. James  
Mr. Mehmood S. Kazmi  
Ms. Letitia A. Long  
Mr. Robert J. Mills  
Ms. Deborah Leigh Martin Petrine, Vice-Rector  
Mr. Michael J. Quillen  
Mr. L. Chris Petersen  
Rev. Wayne H. Robinson  
Mr. Mehul P. Sanghani  
Mr. Dennis H. Treacy, Rector  
Mr. Horacio A. Valeiras  
Mr. Jeff E. Veatch  

Undergraduate Student Representative: Mr. Seyi Olusina  
Graduate Student Representative: Mr. Brett Netto  
Staff Senate Representative: Mr. Robert Sebek  
Faculty Senate Representative: Dr. Hans Robinson  

ADMINISTRATIVE STAFF:

Dr. Timothy D. Sands: President  
Dr. Cyril R. Clarke: Interim Executive Vice President and Provost  

Dr. Karen DePauw: Vice President and Dean for Graduate Education  
Dr. Michael J. Friedlander, Vice President for Health Sciences and Technology  
Dr. Guru Ghosh: Vice President for Outreach and International Affairs  
Dr. Theresa S. Mayer: Vice President for Research and Innovation  
Dr. Steven H. McKnight: Vice President for the National Capital Region  
Dr. Scott F. Midkiff: Vice President for Information Technology & Chief Information Officer  
Ms. Kim O’Rourke: Vice President for Policy and Governance & Secretary to the Board  
Dr. Patricia A. Perillo: Vice President for Student Affairs  
Mr. Charles D. Phlegar: Vice President for Advancement  
Dr. Menah Pratt-Clarke, Vice Provost for Inclusion and Diversity & Vice President for Strategic Affairs  
Mr. M. Dwight Shelton: Vice President for Finance and Chief Financial Officer  
Dr. Lisa J. Wilkes, Interim Vice President for Human Resources  
Dr. Sherwood Wilson: Vice President for Operations  

Ms. Kay K. Heidbreder: University Legal Counsel  
Ms. Sharon M. Kurek: Executive Director of Audit, Risk, and Compliance  
Mr. Christopher J. Yianilos: Executive Director of Government Relations
Academic, Research, and Student Affairs Committee
Debbie Petrine, Vice Rector, *Committee Chair*
Tish Long
Chris Petersen
Wayne Robinson

Buildings and Grounds Committee
Mike Quillen, *Committee Chair*
C. T. Hill
Robert Mills

Compliance, Audit, and Risk Committee
Mehmood Kazmi, *Committee Chair* (also rep GA)
Tish Long (rep ARSA)
Robert Mills (rep B&G)
Horacio Valeiras (rep FRM)

Finance and Resource Management Committee
Horacio Valeiras, *Committee Chair*
Greta Harris
Anna James

Governance and Administration Committee
Mehul Sanghani, *Committee Chair*
Mehmood Kazmi
Jeff Veatch

Executive Committee (6 members)
Dennis Treacy, Rector
Debbie Petrine, *Vice Rector*, Academic, Research, and Student Affairs Committee Chair
Mike Quillen, *Buildings & Grounds Committee Chair*
Mehmood Kazmi, Compliance, Audit, and Risk Committee Chair
Horacio Valeiras, Finance and Resource Management Committee Chair
Mehul Sanghani, Governance and Administration Committee Chair

The Rector is an ex officio member of all standing committees.
Virginia Tech Board of Visitors Meeting

Information Session

Sunday, June 3, 2018
1:30 - 3:30 p.m.
The Classroom Building, Auditorium (Room 160)
Virginia Tech Campus

Tour of Classroom Building and Integrated Security Education and Research Center (ISERC)
- Dr. Ken Smith, Vice Provost, Academic Resource Management
- Dr. Kira Gantt, Associate Director of Education and Outreach, Hume Center for Security and Technology

Industry Partnerships and Technology Transfer
- Dr. Theresa Mayer, Vice President for Research and Innovation

Strategic Planning Update
- Dr. Menah Pratt-Clarke, Vice President for Strategic Affairs & Vice Provost for Inclusion and Diversity

InclusiveVT

Summary of May 3 Town Hall Meeting
- Dr. Menah Pratt-Clarke, Vice President of Strategic Affairs & Vice Provost for Inclusion and Diversity

Increasing Diversity in Science: Concrete Steps
- Dr. Sally Morton, Dean, College of Science

The Promotion and Tenure Process
- Dr. Jack Finney, Vice Provost for Faculty Affairs

Constituent Reports
- Mr. Seyi Olusina, Undergraduate Student Representative to the Board
- Mr. Brett Netto, Graduate Student Representative to the Board
- Mr. Robert Sebek, Staff Representative to the Board
- Dr. Hans Robinson, Faculty Representative to the Board

Annual Cycle of BOV Agenda Items
- Mr. Dennis Treacy, BOV Rector
Approval of Consent Agenda Open Items

The Full Board will consider for approval and acceptance the items listed on the Consent Agenda as follows.

- Approval of Minutes from March 26, 2018 BOV Meeting
- Academic, Research, and Student Affairs Committee General Report – Monday, June 4, 2018 Meeting
- Buildings and Grounds Committee General Report – Monday, June 4, 2018 Meeting
- Compliance, Audit, and Risk Committee General Report – Sunday, June 3, 2018 Meeting
- Finance and Resource Management Committee General Report – Monday, June 4, 2018 Meeting
- Governance and Administration Committee General Report – Sunday, June 3, 2018 Meeting
- *Resolution for Approval of the 2018-19 Pratt Fund Budgets
- Resolution for Approval to Discontinue Degree, Bachelor of Science in Environmental Policy and Planning
- Resolution for Approval to Adopt the Virginia Tech Carilion School of Medicine Student Honor Code, Attributes of Professionalism, and Teacher-Learner Compact
- Resolution for Approval to Revise the Graduate Honor System Constitution
- Resolution for Approval to Clarify Faculty Handbook Language on Research Faculty Promotion Process
- Resolution for Approval to Clarify Faculty Handbook Language on Overload Compensation for Research Faculty Members Teaching Credit Classes
- Resolution for Approval to Clarify Language in Faculty Handbook on Removal Processes for Research Faculty Members
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- Resolution for Approval of New and Revised Language in Faculty Handbook Regarding Alumni Distinguished Professors
- Resolution for Approval for an Ingress and Egress Easement to the New River Valley Regional Water Authority
- Resolution for Approval of Appointment to the New River Valley Regional Water Authority
- Resolution for Approval of the 2018-19 Hotel Roanoke Conference Center Commission Budget
- Resolution for Approval of the 2018-19 Virginia Tech-Wake Forest University School of Biomedical Engineering and Sciences Budget
- Resolution for Approval to Reappoint University Commissioner to the Hotel Roanoke Conference Center Commission
- Report of Research and Development Disclosures (no action required)
- Report of Information Session (no action required)
MINUTES

March 26, 2018

The Board of Visitors of Virginia Polytechnic Institute and State University met on Monday, March 26, 2018, at 1:17 p.m. in Torgersen Boardroom (Room 2100), Virginia Tech Campus, Blacksburg, Virginia.

Present
Ms. Greta J. Harris
Mr. C. T. Hill
Ms. Anna L. James
Mr. Mehmood S. Kazmi
Ms. Letitia A. Long
Mr. Robert J. Mills
Ms. Deborah Leigh Martin Petrine (Vice Rector)
Mr. Michael J. Quillen
Mr. Wayne H. Robinson
Mr. Dennis H. Treacy (Rector)
Mr. Horacio A. Valeiras

Absent
Mr. L. Chris Petersen
Mr. Mehul P. Sanghani
Mr. Jeff Veatch

Constituent Representatives:
Dr. Hans Robinson, Faculty Representative
Mr. Robert Sebek, Staff Representative
Mr. Brett Netto, Graduate Student Representative
Mr. Seyi Olusina, Undergraduate Student Representative

Also present were the following: President Timothy Sands, Ms. Batul Al-Saigh, Mr. Zo Amani, Deputy Chief William Babb, Dr. Tom Brown, Mr. Robert Broyden, Ms. Lori Buchanan, Mr. Brock Burroughs, Mr. Ralph Byers, Ms. D’Elia Chandler, Dr. Cyril Clarke, Ms. Shelia Collins, Mr. Al Cooper, Mr. John Cusimano, Mr. Brian Daniels, Dr. Karen DePauw, Dr. John Dooley, Mr. Corey Earles, Dr. Jack Finney, Chief Kevin Foust, Dr. Lance Franklin, Dr. Michael Friedlander, Ms. Rachel Gabriele, Mr. David Guerin, Ms. Dee Harris, Dr. Lee Hawthorne, Ms. Kay Heidbreder, Mr. Tim Hodge, Ms. Amy Hogan, Dr. Rachel Holloway, Ms. Rachel Iwicki, Ms. Sabria Grace Kazmi, Dr. Chris Kiwus, Ms. Sharon Kurek, Dr. Theresa Mayer, Ms. Heidi McCoy, Ms. Nancy Meacham, Dr. Scott Midkiff, Mr. Mike Mulhare, Ms. April Myers, Ms. Kim O’Rourke, Mr. Mark Owczarski, Dr. Patty Perillo, Mr. Charles Phlegar, Dr. Ellen Plummer, Dr. Menah Pratt-Clarke, Mr. Chris Rahmes, Dr. Scot Ransbottom, Ms. Savita Sharma, Mr. Dwight Shelton, Ms. Sara Simpkins, Ms. Kayla Smith, Mr. Jon Clark Teglas, Ms. Tracy Vosburgh, Dr. Lisa Wilkes, Dr. Sherwood Wilson, Mr. Chris Yianilos, faculty, staff, students, guests, and reporters.

* * * * *

There was no public comment period.

* * * * *
Rector Treacy welcomed everyone to the Board meeting. He also wished President Sands and Ms. Long a very Happy Birthday.

Rector Treacy announced that the agenda would be re-ordered slightly. The Finance and Resource Management Committee report and action items will be moved up to follow the Consent Agenda Open Items to enable a Board member who has to leave early to vote on the important matter of tuition and fees.

**********

APPROVAL/ACCEPTANCE OF THE CONSENT AGENDA OPEN ITEMS*
(Refer to Attachments A through K)

[*Note: Items on the consent agenda are matters of importance that have been reviewed carefully by members of the board in preparation for the meeting but have been determined not to require discussion by the board or its committees.]*

Rector Treacy asked for a motion to approve/accept the consent agenda open session items as listed. The motion was made by Ms. Petrine, seconded by Ms. Harris, and approved unanimously.

- Ratify minutes from the State Council of Higher Education for Virginia (SCHEV) Board of Visitors Orientation Meeting held October 25, 2017 – Attachment A
- Approve minutes of the Board of Visitors Meeting held November 6, 2017
- Approve minutes of the Board of Visitors Task Force on Board Structure and Governance Meeting held January 25, 2018 – Attachment B
- Approve minutes of the Board of Visitors Executive Committee Meeting held March 13, 2018 – Attachment C
- Report of the Academic, Research, and Student Affairs Committee (3/26/18) – Attachment D
- Report of the Compliance, Audit, and Risk Committee (3/25/18) – Attachment F
- Report of the Finance and Resource Management Committee (3/25/18) – Attachment G
From the Academic, Research, and Student Affairs Committee Consent Agenda:

• Resolution to Approve Appointments to the Virginia Coal and Energy Research and Development Advisory Board – Attachment H

  This resolution appoints Victoria Sue Ratliff, Ed.D., to the Advisory Board for two years beginning March 26, 2018, and ending March 26, 2020.

From the Buildings and Grounds Committee Consent Agenda:

• Resolution for Approval for Appalachian Power Company Easement – Attachment I

  This resolution authorizes the Vice President for Operations to execute the easement to Appalachian Power Company.

From the Finance and Resource Management Committee Consent Agenda:

• Resolution for Approval to Change Authority to Manage the Staff Career Achievement Award – Attachment J

  This resolution delegates to the Vice President for Human Resources the authority to manage the Staff Career Achievement Award nomination and selection process. Any future changes to the selection criteria will continue to require approval of the Board of Visitors.

Consent agenda information item; no Board of Visitors action required:

• Report of Research and Development Disclosures – Attachment K

(Copies of consent agenda items are filed with the permanent minutes and marked as noted above.)

**********

REPORT OF THE FINANCE AND RESOURCE MANAGEMENT COMMITTEE

Rector Treacy called on Mr. Valeiras for the report of the Finance and Resource Management Committee.
As part of the Finance and Resource Management Committee report, approval of the following resolution was moved by Mr. Valeiras, seconded by Ms. Harris, and approved unanimously.

Resolution to Approve the Proposed Tuition and Fee Rates for 2018-19

That the proposed tuition and fee rates be approved, effective Fall Semester 2018, including ratification of the 2018-19 Tuition and Fee rates for the Virginia Tech Carilion School of Medicine. This approval is based on the assumption that the final outcome of the General Assembly will materially align with the University’s planning assumptions for revenues and expenses; therefore, the Board reserves the right to reconsider the 2018-19 tuition and fee rates based on the budget decisions of the Special Session of the General Assembly, which will be convened in April.  (Copy filed with the permanent minutes and marked Attachment O.)

* * * * *

As part of the Finance and Resource Management Committee report, approval of the following resolution was moved by Mr. Valeiras, seconded by Ms. Petrine, and approved unanimously.

Resolution to Approve the Year-to-Date Financial Performance Report
(July 1, 2017 – December 31, 2017)

That the report of income and expenditures for the University Division and the Cooperative Extension/Agricultural Experiment Station Division for the period of July 1, 2017, through December 31, 2017, and the Capital Outlay report be approved.  (Copy filed with the permanent minutes and marked Attachment P.)

* * * * *

As part of the Finance and Resource Management Committee report, approval of the following resolution was moved by Mr. Valeiras, seconded by Ms. Harris, and approved unanimously.

Resolution to Approve the 2018-19 Compensation for Graduate Assistants

That the graduate assistant compensation program for 2018-19 be approved.  (Copy filed with the permanent minutes and marked Attachment Q.)

* * * * *
As part of the Finance and Resource Management Committee report by Mr. Valeiras and with the endorsement of the Buildings and Grounds Committee, approval of the following resolution was moved by Mr. Valeiras, seconded by Mr. Quillen, and approved unanimously.

Resolution to Approve the Capital Project for the Student-Athlete Performance Center

That the resolution authorizing Virginia Tech to complete the Student-Athlete Performance Center be approved. (Copy filed with the permanent minutes and marked Attachment R.)

* * * * *

As part of the Finance and Resource Management Committee report by Mr. Valeiras and with the endorsement of the Buildings and Grounds Committee, approval of the following resolution was moved by Mr. Valeiras, seconded by Mr. Quillen, and approved unanimously.

Resolution to Approve the Capital Project for the ACC Network Studio

That the resolution authorizing Virginia Tech to complete the ACC Network Studio be approved. (Copy filed with the permanent minutes and marked Attachment S.)

* * * * *

As part of the Finance and Resource Management Committee report by Mr. Valeiras and with the endorsement of the Buildings and Grounds Committee, approval of the following resolution was moved by Mr. Valeiras, seconded by Mr. Quillen, and approved unanimously.

Resolution to Approve the Capital Project for the Squires Commonwealth Ballroom Improvements

That the resolution authorizing Virginia Tech to complete the Squires Commonwealth Ballroom Improvements be approved. (Copy filed with the permanent minutes and marked Attachment T.)

* * * * * * * * * *
REPORT OF THE ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE

Rector Treacy called on Ms. Petrine for the report of the Academic, Research, and Student Affairs Committee.

****************************

REPORT OF THE BUILDINGS AND GROUNDS COMMITTEE

Rector Treacy called on Mr. Quillen for the report of the Buildings and Grounds Committee.

As part of the Buildings and Grounds Committee report, approval of the following resolution was moved by Mr. Quillen, seconded Mr. Hill, and approved unanimously.

Resolution to Approve Issuance of a Quitclaim Deed on Property Located in Northampton County, Virginia

That this resolution authorizing the Vice President for Operations, his successors and/or assigns, to execute a Quitclaim Deed and any and all documents that may be necessary to accommodate the Virginia Department of General Services and release and convey any and all interest Virginia Tech may have in the approximately one (1) acre of land adjoining U. S. Highway 13 near Fairview in Northampton County, Virginia, to Northampton County be approved. (Copy filed with the permanent minutes and marked Attachment L.)

*****

Note: Ms. Long departed from the meeting at this point (1:45 p.m.) and was not present for subsequent votes. Her departure did not affect the quorum.

*****

As part of the Buildings and Grounds Committee report, approval of the following resolution was moved by Mr. Quillen, seconded Mr. Mills, and approved unanimously.

Resolution to Approve Appointment to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority

That this resolution recommending that Lucius Merritt be reappointed as a Town of Blacksburg-Virginia Tech joint representative to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority Board of Directors for a term expiring January 1, 2022, be approved. (Copy filed with the permanent minutes and marked Attachment M.)
As part of the Buildings and Grounds Committee report, approval of the following resolution was moved by Mr. Quillen, seconded Ms. Harris, and approved unanimously.

Resolution Appointing Representative of the Board at Public Hearings for Authorities

That this resolution recommending the Vice President for Operations be named as the university’s representative to any public hearings required for changes to the governing documents of the Blacksburg-Virginia Polytechnic Institute Sanitation Authority, the Montgomery Regional Solid Waste Authority, the New River Valley Emergency Communications Regional Authority, the New River Valley Regional Water Authority, and the Virginia Tech Montgomery Regional Airport Authority be approved. (Copy filed with the permanent minutes and marked Attachment N.)
Ms. Petrine summarized the key points. Feedback indicates that the new committee structure is working well generally. When topics overlap committees, meeting jointly for a portion of the meeting time may be appropriate. Use of consent agendas has allowed more time for discussion. At least through June, reporting on Beyond Boundaries and InclusiveVT at every meeting should be continued. Regular updates on the strategic/continuous planning process are requested at either the Sunday information session or to the Governance and Administration Committee; a focus on achieving efficiencies should be incorporated into planning. The Board orientation/retreat held last year was very successful, and it is recommended to be scheduled annually on the Saturday preceding the August/September Board meeting. Board self-assessment is a new accreditation requirement; the Governance and Administration Committee will plan for this in the fall and conduct an assessment in spring 2019. Ms. Petrine concluded that the Task Force will meet again sometime this summer between the June and August meetings to conduct another assessment of the new committee structure.

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Rector Treacy announced that he had asked the Governance and Administration Committee to consider undergraduate and graduate student representation, including the selection process, how they are governed, how committee assignments are made, etc. The Governance and Administration Committee will make recommendations to the Task Force this summer regarding adjustments that need to be made, if any.

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REPORT ON THE MEDICAL SCHOOL INTEGRATION

The Rector called on Ms. Petrine for a report on the Medical School Integration. Ms. Petrine serves as the BOV liaison to the Medical School Integration Steering Committee, and she provided the following updates:

- The various workgroups continue to work on integration, especially the IT group and the Personnel group which are on target to meet an early April deadline for transferring employees from Carilion to the university.

- Agreements between Carilion and the university are close to completion, thanks to Kay Heidbreder and a workgroup dedicated to negotiating language acceptable to all parties.

- The application and accompanying materials required to request approval to integrate the school of medicine were submitted, in person, to the university's accrediting body, the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), which is located in Atlanta, Georgia. SACSCOC will be voting in June on the university's request.

- For the fifth straight year, the medical school had a 100 percent match rate for its graduating class.
EXECUTIVE COMMITTEE

The Executive Committee is empowered to act on behalf of the Board between regular Board meetings. Rector Treacy announced that the Executive Committee met on March 13, 2018. At that meeting, the Executive Committee considered and approved three resolutions related to the integration of the Virginia Tech Carilion School of Medicine (VTCSOM).

In order for the integration to occur on July 1, 2018, Virginia Tech was required to submit an application to the university’s accrediting body, the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) by March 15, 2018.

Rector Treacy asked for a motion by a member of the Executive Committee to ratify these actions from the March 13, 2018 meeting. Approval of the following resolution was moved by Mr. Kazmi, seconded Mr. Quillen, and approved unanimously.

Resolution to Ratify Actions Taken by the Executive Committee at the Meeting Held on March 13, 2018

- That the resolution ratifying the actions taken by the Executive Committee of the Board of Visitors at a special meeting convened on March 13, 2018, as follows, be approved.

- Resolution to Approve the Virginia Tech Carilion School of Medicine Doctor of Medicine (MD) Degree Program

- Resolution to Incorporate into the Virginia Tech Faculty Handbook the Types of Faculty Appointments and Related Policies for Faculty of the Virginia Tech Carilion School of Medicine

- Resolution to Reaffirm the Virginia Tech Mission for the Southern Association of Colleges and Schools Commission on Colleges

(Copy filed with the permanent minutes and marked Attachment U.)

PRESIDENT’S REPORT

A copy of President Sands’ remarks to the Board of Visitors is filed with the permanent minutes and marked Attachment V.
Constituent Reports (no action required)

Undergraduate Student Representative to the Board – Mr. Seyi Olusina
Graduate Student Representative to the Board – Mr. Brett Netto
Staff Representative to the Board – Mr. Robert Sebek
Faculty Representative to the Board – Dr. Hans Robinson

(Copies filed with the permanent minutes and marked Attachment W.)

Motion to Begin Closed Session

Ms. Petrine moved that the Board convene in a closed meeting, pursuant to § 2.2-3711, Code of Virginia, as amended, for the purposes of discussing:

1. Appointment of faculty to Emeritus status, the consideration of individual salaries of faculty, consideration of Endowed Professors, review of departments where specific individuals’ performance will be discussed, and consideration of personnel changes including appointments, resignations, tenure, and salary adjustments of specific employees and faculty leave approvals;

2. The status of current litigation and briefing on actual or probable litigation;

3. Special Awards,

all pursuant to the following subparts of 2.2-3711 (A), Code of Virginia, as amended, .1, .7, and .10. The motion was seconded by Mr. Wayne Robinson and passed unanimously.

Motion to Return to Open Session

Following the Closed Session, members of the media, students, and the public were invited to return to the meeting. Rector Treacy called the meeting to order and asked Ms. Petrine to make the motion to return to open session. Ms. Petrine made the following motion:

WHEREAS, the Board of Visitors of Virginia Polytechnic Institute and State University has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provision of The Virginia Freedom of Information Act; and
WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Board of Visitors that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Board of Visitors of Virginia Polytechnic Institute and State University hereby certifies that, to the best of each member’s knowledge: (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed, or considered by the Board of Visitors.

The motion was seconded by Ms. Harris and passed unanimously.

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APPROVAL/ACCEPTANCE OF CONSENT AGENDA CLOSED SESSION ITEMS*
(Refer to Attachments X through Z)

[*Note: Items on the consent agenda are matters of importance that have been reviewed carefully by members of the board in preparation for the meeting but have been determined not to require discussion by the board or its committees.]

Rector Treacy asked for a motion to approve/accept the consent agenda items that were considered in closed session, as listed. The motion was made by Mr. Valeiras, seconded by Ms. Petrine, and approved unanimously.

- Resolutions for Approval of Emeritus Status (15) – Attachment X
- Resolutions for Approval of Endowed Chairs, Professorships, and Fellowships (14) – Attachment Y
- Resolutions for Approval of Faculty Leave Requests (75) – Attachment Z

(Copies of consent agenda items are filed with the permanent minutes and marked as noted above.)

* * * *

Upon motion by Ms. Petrine and second by Mr. Mills, unanimous approval was given to the Resolution Conferring Upon Minnis E. Ridenour an Honorary Doctor of Letters Degree as considered in Closed Session. This will be only the tenth honorary degree conferred in the history of the university. This item was reviewed by the Finance and Resource Management and the Academic, Research, and Student Affairs Committees. (Copy filed with the permanent minutes and marked Attachment AA.)
Upon motion by Ms. Petrine and second by Ms. Harris, unanimous approval was given to the resolution for ratification of the Personnel Changes Report as considered in Closed Session. This item was reviewed by the Finance and Resource Management and the Academic, Research, and Student Affairs Committees. (Copy filed with the permanent minutes and marked Attachment BB.)

Upon motion by Mr. Quillen and second by Mr. Wayne Robinson, unanimous approval was given to the Ratification of the Selection of the 2018-19 Student Representatives to the Board as considered in Closed Session.

Rachel Iwicki of Springfield, Virginia, a junior majoring in both mechanical engineering in the College of Engineering, and Russian in the College of Liberal Arts and Human Sciences, was named the undergraduate student representative.

Lorenzo (Zo) Amani of Fayetteville, North Carolina, a doctoral student in public administration and public affairs in the College of Architecture and Urban Studies, was named the graduate student representative.

Upon motion by Mr. Robinson and second by Ms. Harris, unanimous approval was given to the resolutions to Name University Facilities (4) as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment CC.)

Litigation Report
No Action Required

Appointment of Nominating Committee for Officers of the Board for 2018-19

Rector Treacy appointed the Nominating Committee for Officers of the Board.
   Chair:     Ms. Petrine
   Member:   Ms. James
   Member:   Mr. Kazmi

The committee will bring nominations for Rector, Vice Rector, and Secretary to the June Board meeting.
REPORT OF THE MARCH 25, 2018, INFORMATION SESSION

An information session (open session) for the Board of Visitors was held on Sunday, March 25, 2018, from 1:30 to 3:00 p.m. in the Solitude Room at The Inn at Virginia Tech. There were no action items, and there was no public comment period. The agenda included:

- Presentation on Sexual Assault by Dr. Kelly Oaks, Assistant Vice President for Equity and Accessibility.
- Presentation on InclusiveVT by Dr. Menah Pratt-Clarke, Vice President of Strategic Affairs and Vice Provost for Inclusion and Diversity.
- Briefing on the Strategic Plan by Dr. Menah Pratt-Clarke, Vice President of Strategic Affairs and Vice Provost for Inclusion and Diversity.
- Legislative Update by Mr. M. Dwight Shelton, Interim Senior Vice President for Operations and Administration; Mr. Chris Yianilos, Executive Director of Government Relations; and Ms. Elizabeth Hooper, Director of State Government Relations.

(Copies of the presentations are filed with the permanent minutes and marked Attachment DD.)

Following a motion by Mr. Mills and second by Mr. Hill, the meeting was adjourned at 3:30 p.m.

The date of the next regular meeting is June 3-4, 2018, in Blacksburg, Virginia.

Dennis H. Treacy, Rector

Kim O'Rourke, Secretary
Academic, Research, and Student Affairs General Report of June 4, 2018 will be presented at Monday’s meeting of the Board.
Buildings and Grounds General Report
of June 4, 2018
will be presented at
Monday’s meeting of the Board
Compliance, Audit, and Risk

General Report

of June 3, 2018

will be presented at

Monday’s meeting of the Board
Finance and Resource Management

General Report

of June 4, 2018

will be presented at

Monday’s meeting of the Board
Governance and Administration
General Report
of June 3, 2018
will be presented at
Monday’s meeting of the Board
In 1975, the university received a significant bequest from the estate of Mr. John Lee Pratt of Stafford County, following his death on December 20, 1975. The bequest was divided equally into two distinct parts, one to support Animal Nutrition and one to support the College of Engineering. According to the will, the bequest for Animal Nutrition was to be used to promote the study of animal nutrition by supplementing salaries, providing equipment and materials to be used for experiments in feeding and in the preparation of feeds for livestock and poultry, and publishing and disseminating the research results of the studies. The will provided that the bequest for the College of Engineering should be used to support research and scholarships.

Distributions of the Pratt Estate were received in several installments: $9,561,819 in 1976, $1,330,000 in 1977, $47,000 in 1979, and $30,164 in 1981, for a total of $10,968,983. The Pratt endowment has grown to $47.5 million as of March 31, 2018. The following paragraphs summarize some of the major accomplishments of the College of Engineering and the Animal Nutrition Programs that are directly tied to the funding provided by the Pratt estate.

When the Pratt Endowment was originally established, the College of Engineering was in the early stages of becoming a nationally recognized leader in engineering education and research. The Pratt Endowment has played a significant role in allowing the College to enrich its pool of students, to offer additional international study opportunities to students, and to provide increased support for its research.

Income from the Pratt Endowment provides an unusual opportunity to support an animal nutrition program of high quality. Use of these Endowment earnings have concentrated on enhancing research and educational opportunities beyond what departments could do with state and federal funding. The main funding strategy remains with strong support for Ph.D. training, direct research support, scientific equipment, and visiting professors that stimulate and inspire the faculty and students engaged in nutrition research.
Pursuant to the spending policy adopted for the Pratt Estate Fund, it is anticipated that additional income of $1,969,166 will be available for expenditure in FY 2018-2019. Targets of $999,333 and $969,833 were given respectively to the College of Engineering and to the Animal Nutrition Programs.

**College of Engineering**

Source of Funds:
- Endowment Income $999,333

Proposed Expenditures:
- Undergraduate Scholarships $507,583
- Undergraduate International Scholarships 60,000
- Graduate International Scholarships 30,000
- Graduate Tuition Scholarships 96,750
- Graduate Research Fellowships 182,000
- Graduate Recruitment for Research Programs 123,000

**Total Proposed Expenditures** $999,333

**Animal Nutrition**

Source of Funds:
- Endowment Income $969,833

Proposed Expenditures:
- Animal Nutrition Research and Scholarship $969,833

**Total Proposed Expenditures** $969,833

**RECOMMENDATION:**

That the proposed 2018-2019 allocation and use of Pratt Funds be approved.

June 4, 2018
RESOLUTION TO DISCONTINUE BACHELOR OF SCIENCE DEGREE IN ENVIRONMENTAL POLICY AND PLANNING

WHEREAS, the bachelor of science in environmental policy and planning was established in 1997; and

WHEREAS, the degree has been earned by 360 students over the past 20 years; and

WHEREAS, the administrative location of the undergraduate program is being moved within the College of Architecture and Urban Studies from the Urban Affairs and Planning program to the School of Public and International Affairs (SPIA); and

WHEREAS, the bachelor of arts in public and urban affairs (PUA) will be the only degree offered by SPIA; and

WHEREAS, a new environmental policy and planning major will be offered under the PUA degree; and

WHEREAS, a teach-out plan has been developed to ensure students currently enrolled in the bachelor of science may complete and be awarded the bachelor of science in environmental policy and planning; and

WHEREAS, spring 2018 will be the last semester for admitting students to the bachelor of science in environmental policy and planning; and

WHEREAS, current students in the bachelor of science in environmental policy and planning have been informed that the degree will be discontinued and they have until December 2021 to complete the degree requirements; and

WHEREAS, current students who plan to graduate in spring 2020 (or after) will have the option of transitioning to the new environmental policy and planning major under the PUA degree; now,

THEREFORE, BE IT RESOLVED, that the bachelor of science in environmental policy and planning be discontinued, effective fall 2021.

RECOMMENDATION:

That discontinuance of the bachelor of science in environmental policy and planning be approved effective fall 2021.

June 4, 2018
RESOLUTION TO ADOPT THE VIRGINIA TECH CARILION SCHOOL OF MEDICINE
STUDENT HONOR CODE, ATTRIBUTES OF PROFESSIONALISM, AND TEACHER-
LEARNER COMPACT

WHEREAS, Virginia Tech is acquiring and integrating the Virginia Tech Carilion School
of Medicine (VTCSOM) effective July 1, 2018, and

WHEREAS, by statute, the Virginia Tech Board of Visitors is charged with regulating the
government and discipline of students, and

WHEREAS, prior to integration, the VTCSOM as an independent school properly
promulgated and instituted student honor and conduct policies and procedures; and

WHEREAS, the independent VTCSOM included its Honor Code, Attributes of
Professionalism, and Teacher-Learner Compact documents in the review and
subsequent accreditation by the Southern Association of Colleges and Schools
Commission on Colleges (SACSCOC) and the Liaison Committee on Medical Education
(LCME); now

THEREFORE, BE IT RESOLVED, that the Virginia Tech Board of Visitors affirms that the
policies and procedures outlined in the student Hokie Handbook including the Virginia
Tech Student Code of Conduct apply to VTCSOM students, and

BE IT FURTHER RESOLVED, that the Virginia Tech Board of Visitors approves and
adopts the VTCSOM Honor Code, Attributes of Professionalism, and Teacher-Learner
Compact policies as attached (attachments A, B, C, and D); and

BE IT FURTHER RESOLVED, that the Board of Visitors directs the university's
administration to reference or integrate, as appropriate, into university policies,
handbooks, and procedures the VTCSOM Honor Code, Attributes of Professionalism,
and Teacher-Learner Compact policies, and

BE IT FURTHER RESOLVED, that after July 1, 2018 revisions to the VTCSOM Honor
Code, Attributes of Professionalism, and Teacher-Learner Compact will be submitted by
the VTCSOM, in collaboration with the Division of Student Affairs and/or the Office of the
Vice President and Dean for Graduate Education, for approval through appropriate
university governance processes for final approval by the Board of Visitors.

RECOMMENDATION:

That the Board of Visitors approve to approve the resolution to adopt the VTCSOM Honor
Code, Attributes of Professionalism, and Teacher-Learner Compact policies.

June 4, 2018
**VTCSOM Honor Code**

The Virginia Tech Carilion School of Medicine (VTCSOM) values the ability to trust the academic honesty and integrity of the students who matriculate through the curriculum and enter the field of medicine with a VTCSOM medical doctorate. It is imperative that students feel duty-bound to not only maintain allegiance to the VTCSOM Honor Code as individuals, but to expect the same Honor Code loyalty from the entire student body, faculty, and staff. Therefore, any individual who is not accountable to the Honor Code will be held responsible by students and administration alike.

Allegiance to the Honor Code requires students to pledge commitment to the following tenets:

- I will not cheat on any examination or assignment.
- I will not plagiarize any assignment.
- During exam reviews, I will not copy, record, or disseminate exam information.
- I will not create or report fictitious research data.
- I will not inappropriately access or use patient information, nor will I falsify patient documents.
- I will not condone, permit, or enable cheating or plagiarizing by other students.
- If I witness an Honor Code violation, I will report the violation to the Senior Dean for Student Affairs or other dean. I will then maintain confidentiality about the incident.
- If I learn of an Honor Code violation, I will maintain confidentiality regarding the details of the violation and thus not discuss it with other students, faculty, or staff. If I have concerns about what I heard, I will talk to the Senior Dean for Student Affairs.
- I will not harass any student who violates or reports an Honor Code violation.

I hereby attest that I have read, understand, and commit to uphold the Virginia Tech Carilion School of Medicine Honor Code.

Student Signature: _____________________________ Date: ______________________
Attributes of Professionalism

An essential task in the professional development of a medical student is to gain an understanding of the fundamental principles of the medical profession and attributes of the medical professional and to commit to the integration of these principles and attributes into her/his professional identity.

VTCSOM endorses the following attributes of professionalism as guiding principles of medical education and as consistent with the stated mission of VTCSOM to “produce physician thought leaders through an educational experience grounded in inquiry, research, and discovery” who will be prepared to serve patients in the most capable and compassionate manner. The following attributes apply to the classroom, the research laboratory, and the clinical settings.

Commitment to Engaged Learning: acknowledges primary responsibility for successful completion of the degree; demonstrates commitment to her/his own professional competence; punctual; attends required classes, clinics, or other required events; seeks additional knowledge and skills; seeks feedback; willing to assist other learners.

Compassion: considerate; displays empathy; listens attentively and responds humanely to the needs of patients; treats patients and families with dignity.

Conscientiousness: takes initiative; is flexible; delegates effectively; accepts personal responsibility for mistakes; asks for help when needed; maintains accurate information in patient records; discloses medical error when appropriate.

Respect: respectful of peers, faculty, staff, patients, and families; respects privacy and confidentiality.

Self-Awareness: fosters continued professional development; demonstrates emotional intelligence; maintains appropriate boundaries with patients and colleagues; avoids inappropriate sharing of health information of others; recognizes position as a role model for others.
**Self-Care:** maintains personal health and hygiene; seeks advice, counsel, or tutoring when recommended by others; avoids harmful behaviors; avoids inappropriate remarks; adheres to local dress codes.

**Sense of Duty:** completes assigned duties; sets and achieves realistic goals; follows policies; responds promptly when called; is detail-oriented; accepts inconvenience in meeting the needs of patients; volunteers one’s skills and expertise for the welfare of the community; seeks active roles in organizations.

**Social Responsibility:** demonstrates an unselfish regard for others (altruism); advocates for quality in the care of patients recognizes and addresses the social determinants of health as applies to patients and communities; advocates for reducing disparities in health care; understands the threats to medical professionalism posed by conflicts of interest.

**Teamwork:** works well with others; adheres to polices on authorship of documents; inspires trust; is respectful of different socioeconomic backgrounds and cultural traditions; is sensitive to team member needs; respects authority; provides honest, respectful feedback.

**Trustworthiness:** displays honesty and ethical behaviors in all academic pursuits including study and research; is honest in interactions with patients, peers, and the community; does not report private academic information of other students.

**Companion policies include:**
- Honor Code
- Teacher-Learner Compact
- Violations of the Honor Code and/or Attributes of Professionalism
- Use of Human Cadavers and the Virginia Intercollegiate Anatomy Laboratory (VIAL)
- Social Media
- Dress code
Virginia Tech Carilion School of Medicine (VTCSOM)

Statement: Violations of the Honor Code, Attributes of Professionalism and/or Teacher-Learner Compact
Subject: Student Affairs
Administrator: A. Knight
Rev.: 3
Original date: 9/12/2017
Revision dates: 12/8/2016, 8/2/2017

1 Purpose
VTCSOM takes the precepts outlined in the Attributes of Professionalism, the VTCSOM Honor Code, and the Teacher-Learner Compact quite seriously and has developed a prescribed process regarding alleged student violations of either of them. The Medical Student Performance and Promotion Committee (MSPPC) is delegated the ultimate responsibility for overseeing the student conduct system. The process of addressing concerns is an incremental one, and could involve a hearing by the MSPPC to consider varying actions (see below) that would affect the status of a medical student at VTCSOM up to and including dismissal from VTCSOM.

2 Policy
Definitions of the various committees
1. Medical Student Performance and Promotion Committee (MSPPC)- the VTCSOM committee delegated with the ultimate responsibility for overseeing the student conduct system. The membership of the MSPPC is further described in the student and faculty handbooks.
2. Student Conduct Committee- a sub-committee of the MSPPC which conducts the initial hearings related to violations of the VTCSOM Attributes of Professionalism and/or Teacher-Learner Compact and reports to the MSPPC. The committee is made up of one representative from each of the four value domains (Basic Science, Clinical Science, Research, and Interprofessionalism), two students who are not members of the MSPPC, and the Senior Dean for Student Affairs. The committee is chaired by the Senior Dean for Academic Affairs.
3. Honor Council- a sub-committee of the MSPPC which conducts the initial hearings related to violations of the VTCSOM Honor Code and reports to the MSPPC. The committee is chaired by the Senior Dean for Academic Affairs and composed of the chair and two students who are not members of the MSPPC.

Honor Code Violation
Circumstances may arise when a faculty member, staff member, medical school administrator, resident physician, other healthcare worker, fellow student, or other individual involved directly or indirectly with medical student education feels that a student has violated the terms of the VTCSOM Honor Code. When this occurs, the following process should be followed.
1. Any individual who witnesses a potential violation of the Honor Code should report this to the Senior Dean for Academic Affairs.
2. The Senior Dean for Academic Affairs will convene a meeting of the Honor Council.
3. The Honor Council will meet with the involved student and the individual(s) filing the allegation as soon as possible and within five (5) business days. The Senior Dean for Student Affairs will be present in support of the student; the student may self-select one additional support person. The student will be given an opportunity to explain or rebut any of the evidence or information concerning conduct or circumstances contained in the written allegation.

**Student Violation of the Attributes of Professionalism and/or Teacher-Learner Compact**

Circumstances may arise when a faculty member, staff member, medical school administrator, resident physician, other healthcare worker, fellow student, or other individual involved directly or indirectly with medical student education feels that a student has exhibited an action or behavior that they would consider unprofessional or academically dishonest in nature and/or could be in violation of the Attributes of Professionalism and/or the Teacher-Learner Compact but does not rise to the level of a Code violation. When this occurs, the following process should be followed. The incremental process identifies a hierarchy of individuals who may address the concern.

1. The individual who has witnessed or experienced the behavior may address their concern directly with the student, identifying the specifics of their concern and requesting that the behavior stop or other action be taken to correct the situation.
2. If that fails to correct the situation or if the individual so chooses, he/she may address his/her concern verbally or in writing with whomever would be considered their direct report or the student’s direct supervisor in the context in which the concerning behavior has occurred.
3. If that fails to correct the situation or if the individual so chooses, he/she may address his/her concern with the appropriate Domain or Clerkship Director.
4. If that fails to correct the situation or if the individual so chooses, he/she may address his/her concern with either the Senior Dean for Student Affairs or the Senior Dean for Academic Affairs (or designee).
5. Once any individual involved in the process has determined that they will address the concern, they must meet with the student within three (3) business days of when the concern is brought to their attention. During this meeting they are to discuss the nature of the concern/s and identify possible resolution. Should an understanding be reached regarding a resolution, all those who were involved in the process will be informed of the proposed resolution by the person who addressed the concern. If the behavior continues or is repeated after an apparent resolution has been determined, this should be reported in writing to the Senior Dean for Student Affairs or the Senior Dean for Academic Affairs (or designee) and request that the Student Conduct Committee be convened.
6. If the person who initially raised the concern is not satisfied with the outcome of the initial inquiry, they may request that the concern be forwarded to the Senior Dean for Student Affairs or the Senior Dean for Academic Affairs (or designee) and request that the Student Conduct Committee be convened.
7. At any point in this process, based on the nature of the concern, the repetitive nature of it, the comfort of the individual in addressing the concern, or the student’s response when the concern is brought to their attention, any of the above individuals may bring the concern directly to the Senior Dean for Student Affairs or
the Senior Dean for Academic Affairs (or designee) and request that the Student Conduct Committee be convened.

8. All concerns brought to Senior Dean for Student Affairs or the Senior Dean for Academic Affairs (or designee) with a request that the Student Conduct Committee be convened should be in writing, specifying in appropriate detail the nature of the concern. The receipt of such information by Senior Dean for Student Affairs or the Senior Dean for Academic Affairs (or designee) will automatically lead to a formal investigation of the concern by the Student Conduct Committee and will be done within three (3) business days.

9. Though not required, the Senior Dean for Student Affairs encourages any concerns regarding student conduct to be brought to his/her attention, even if a satisfactory resolution has been reached. This should be done in writing. If this is done, the communication should specify that no further action is requested (“FYI”).

10. If during the investigation into the complaint it is felt that the accusation/s made against the student are unwarranted or frivolous, such actions would be addressed with the direct supervisor of the individual who initially raised the concern.

11. Once a formal investigation is initiated by the Student Conduct Committee, it is considered unprofessional conduct for an accused student to share the details of this investigation with anyone without prior permission from the Senior Dean for Student Affairs. The frivolous, gratuitous, and/or damaging spread of information is an unprofessional action and could in itself result in the student being referred to the MSPPC for disciplinary action.

**Protecting Confidentiality:**
Circumstances may arise when an individual feels the need to bring forth a concern regarding a student to the school administration but for whatever reason desires to remain anonymous. In such circumstances, the individual is encouraged to contact their supervisor to initiate the grievance. The process of addressing the concern would be that listed above, with the exception that the individual who addresses the concern with the student would be the supervisor who would serve as the proxy for the person who brought forth the concern and wished to remain anonymous. It must be recognized that the ongoing desire for anonymity on the part of the person raising the concern may limit those involved with investigating the complaint and attempting to determine a resolution.

**Suspension from School:**
In circumstances when it is felt that a student’s presence on campus or in the clinical setting, based on the nature of the concern, could have the potential to adversely impact the safety and/or well-being of others, that student may be placed in a suspension status and barred from campus by joint agreement of the Senior Dean for Student Affairs and the Chair of the MSPPC pending an MSPPC hearing. Should this occur, the Dean must be notified in writing and an emergency meeting of the MSPPC must be held within 3 business days to review the circumstances of the violation and make recommendations. The student’s suspension status would be reviewed as part of the emergency meeting and could be extended by a determination of the MSPPC.
3 Procedures

Hearing related to an Honor Code Violation

1. The individual who witnessed the potential violation of the Honor Code should report this to the Senior Dean for Academic Affairs.
2. A confidential file maintained by the Senior Dean for Student Affairs will be created. Access to this file shall be restricted to the Senior Dean for Student Affairs and is not part of the student’s permanent record. The Senior Dean for Student Affairs may share information from this file, as necessary, with the accused student, the Chair of the MSPPC, the Dean, other medical school leadership, and VTCSOM legal counsel as he/she deems appropriate.
3. The Senior Dean for Student Affairs will make the student aware of the allegation in writing or, preferably, in person.
4. The Chair of the MSPPC will be made aware of the allegation.
5. The Senior Dean for Student Affairs may mandate a psychiatric, psychological, and/or substance abuse evaluation at any point in the investigation, or as part of the corrective action. The results of this mandated assessment must be made available to the Senior Dean for Student Affairs as well as the Chair of the MSPPC should the MSPPC become involved.
6. The Senior Dean for Academic Affairs will convene a meeting of the Honor Council.
7. The Honor Council will meet with the involved student and the individual(s) filing the allegation as soon as possible and within five (5) business days. The Senior Dean for Student Affairs will be present in support of the student; the student may self-select one additional support person. The student will be given an opportunity to explain or rebut any of the evidence or information concerning conduct or circumstances contained in the written allegation.
8. After reviewing all pertinent information, the subcommittee shall make one of the following recommendations within five (5) business days:
   a. Refer the matter to the MSPPC for further investigation, hearing, and action.
   b. Dismiss the matter due to insufficient evidence. If the Honor Council is not in full agreement with regards to their decision, the matter must be referred to the MSPPC for investigation and hearing.
9. The MSPPC Chair will review the subcommittee’s recommendation and supporting information and:
   a. If a hearing is required, the Chair must initiate the procedure by notifying the student by letter following the process outlined below.
   b. If the matter has been dismissed due to insufficient evidence, the Chair shall inform the student and the Senior Dean for Student Affairs in writing of this decision and shall expunge the record. It is the responsibility of the Senior Dean for Student Affairs to contact other involved parties, including the individual(s) who brought forth the allegation(s), to let them know of this decision.

Hearing related to a Violation of the Attributes of Professionalism and/or Teacher-Learner Compact:

1. As outlined above, a concern regarding a possible violation of the Attributes of Professionalism and/or Teacher-Learner Compact including but not limited to unprofessional behavior may be raised at any time by any member of the VTCSOM
community. If an allegation is submitted in written form, it should describe in detail the specific violation to allow review by the appropriate persons and/or committees, and to inform the student of the nature of the offences or conduct which must be explained and should be signed by the person who is raising the concern/allegation. The receipt of a written allegation of unprofessional behavior by the Senior Dean for Student Affairs or Senior Dean for Academic Affairs requires the convening of the Student Conduct Committee for a formal inquiry. A confidential file maintained by the Senior Dean for Student Affairs will be created. Access to this file shall be restricted to the Senior Dean for Student Affairs and is not part of the student’s permanent record. The Senior Dean for Student Affairs may share information from this file, as necessary, with the accused student, the Chair of the MSPPC, the Dean, other medical school leadership, and VTCSOM legal counsel as he/she deems appropriate.

2. The Senior Dean for Student Affairs and/or Senior Dean for Academic Affairs, upon receipt of a written allegation of unprofessional behavior, is authorized to convene a meeting of the Student Conduct Committee.

3. The details of the complaint and plans for the Student Conduct Committee timeline are made available to the Chair of the MSPPC.

4. The Senior Dean for Student Affairs will make the student aware of the allegation in writing or, preferably, in person.

5. The Senior Dean for Student Affairs may mandate a psychiatric, psychological, and/or substance abuse evaluation at any point in the investigation, or as part of the corrective action. The results of this mandated assessment must be made available to the Senior Dean for Student Affairs as well as the Chair of the MSPPC should the MSPPC become involved.

6. The Student Conduct Committee will meet with the involved student and the individual(s) filing the allegation as soon as possible and within five (5) business days. The Senior Dean for Student Affairs will be present in support of the student; the student may self-select one addition support person. The student will be given an opportunity to explain or rebut any of the evidence or information concerning conduct or circumstances contained in the written allegation.

7. After reviewing all pertinent information, the committee shall make one of the following recommendations within five (5) business days:
   a. Refer the matter to the MSPPC for further investigation, hearing, and action.
   b. Dismiss the matter due to insufficient evidence.

8. The MSPPC Chair will review the subcommittee’s recommendation and supporting information and:
   a. If a hearing is required, the Chair must initiate the procedure by notifying the student by letter following the process outlined below.
   b. If the matter has been dismissed due to insufficient evidence, the Chair shall inform the student and the Senior Dean for Student Affairs in writing of this decision and shall expunge the record. It is the responsibility of the Senior Dean for Student Affairs to contact other involved parties, including the individual/s who brought forth the allegation/s, to let them know of this decision.
Appearing Before the MSPPC:
If the need for an MSPPC hearing has been determined, the MSPPC Chairperson shall notify the student by letter of the details of the dismissal hearing at least ten (10) business days prior to the scheduled MSPPC hearing. The Chairperson shall send the letter by certified mail, return receipt requested, to the student at his/her address appearing in the registrar's records. The letter may also be hand delivered to the student by the Senior Dean for Student Affairs with the student signing a document acknowledging receipt of the letter. A copy of the letter will be sent to the Senior Dean for Student Affairs who will be available to advise the student in matters pertaining to the hearing. In the event that the Chairperson is unable to have the letter personally delivered to the student or the student does not sign the receipt for the certified letter, after reasonable attempts, the MSPPC Chairperson may show by sworn statement that a reasonable attempt has been made to provide notice to the student, and the MSPPC shall proceed with the hearing.

The letter to the student shall:
A. Document the alleged violation(s) if professional behavior or academic dishonesty;
B. Direct the student to be present at the specified time, date, and place of the dismissal hearing;
C. Advise the student of his/her rights to:
   a. Appear in person alone or with one student-selected member of the VTC community.
   b. The student may request up to two (2) additional members of the VTC community to attend the hearing to provide support. The granting of this request is entirely at the discretion of the Chair of the MSPPC, taking into account issues of confidentiality and hearing decorum. None of these support persons may participate in the hearing. This request must be made in writing to the Chair of the MSPPC at least 5 business days prior to the hearing.
   c. Have legal counsel present. Legal counsel may make no statements, may not ask questions, and may not submit written or other materials.
   d. Request the Chair of the MSPPC recuse any persons designated to hear the case for cause or conflict of interest.
   e. Know the identity of each person who will provide information in the case.
   f. Summon individuals to provide supporting information, require production of documentary and other evidence, offer evidence, and argue in his/her own behalf.
   g. Question each person who will provide information in the case for the purpose of clarification.
   h. Receive a copy of the secretary's summary of the hearing which will not include a summary of the committee’s deliberations.
   i. Appeal the decision of the MSPPC to the Dean.
D. Direct the student that they shall disclose through the Committee Chairperson no later than five (5) business days before the meeting their intent to be assisted by legal counsel during the meeting. Failure to provide notification will result in forfeiture of the right to have legal counsel present.
E. Indicate that the student shall disclose to the Committee Chairperson no later than five (5) business days before the meeting, the names of any persons to be called to the meeting to speak on behalf of the student with regard to the allegations...
F. List the names of any individuals the Committee will call to provide information concerning the allegations at the hearing.

G. Indicate that any member of the MSPPC may question the involved student and anyone else who provides information on the student’s behalf.

The MSPPC Chairperson shall compile a list of all individuals who will present information on behalf of either the student or VTCSOM and shall distribute the list to the student and to each member of the MSPPC four (4) business days before the meeting. In deciding the question of dismissal, the MSPPC has the right and responsibility to review the student’s entire record. The MSPPC for good cause may postpone the hearing and notify all involved persons of the new hearing date, time, and place. Upon request of the student, the MSPPC also may waive the ten business day period of notice, informing all involved persons of the new hearing date, time, and place.

The Hearing will be conducted with the objective of providing basic fairness to all parties. For disciplinary hearings of the MSPPC, a quorum is considered a simple majority of the committee members. This number must include at least one student member. The proceedings of the MSPPC meeting may be recorded at the discretion of the committee Chair. The purpose of this recording is to provide clarification for the members of the MSPPC. There will be no transcript made of this recording, and the recording will be destroyed once the case has been resolved or the appeals process has been exhausted. The MSPPC Chairperson shall preside during the meeting according to the following procedure:

1. The Chair of the MSPPC presents an overview of the procedure to the student. The Chair of the MSPPC or the Senior Dean for Academic Affairs will review the allegations against the student.
2. VTCSOM legal counsel may be present.
3. The student presents his/her case.
4. The student may have legal counsel present under the conditions outlined above.
5. The student’s legal counsel, if present, may make no statements, may not ask questions, and may not submit written material.
6. Persons called to the meeting may present information and then may be questioned by the student and members of MSPPC. The purpose of the student questioning is for clarification of the information presented, and is not intended to rebut the statements of any individuals presenting.
7. After all information has been presented by those appearing before the committee and these individuals are no longer present at the hearing, the student may present rebuttal evidence and counter-arguments. Members of the MSPPC may ask questions.
8. The MSPPC deliberates on the information presented with the student absent and makes a decision.

The proceedings of the MSPPC are confidential and any discussion of the proceedings or the facts revealed, outside of the committee meeting, is a violation of the student’s right to privacy and will be viewed as unprofessional and subject to disciplinary action as such. Exceptions to this would include the sharing the outcome of the meeting or important information from the meeting with appropriate VTCSOM leadership and others as deemed appropriate by the Chair of the MSPPC.
It is also considered unprofessional conduct for an accused student to share the details of the MSPPC proceedings outside of the committee hearing without prior permission from the Chair of the MSPPC. Doing so will be considered unprofessional conduct and could result in disciplinary action by the MSPPC.

**MSPPC Actions:**
The MSPPC Chairperson submits in writing the decision of the Committee to the parties involved within two (2) business days of the hearing. Possible actions can include:

1. Finding the complaint was without merit;
2. Reprimand acknowledging the conduct was not in accord with the Honor Code, Attributes of Professionalism, and/or Teacher-Learner Compact but that it was not of a serious enough nature to take further action;
3. Probation acknowledging the conduct was not in accord with the Honor Code, Attributes of Professionalism, and/or Teacher-Learner Compact and that further monitoring or intervention is required. This could include a referral for a mandatory psychiatric, psychological, and/or substance abuse evaluation as a condition of the probation. If such a referral for a mandatory evaluation is required, the results of this evaluation must be released to the Chair of the MSPPC for review by the MSPPC. Any financial expenses incurred for such an evaluation will be the responsibility of the student;
4. Disciplinary leave of absence acknowledging the conduct was not in accord with the Honor Code, Attributes of Professionalism, and/or Teacher-Learner Compact and that corrective action is needed prior to the student returning to classes. This could include a referral for a mandatory psychiatric, psychological and/or substance abuse evaluation as a condition of return.
5. Dismissal acknowledging the conduct was not in accord the Honor Code, Attributes of Professionalism, and/or Teacher-Learner Compact and was of such an egregious nature that it is not appropriate for the student to remain at VTCSOM.

The decision shall detail the reasons for the action recommended. After completion of MSPPC proceedings, all documents and records of the case shall be filed in the Student Affairs file. Notation of the MSPPC action will be made in the student’s permanent record only if the final decision is for dismissal and this decision is upheld should the student appeal to the Dean. The Hearing record is confidential and consists of a copy of the notice forwarded to the student, a written summary of the hearing prepared by the Chair of the MSPPC, together with all documentary and other evidence offered or admitted in evidence, written motions, pleas and any other material considered by the MSPPC, and the decision of the MSPPC.

**Appeals to the Dean:**
The student may appeal the MSPPC decision directly to the Dean of VTCSOM. Grounds for appeals are limited to the following:

a. The proceedings were not conducted fairly in light of the charges and information presented and according to the VTC designated procedures in such a way that resulted in significant prejudice against the accused student;

b. Significant information was not available to the individual or the MSPPC at the time of the hearing or has subsequently come to light;
c. The sanction imposed was believed to be inappropriate to the severity of the violation for which the student was found responsible.

The appeal to the Dean must be made in writing within ten (10) business days after the date of the written decision of the MSPPC. The written request for an appeal shall contain the student's name, the date of the decision, all supporting materials accompanying the request, and the name of the student's representative, if any.

A written request of appeal suspends the imposition of sanctions or penalty until the appeal is finally decided. Pending appeal, the Dean may suspend the right of the student to attend class and/or engage in academic programs for reasons relating to the student's physical or emotional safety and wellbeing, or for reasons relating to the safety and well-being of patients, students, or faculty.

The Dean may approve, reject, or modify the decision in question or may require that the original hearing be reopened for the presentation of additional evidence and reconsideration of the decision. The Dean's decision must be forthcoming within five (5) business days of the date of the receipt of all supporting materials. The Dean’s decision shall be communicated in writing to the student, the Senior Dean for Student Affairs, the Chair of the MSPPC, and any other parties involved as determined by the Dean. The timeline described in this process (MSPPC meeting through appeal to Dean) may be altered at each level by mutual agreement between the student and the Chair of MSPPC and/or the Dean due to extenuating circumstances. The Dean’s decision cannot result in a harsher sanction than the original decision of the MSPPC. Rather, the Dean can uphold the original sanction or decide on a lesser sanction.

The Dean’s decision is final and not subject to further appeal. A student who has been dismissed from VTCSOM is not permitted to be reinstated or reapply for admission.

Non-Academic Probation:
The MSPPC is responsible for monitoring student probation status. If a student is placed on probation by the MSPPC, the student must complete the requirements of the probation and inform the Chair of the MSPPC by providing written detail of as to how they have completed the requirements. Once the Chair of the MSPPC has determined that the terms of the probation have been completed, the Chair will contact the Senior Dean for Student Affairs in writing, outlining that the student has completed the requirements of the probation and is no longer in a probationary status. The MSPPC has the option of interviewing the student prior to making this determination at an informal hearing. Student probation will not be recorded on the student’s permanent record. These records will be kept in their Student Affairs file.

If a student does not complete the terms of the probation, this would constitute a violation of their probation status and the MSPPC will hold a formal hearing and proceed according to the policy detailed above.

Disciplinary Leave of Absence:
Only the MSPPC can place a student on a disciplinary leave of absence, or approve the return of a student to coursework from a disciplinary leave of absence. The MSPPC may
consider requests to return from a disciplinary leave of absence when the student has completed the terms requested by the MSPPC, which may in some circumstances include a mandatory psychiatric, psychological, and/or substance abuse evaluation. The student must complete the requirements of the leave of absence and provide written detail to the Chair of the MSPPC once these requirements have been completed. Once the MSPPC has determined that the terms of the leave of absence have been completed, the Chair of the MSPPC will contact the Senior Dean for Student Affairs in writing, outlining that the student has completed the requirements of the leave of absence and is no longer in a disciplinary leave of absence status. The MSPPC has the option of interviewing the student prior to making this determination at an informal hearing. Student disciplinary leave of absence will not be recorded on the student’s permanent record. These records will be kept in their Student Affairs file.

Conflict of Interest:
In the event of conflict of interest, real or perceived, members of the MSPPC will be expected to recuse themselves from the official proceedings of the committee. The student has the right to challenge the presence of individual members of the MSPPC at the hearing. The determination of such a conflict will be made by the Chair of the MSPPC. If the Chair of the MSPPC is the individual in question, the determination of such a conflict will be made by the Senior Dean for Academic Affairs.
Virginia Tech Carilion School of Medicine (VTCSOM)

Statement: Teacher-Learner Compact
Subject: Student Affairs
Administrator: A. Knight
Rev.: 3
Original date: 9/1/2010
Revision dates: 11/29/2015, 12/2/2016

VTCSOM recognizes that preparation for a career in medicine demands acquisition of a large fund of knowledge and a wide variety of skills. It also demands strengthening virtues that support the relationship between doctor and patient and sustain the practice of medicine as a moral enterprise. The process of undergraduate medical education requires substantial involvement and contribution from faculty members and students. The Teacher-Learner Compact serves both as a pledge and as a reminder to teachers and learners that their conduct in fulfilling their mutual obligations is the medium through which the profession inculcates its ethical values.

Students are exposed to multiple learning environments in clinical and non-clinical settings throughout the course of their medical education. These learning environments must support and reinforce the professional attributes, principles, and responsibilities outlined in the Standards of Ethical and Professional Conduct Policy. All faculty and students, commit to uphold the guiding principles, responsibilities, and commitments put forth in this agreement.

The responsibilities for faculty will include:
1. Treat learners with respect.
2. Treat learners and colleagues equally without regard to gender, race, disability, cultural origins, age, or religious beliefs.
3. Treat colleagues and patients in a professional manner.
4. Provide current, high quality materials in an effective format for learning.
5. Respect the student’s time by:
   a. Being on time for scheduled encounters.
   b. Developing educational experiences which are meaningful to the practice of medicine and reasonable for the time period allotted.
6. Provide timely and constructive feedback.
7. Provide a role model for professionalism.

The commitments of faculty include:
- We pledge our utmost effort to ensure that all components of the educational program for students are of high quality.
- As mentors for our student colleagues, we maintain high professional standards in all of our interactions with patients, colleagues, and staff.
- We respect all students as individuals, without regard to gender, race, national origin, religion, or sexual orientation; we will not tolerate anyone who manifests disrespect or who expresses biased attitudes towards any student.
- We pledge that students will have sufficient time to fulfill personal and family obligations, to enjoy recreational activities, and to obtain adequate rest; we monitor and, when necessary,
reduce the time required to fulfill educational objectives, including time required for “call” on clinical rotations, to ensure students’ well being.

✓ We do not tolerate any abuse or exploitation of students.
✓ We encourage any student who experiences mistreatment or who witnesses unprofessional behavior to report the facts immediately to appropriate faculty or staff; we treat all such reports as confidential and do not tolerate reprisals or retaliations of any kind.

The responsibilities for students will include:
1. Treat learners, faculty, and patients with respect and professionalism.
2. Treat learners and faculty equally without regard to gender, race, disability, cultural origins, age, or religious beliefs.
3. Commit the time and energy necessary to attain the goals and objectives of the curriculum.
4. Respect the time of other students and faculty by being on time for scheduled educational encounters.
5. Contribute to the quality of group assignments and work products by actively engaging in discussion, problem solving, and development of materials.
6. Communicate concerns and suggestions regarding learning environment and educational community in a timely, constructive, and professional manner.

The commitments of students include:
✓ We pledge our utmost effort to acquire the knowledge, skills, attitudes, and behaviors required to fulfill all educational objectives established by the faculty.
✓ We cherish the professional virtues of honesty, compassion, integrity, fidelity, and dependability.
✓ We pledge to respect all faculty members and all students as individuals, without regard to gender, race, national origin, religion, or sexual orientation.
✓ As physicians in training, we embrace the highest standards of the medical profession and pledge to conduct ourselves accordingly in all of our interactions with patients, colleagues, and staff.
✓ In fulfilling our own obligations as professionals, we pledge to assist our fellow students in meeting their professional obligations, as well.
RESOLUTION TO REVISE THE GRADUATE HONOR SYSTEM CONSTITUTION

WHEREAS, the Virginia Tech community values academic integrity; and

WHEREAS, all graduate students are expected to uphold the Graduate Honor Code and exercise honesty and ethical behavior in all their academic pursuits at Virginia Tech, including study, course work, research, extension, or teaching; and

WHEREAS, the Graduate Honor System Constitution was alerted to problems in the appeals process and a desire to update language and penalties,

WHEREAS, a committee of faculty, graduate students, and administrators reviewed and revised the Constitution using guidance from other systems in the university and past cases to address concerns regarding the appeals process, and include more learner-centered language and penalties; now,

THEREFORE, BE IT RESOLVED, that the 2018 Constitution of the Graduate Honor System be adopted (attached below) as the guiding document regarding academic integrity and the process of reviewing violations for graduate students, and that the 2009 Constitution of the Graduate Honor System be retired (attached below).

RECOMMENDATION:

That the Board of Visitors approve the Resolution to Revise the Graduate Honor System Constitution.

June 4, 2018
Summary of GHS Constitution Proposed Revisions

A constitution review committee was convened in Spring 2018 by Karen DePauw, Vice President and Dean for Graduate Education, to consider proposed amendments to the language of the constitution and review and revise the Appeal Process (Article VI, Section 2). The committee was chaired by Erin Lavender-Stott, chief justice of the GHS.

After a thorough review and discussion, the committee proposes the following changes:

- Update terminology to better reflect the educational mission and functions of the honor system (all articles and sections):
  - Change the title of chief justice to chair
  - Change the title of investigator to associate chair
  - Change investigative board to preliminary review panel
  - Change judicial panel to review panel
  - Simplify language describing the referral and review process (Article IV, sections 2, 3 and 4; Article V, sections 1, 2 and 3)
- Describe panelist recruitment and appointment process with greater clarity (Article II, sections 8 and 9)
- Update the appeal process (Article VI, section 2):
  - Define a new role of appellate officers (Director of Undergraduate Academic Integrity Office, Associate Dean for Professional Programs in the College of Veterinary Medicine, or Associate Vice President for Research Compliance)
  - Describe a new appeal review and decision process (see attached flow chart)
- Update penalty options (Article VII, Section 1):
  - Remove penalty option of performing community service hours
  - Introduce new penalty option of writing an reflection essay
  - Introduce new penalty option of ethics course requirement (GRAD 5014: Academic Integrity and Plagiarism)
  - Update penalty option “F#” (penalty 1. g) to “F” to reflect actual practice of how the GHS-assigned F grade appears on the transcript
- Update announcements about GHS cases to reflect changes in available media for information distribution (Article VII, Section 3)
- Update or remove references to outdated internal and external resources (Article V, Section 3; Article IX, Section 2; Article X, Article XI) such as websites.
ARTICLE I: PURPOSE AND DESCRIPTION

Section 1 - Graduate Honor Code

The Graduate Honor Code establishes a standard of academic integrity. As such, this code demands a firm adherence to a set of values. In particular, the code is founded on the concept of honesty with respect to the intellectual efforts of oneself and others. Compliance with the Graduate Honor Code requires that all graduate students exercise honesty and ethical behavior in all their academic pursuits at Virginia Tech, whether these undertakings pertain to study, course work, research, extension, or teaching.

It is recognized that graduate students have very diverse cultural backgrounds. In light of this, the term ethical behavior is defined as conforming to accepted professional standards of conduct, such as codes of ethics used by professional societies in the United States to regulate the manner in which their professions are practiced. The knowledge and practice of ethical behavior shall be the full responsibility of the student. Graduate students may, however, consult with their major professors, department heads, International Graduate Student Services, or the Graduate School for further information on what is expected of them.

More specifically, all graduate students, while being affiliated with Virginia Tech, shall abide by the standards established by Virginia Tech, as described in this Constitution. Graduate students, in accepting admission, indicate their willingness to subscribe to and be governed by the Graduate Honor Code and acknowledge the right of the University to establish policies and procedures and to take disciplinary action (including suspension or expulsion) when such action is warranted. Ignorance shall be no excuse for actions which violate the integrity of the academic community.

The fundamental beliefs underlying and reflected in the Graduate Honor Code are that (1) to trust in a person is a positive force in making a person worthy of trust, (2) to study, perform research, and teach in an environment that is free from the inconveniences and injustices caused by any form of intellectual dishonesty is a right of every graduate student, and (3) to live by an Honor System, which places a positive emphasis on honesty as a means of protecting this right, is consistent with, and a contribution to, the University's quest for truth.

Section 2 - Implementation

The Graduate Honor System was established to implement the Graduate Honor Code, and its functions shall be:

1. To promote honesty and ethical behavior in all academic pursuits, including, but not limited to, study, research, teaching, and extension.
2. To disseminate information concerning the Graduate Honor System to all new graduate students, faculty, and other interested parties.
3. To consider and review all suspected violations of the Graduate Honor Code in an impartial, thorough, and unbiased manner.
4. To review all cases involving academic infractions of the Graduate Honor Code brought before the System.
5. To assure that the rights of all involved parties are protected and assure due process in all proceedings.

Section 3 - Violations

All forms of academic work including, but not limited to, course work, labwork, thesis or dissertation work, research, teaching, and extension performed by any graduate student enrolled on a part-time or full-time basis under any of the admission categories listed in the Virginia Tech Graduate Catalog shall be subject to the stipulations of the Graduate Honor Code. Violations of the Graduate Honor Code are categorized as follows: Cheating, Plagiarism, Falsification, and Academic Sabotage. Violations are defined as follows:

1. Cheating: Cheating is defined as the giving or receiving of any unauthorized aid, assistance, or unfair advantage in any form of academic work. Cheating applies to the products of all forms of academic work. These products include, but are not limited to, in-class tests, take-home tests, lab assignments, problem sets, term papers, research projects, theses, dissertations, preliminary and qualifying examinations given for the fulfillment of graduate degrees, or any other work assigned by an instructor or professor, graduate committee, or department that pertains to graduate work or degrees.

Any student giving or receiving unauthorized information concerning a test, quiz, or examination shall be responsible for an Honor Code violation. Submitting work that counts towards the student's grade or degree which is not the sole product of that student's individual effort shall be considered cheating, unless, for example, the professor explicitly allows group work, use of out-of-class materials, or other forms of collective or cooperative efforts. In general, all academic work shall be done in accordance with the requirements specified by the instructor or professor. In the absence of specific allowances or instructions by the professor, students shall assume that all work must be done individually.

Some uses of permanently returned, graded material ("koofers") are cheating violations of the Code. By permanently returning graded materials, a faculty member or instructor demonstrates the intent that these materials should be accessible to all students. Such materials may be used for study purposes, such as preparing for tests or other assignments, and other uses explicitly allowed by the professor or course instructor. Once test questions have been handed out, koofers may not be used. Other specific examples of the unauthorized use of koofers include, but are not limited to, using koofers during closed-book exams, handing in any type of copy (e.g., a photocopy or a transcribed copy) of someone else's work (partial or complete) from a previous term, and copying a current answer key or one that was handed out in a previous term. Students may not copy and
hand in as their own work answers taken from any kind of koofer. When in doubt of what may or may not be used, students should consult with the course instructor. In the absence of specific instructions concerning koofers from the instructor, students shall assume that all submitted work must be the product of their own efforts without koofer(s) or other unauthorized aid/materials.

2. **Plagiarism:** Plagiarism is a specific form of cheating, and is defined as the copying of the language, structure, idea, and/or thoughts of another and claiming or attempting to imply that it is one's own original work. It also includes the omitting of quotation marks when references are copied directly, improper paraphrasing (see Plagiarism), or inadequate referencing of sources. Sources used in preparing assignments for classes, theses, dissertations, manuscripts for publication, and other academic work should be documented in the text and in a reference list, or as directed by the instructor or professor. Sources requiring referencing include, but are not limited to, information received from other persons that would not normally be considered common knowledge (Plagiarism), computer programs designed or written by another person, experimental data collected by someone else, graded permanently-returned materials such as term papers or other out-of-class assignments (koofer(s)), as well as published sources. A more detailed discussion of plagiarism may be found in Plagiarism.

3. **Falsification:** Students who falsify, orally, in writing, or via electronic media, any circumstance relevant to their academic work shall be responsible for a violation of this Code. Included are such actions as forgery of official signatures, tampering with official records or documents, fraudulently adding or deleting information on academic documents, fraudulently changing an examination or testing period or due date of an assignment, and the unauthorized accessing of someone else's computer account or files. Violations also include willfully giving an improper grade or neglecting to properly grade submitted material, improperly influencing the results of course evaluations, and knowingly including false data or results in any paper or report submitted for a grade, as a degree requirement, or for publication.

4. **Academic Sabotage:** Academic sabotage is purposeful vandalism directed against any academic endeavor or equipment. It includes, but is not limited to, the destruction or theft of written material, laboratory or field experiments, equipment used in teaching or research, or computer files or programs. Unauthorized tampering with computer programs or systems shall constitute a violation. Academic sabotage includes deliberately crashing or attempting to crash a computer system or the use of files intended to cause or actually causing computer systems to behave atypically, thereby impeding another person's or group's efforts. In particular, knowingly infecting any system with a virus, worm, time bomb, trap door, Trojan horse, or any other kind of invasive program shall be considered a serious violation. Note that violations under this category may also lead to University judicial action or to criminal suits charged by the University.

**Misconduct and unethical behavior in research and teaching** deserves special mention in the Code since it is an area of special interest to graduate students. It is not a separate violation category since it may involve cheating, plagiarism, falsification, and/or academic sabotage as discussed above. **Misconduct in research** does not include those factors intrinsic to the process of research, such as honest error, conflicting data, or differences in interpretation concerning data or experimental design. Likewise, **misconduct in teaching** does not include honest disagreement.
over the method of presentation of instructional material to a class or in the evaluation of the performance of a student. Research misconduct allegations may also be investigated by the Virginia Tech Office of Research Integrity.

* For further information on misconduct in research and its definition, see the references listed under item 4 of 1991 Revision -- Reference Material Used.

Section 4 - Composition

The Graduate Honor System shall consist of an Advisor, a Chair, one or more Associate Chair(s), GHS Facilitators, and Panelists for the Preliminary Review Panel and Review Panel. The Dean (or designee) of the Graduate School shall be responsible for the continued operation of the System. Appointment of Graduate Honor System personnel shall be made in accordance with Article XI, Section 7.

**ARTICLE II: GENERAL ADMINISTRATION**

Section 1 - Appointment of the Graduate Honor System Advisor

A member of the staff of the Dean of the Graduate School shall be appointed by the President to serve as the Graduate Honor System Advisor. The Advisor shall serve in an advisory capacity to the Chair and shall be present (or represented) at all hearings of both the Preliminary Review Panel and the Review Panel.

Section 2 - Duties and Functions of the Advisor

The following duties and functions shall be performed by the Advisor:

1. The advisor shall have the responsibility to train the Chair, Associate Chair(s), Facilitators, and new board and panel members.
2. The advisor shall provide counsel to the Chair and Associate Chair(s) in the preparation of cases.
3. The advisor shall provide staff for handling training sessions, scheduling meetings, and other matters related to the administration of the Graduate Honor System.
4. The advisor shall counsel faculty or students referring cases as well as those students charged with offenses.
5. The advisor (or designee) shall attend all hearings.
6. The advisor, in consultation with the Chair, shall be responsible for appointing the Associate Chair(s).
7. The advisor, upon the receiving the recommendation of the Chair, shall be responsible for approving the membership of the Preliminary Review Panel and Review Panel.

Section 3 - Appointment of the Chair

1. Nominations for the position of Chair shall be accepted from the Graduate Student Assembly, College Deans, and other members of the academic community, and applications by qualified persons shall be welcomed. Candidates for the position of Chair
must be graduate students in good standing and must have been in residence for at least one (1) semester immediately preceding nomination. Preferably, the nominee will have served as an Associate Chair or as a graduate student panelist for at least one (1) semester prior to appointment.

2. The term of office shall be one (1) year, but if available and willing, the current Chair may be re-appointed by the President of the University to serve subsequent terms, up to four (4) years, upon the recommendation of the Graduate Honor System Advisor.

3. The Chair Nominating Committee shall be convened by the Dean upon the resignation of the current Chair, upon completion of term of office, or upon termination of office. This committee shall consist of the Graduate Honor System Advisor, up to three (3) graduate student members of the Graduate Honor System, and one (1) faculty member having previously served on a Review Panel and appointed by the Dean of the Graduate School. All members shall have equal voting privileges. The function of this committee shall be to nominate a candidate for appointment by the President. The nomination process shall be to: (1) invite nominations and accept applications, (2) review applications and conduct interviews with applicants, and (3) recommend to the President of the University, from among these applicants, a nominee for the position of Chair. The recommendation of this committee shall be by majority vote.

4. The recommendation of the nominating committee is voted on by the Graduate Student Assembly (GSA) and the Commission on Graduate Studies and Policies (CGS&P).

5. The Dean of the Graduate School will forward the nomination to the President conveying the vote of the GSA and CGS&P.

6. The President shall appoint the Chair.

7. In the absence of a timely appointment, the President, through the recommendation of the Dean, can appoint the nominee as an interim Chair until the conclusion of the appointment process.

Section 4 - Duties and Functions of the Chair

The Chair shall perform the following duties and functions:

1. The Chair shall receive reports of suspected violations and determine, in consultation with the GHS Advisor, if the referred student is eligible for a Facilitated Discussion.
2. The Chair shall assign to the Preliminary Review Panel all cases not eligible for Facilitated Discussion.
3. The Chair shall preside at all Review Panel hearings. The Chair may request a member of the Review Panel to preside in his or her place.
4. The Chair shall assure justice, fairness, and due process.
5. The Chair shall secure nominations and select graduate student and faculty members for the Facilitated Discussion Process, the Preliminary Review Panel, and Review Panel, subject to approval by the Graduate Honor System Advisor.
6. The Chair shall assume responsibility for the instruction and training of graduate student and faculty members in the operation, function, and responsibility of the Graduate Honor System.
7. The Chair shall orient entering graduate students and new faculty to the values and obligations of the Graduate Honor Code.
8. The Chair shall conduct information activities and coordinate activities of the Graduate Honor System.
9. The Chair shall administer the operation of the Graduate Honor System throughout the entire calendar year.
10. The Chair shall keep the graduate community apprised of relevant activities of the Graduate Honor System.
11. The Chair shall consult with the Graduate Honor System Advisor in the appointment of the Associate Chair(s) and Facilitators.
12. The Chair shall select the panelists to hear the cases.

Section 5 - Staff of the Chair

The Chair, with the approval of the Graduate Honor System Advisor, shall appoint sufficient staff to assist with the duties of the office.

Section 6 - Appointment of Associate Chair(s)

1. The Graduate Honor System Advisor, in consultation with the Chair, shall appoint one or more Associate Chair(s). Nominations for this position shall be accepted from the Graduate Student Assembly, College Deans, and other members of the academic community; and applications from qualified personnel shall be welcomed. Students being considered for Associate Chair positions must be graduate students in good standing and must have been in residence for at least one (1) semester immediately preceding appointment. Preferably, the nominee will have served as a graduate student panelist of the Graduate Honor System for at least one (1) semester prior to the appointment. Associate Chair(s) shall serve a one (1) year term but may be re-appointed to serve subsequent terms, up to four (4) years, if available and willing.
2. The appointment of the new Associate Chair(s) shall be made upon the resignation of the current Associate Chair(s), upon completion of term of office, or upon termination of office.

Section 7 - Duties of Associate Chair(s)

Associate Chair(s) shall perform the following duties:

1. Associate Chair(s) shall gather evidence and conduct interviews with the referrer and the referred student(s).
2. Associate Chair(s) shall prepare a brief report summarizing the evidence.
3. Associate Chair(s) shall present the report summarizing the evidence to the referrer, referred student, and Chair before presenting it for review by the Preliminary Review Panel.
4. Associate Chair(s) shall convene and chair Preliminary Review Panel meetings.
5. Associate Chair(s) shall prepare a brief report for the Chair that summarizes the decision of the Preliminary Review Panel and shall brief the Chair on all the details of the case at hand.
6. Associate Chair(s) may attend and may present the evidence to the Review Panel.
7. Associate Chair(s) shall aid the Chair in convening and conducting training sessions for Preliminary Review Panel members.

Section 8—Appointment of Panelists

1. Panelists will include graduate students and faculty members from each College. Panelists will be recruited from all qualified graduate students and faculty (see Article XI Section 7).
2. Graduate student panelists shall be approved by the Graduate Honor System Advisor after training by the Chair and/or Associate Chair and following clearance of graduate student records (see Article XI Section 8). Graduate students may serve for up to four (4) years. After the four years, graduate students will take a one-year break from all duties related to the Graduate Honor System.
3. Faculty member panelists shall be approved by the Graduate Honor System Advisor after training by the Chair and/or Associate Chair. Faculty panelists may serve for up to four (4) years. After the four years, faculty will take a one-year break from all duties related to the Graduate Honor System.

Section 9—Duties of Panelists

1. Panelists shall sit on either the Preliminary Review Panel or the Review Panel.
2. Panelists shall evaluate the evidence and make recommendations regarding the case within a Preliminary Review Panel or Review Panel.
3. Panelists shall maintain the rights and confidentiality of the referred student(s) and referrer.
4. Panelists may assist in conducting educational sessions on campus and/or training sessions for new panelists.

Section 10 – Appointment of Graduate Honor System Facilitators

1. The Graduate Honor System Advisor, in consultation with the Chair, shall appoint one or more Graduate Honor System Facilitators. Applications for this position shall only be taken from current panelists. Graduate Honor System Facilitators must have significant experience with the Graduate Honor System as determined by the Graduate Honor System Advisor and Chair before appointment as Discussion Facilitators. Facilitators shall serve a one (1) year term but may be re-appointed to serve subsequent terms, up to four (4) years, if available and willing.
2. The appointment of new Facilitators shall be made as necessary to meet the needs of the Honor System.

Section 11 – Duties of Graduate Honor System Facilitators

1. Graduate Honor System Facilitators shall facilitate a discussion meeting between the referrer and the referred student(s).
2. Graduate Honor System Facilitators shall ensure that all applicable GHS guidelines are observed and followed.
3. Graduate Honor System Facilitators shall ensure that the rights of the referred and referrer are upheld.
4. Graduate Honor System Facilitators shall, upon examination of the facts of the case, have the authority to refer cases to the Chair so that they may be assigned an Associate Chair for evidence gathering and interviews.
5. Graduate Honor System Facilitators shall prepare a full report for the Chair, which summarizes the outcome of the facilitated discussion and shall brief the Chair on all the details of the case at hand.
6. Graduate Honor System Facilitators shall aid the Chair in conducting the training session(s) for new Graduate Honor System Facilitators.

ARTICLE III: FACILITATED DISCUSSION

Section 1 - Composition

1. The Facilitated Discussion shall be attended by the referrer(s) of the case, the referred student(s), and one Graduate Honor System Facilitator (as outlined in Article II, Sections 10 and 11).

Section 2 – Functions of the Facilitated Discussion

The Facilitated Discussion shall fulfill the following functions:

1. It shall assure that the rights of the referred and the referrer are protected and assure due process.
2. It shall facilitate a discussion between the referrer and referred student(s).
3. It shall attempt to build a consensus resolution to a suspected Honor Code violation without convening a Preliminary Review Panel or a Review Panel.
4. It shall create a record of an Honor Code violation if all parties conclude that a violation did occur. This record shall be kept in the Graduate Honor System case files.

Section 3 – Eligibility for the Facilitated Discussion

A suspected Honor Code violation will be eligible for a Facilitated Discussion if ALL of the following criteria are met:

1. The referrer of the case is a Faculty member;
2. The suspected violation involves an allegation of either 1) cheating or 2) plagiarism as outlined in Article I, Section 3 of the GHS Constitution;
3. The referred student(s) is(are) not on Graduate Honor System Probation at the time the report of the suspected violation is received by the Graduate Honor System;
4. And the violation is one for which a reasonable person who is familiar with the form and functions of the Graduate Honor System would not assign a penalty of more than the sanctions outlined in Article VII, Section 1, Item 1, Parts a-f of this Constitution.

Section 4 – Operation of the Facilitated Discussion
1. The Chair, after determining if a case eligible for a Facilitated Discussion, will notify the referrer and the referred of this determination.

2. The referrer and referred will then have no more than ten (10) University business days to notify the Chair of their desire to participate in a Facilitated Discussion; otherwise the case will be sent for evidence gathering and panel review. Exceptions to the ten-day period will only be made under extenuating circumstances, as determined by the Chair or Graduate Honor System Advisor.

3. If either the referrer or the referred student(s) does not agree to participate in the Facilitated Discussion, the case will be sent for investigation and panel review.

4. During the Facilitated Discussion, the referrer of the alleged violation and the referred student will attempt to reach a resolution to the case, with the assistance of the Graduate Honor System Facilitator. The question that the referred student and the referrer must answer is “did the student commit a violation of the honor code?” A determination of a violation shall require both the referrer and the referred student to agree that the student is responsible for violating the honor code. A determination of no violation shall require both the referrer and the referred student to agree that the student did not violate the honor code. In the absence of such an agreement, the case shall be sent for evidence gathering and panel review.

5. If the referrer and student agree that the student has committed a violation of the honor code, the referrer and student may then decide upon an appropriate penalty. Sanctions for the Facilitated Discussion will be limited to those sanctions outlined in Article VII, Section 1, Item 1, Parts a-f of this Constitution. The referrer and referred must both come to an agreement on the appropriate penalty. In the absence of such an agreement, the case shall be sent for evidence gathering and panel review.

6. The GHS Facilitator shall prepare a record of the outcome of the Facilitated Discussion. This record, the original report of the alleged violation, and any relevant evidence shall be held in the Chair’s confidential file. The Chair shall inform the Dean of the Graduate School (or designee), in writing, of the outcome of all Facilitated Discussions.

7. For cases in which the referrer or the referred withdraws from the Facilitated Discussion, no record shall be kept that the Facilitated Discussion occurred and the fact that they did participate in such a proceeding shall not be deemed relevant in any future Honor System proceedings.

Section 5 – Withdrawal from the Decision of the Facilitated Discussion

1. The referred or referee may withdraw from a decision reached during a Facilitated Discussion for any reason.

2. If the referred or referrer wishes to withdraw from the Facilitated Discussion decision, the Chair must be notified of the desire to withdraw from the decision within two (2) calendar days of the conclusion of the Facilitated Discussion.

3. If the referred or referrer withdraws from the Facilitated Discussion decision, the case shall be immediately sent for evidence gathering and panel review.

4. In these instances no record shall be kept that the Facilitated Discussion occurred and the fact that they did participate in such a proceeding shall not be deemed relevant in any future Honor System proceedings.
ARTICLE IV: PRELIMINARY REVIEW PANEL

Section 1 – Preliminary Review Panel Waiver

1. The referred student(s) and referrer shall have the opportunity to review the report prepared by the Associate Chair, before it is presented to a Preliminary Review Panel.
2. If, after review of the materials presented in the report, the referred student(s) accepts that there is substantive evidence to support the charge and warrant a full hearing of the case by the Review Panel, the student may request a Preliminary Review Panel Waiver. This request must be submitted to the Chair within five (5) University business days of the student(s) receiving the Associate Chair’s report.
3. A request for a Preliminary Review Panel Waiver must be received before a Preliminary Review Panel is scheduled.
4. A request for a Preliminary Review Panel Waiver does not, in any way, imply guilt or responsibility on the part of the student(s).
5. In cases involving multiple referred students, if all referred students do not request a Preliminary Review Panel Waiver, the case will proceed to a Preliminary Review Panel.
6. Cases for which a Preliminary Review Panel waiver is granted shall proceed directly to a Review Panel for a hearing.

Section 2 - Composition

1. The Preliminary Review Panel shall consist of trained graduate student and faculty panelists. Graduate student members of the Preliminary Review Panel shall have full voting privileges, whereas the faculty members shall serve in an advisory capacity to the student members and shall not have voting privileges.
2. The Associate Chair(s) (or designees) shall chair Preliminary Review Panel meetings and shall not have voting privileges.
3. The Graduate Honor System Advisor shall be a non-voting member and shall serve in an advisory capacity to the Associate Chair and the Preliminary Review Panel.

Section 3 - Functions of the Preliminary Review Panel

The Preliminary Review Panel shall perform the following functions:

1. It shall evaluate the evidence provided for the case.
2. It shall decide whether a hearing before the Review Panel should be held.

Section 4 - Operation

1. For each case without a Preliminary Review Waiver, a hearing shall be conducted by a Preliminary Review Panel, consisting of a minimum of five (5) graduate students and at least two (2) faculty members, to be selected by the Chair. The Associate Chair managing the case shall serve as chair of the Preliminary Review Panel. In addition, the Graduate Honor System Advisor shall be a non-voting member and shall serve in an advisory capacity to the Associate Chair and the Preliminary Review Panel.
2. Evidence gathering shall adhere to the basic tenets of due process and to the rights and responsibilities for referrer and referred as outlined in Article VIII and Article IX.

3. A decision to send the case to the Review Panel should be based upon substantive evidence to support the charge. The lack of such evidence should lead the Preliminary Review Panel to vote against sending the case to the Review Panel and consequently lead to the termination of the proceedings. Otherwise, the Preliminary Review Panel should send the case forward for the further scrutiny of the Review Panel. The fact that the case is forwarded to the Review Panel shall in no way imply guilt or responsibility for the violation; the Preliminary Review Panel is simply stating that the case should be reviewed with the aid of personal testimonies.

4. The student members shall have full voting privileges while the faculty members serve in an advisory capacity. Recommendations of the Preliminary Review Panel must be by majority vote of the graduate student members present. In the event of a tie vote, the case will go forward.

**ARTICLE V: REVIEW PANEL**

*Section 1 - Composition*

1. The Review Panel shall consist of trained graduate student and faculty panelists. Both graduate student and faculty members of the Review Panel shall have full voting rights. The Chair (or designee) shall be a non-voting member and shall serve as the panel moderator.

2. The Graduate Honor System Advisor shall be a non-voting member and shall serve in an advisory capacity to the Chair and the Review Panel.

*Section 2 - Functions of the Review Panel*

The Review Panel shall perform the following functions:

1. It shall hear evidence gathered by the Associate Chair.
2. It shall hear testimony of the referrer, referred student, and witnesses.
3. It shall hear the remarks of the University community representative of the referred.
4. It shall assure that the rights of the referrer and referred student are protected and assure due process.
5. It shall determine whether a violation occurred.
6. It shall recommend the penalty when the referred is determined to have violated the honor code.

*Section 3 - Operation*

1. For each case, a hearing shall be conducted by a Review Panel. The Review Panel shall consist of the Chair, a minimum of four (4) graduate students, a minimum of three (3) faculty members, and the Graduate Honor System Advisor. The number of voting faculty shall not exceed the number of voting graduate students present. The graduate students and faculty members shall be selected by the Chair with the approval of the Graduate Honor System Advisor. Each graduate student and faculty member shall have full voting privileges, while the Chair (or designee) shall be a non-voting member and shall serve as
the moderator of the hearing. In addition, the Graduate Honor System Advisor shall be a non-voting member and shall serve in an advisory capacity to the Chair and the Review Panel. The Associate Chair who gathered the evidence may attend the Review Panel as a non-voting member.

2. All Review Panel hearings shall adhere to the basic tenets of due process and rights and responsibilities as outlined in Article VIII and Article IX.

3. All persons involved with the hearing have the right to be treated with respect. Persons displaying disrespect for another person at the hearing or contempt for the proceedings shall be dismissed, and the hearing shall be concluded in their absence.

4. All evidence regarding cases should be submitted to the Associate Chair(s) during the evidence gathering and interviewing process (prior to the Preliminary Review Panel meeting). If additional information is submitted after the case is sent forward by the Preliminary Review Panel, the Review Panel will decide the relevancy of that information.

5. The referred must be adjudged to have violated the honor code before any consideration is given to the penalty, unless the referred acknowledges responsibility, in which case the deliberations shall focus solely on the penalty.

6. In evaluating evidence and testimony regarding whether a violation of the honor code has occurred, each member of the Review Panel shall consider whether or not there exists substantive evidence of a violation. The decision whether a violation occurred shall be based solely on the facts regarding the charge, i.e., based on evidence collected and testimony presented at the Review Panel hearing.

7. At the conclusion of the deliberations on whether a violation occurred for each charge against the student, the Chair shall poll the members of the Panel on the question: "Has the student violated the honor code?" An affirmative vote represents "a violation," while a negative vote represents "no violation." A determination of a violation shall require a majority vote. In the absence of such a vote, the Panel shall found that no violation has occurred. An abstention shall not be counted as a vote. In the unlikely event that a majority of the Review Panel members do not vote, the current panel shall be dismissed and a new panel shall be convened to re-hear the case.

8. In determining the appropriate sanction, such factors as the referred student's past history of violations, attitude, intent, severity of the violation, and the degree of cooperation may be considered.

9. Recommendations of penalty shall be by majority vote. An abstention shall not be counted as a vote.

10. A recording of the proceedings, the confidential recommendations of the Review Panel, together with all submitted evidence and votes recorded, shall be held in the Chair’s confidential file. The Chair shall inform the Dean of the Graduate School (or designee), in writing, of the findings and recommendations of the Review Panel.

**ARTICLE VI: UNIVERSITY ACTION**

**Section 1 - Review and Decision**

1. The recommendations (decision of violation, and penalty if required) of the Review Panel shall be submitted in writing by the Chair to the Dean of the Graduate School (or designee) for review and decision.
2. No penalty shall be announced until an official decision has been rendered by the Dean of the Graduate School (or designee).

3. The official decision of the Dean of the Graduate School (or designee) shall be transmitted in writing to the referred, the referrer, and the course instructor (or major professor for a research-related violation). The referred shall also be notified of the right to appeal the decision.

4. When the Review Panel's recommendation is not accepted by the Dean (or designee), the Panel shall be notified of the final decision of the Dean (or designee).

Section 2 - Appeals

1. The referred may appeal the official decision to the Dean of the Graduate School on grounds of (1) failure of the Graduate Honor System to follow proper procedures, (2) introduction of new evidence, and/or (3) severity of the penalty. The imposition of the penalty shall be deferred until the termination of the appeals process.

2. The Dean of the Graduate School must receive the appeal within five (5) University business days after the referred receives written notification of the decision and penalty.

3. In the event of an appeal, the case will be forwarded to an appellate officer, who is well versed in the Graduate Honor System, graduate academic policies, and Virginia Tech standards of ethics and have received training from the Graduate Honor System. Such officers include, but are not limited to, the Director of Undergraduate Academic Integrity, Associate Dean for Professional Programs in the College of Veterinary Medicine, or Associate Vice President for Research Compliance.

4. The appeal is not a retrial and must be focused solely upon one or more of the following: (1) failure of the Graduate Honor System to follow proper procedures, (2) introduction of new evidence, (3) severity of penalty. The appeal shall be limited to the consideration of the specific information pertaining to one or more of the above. The burden shall be placed on the appealing student to demonstrate why the original finding or sanction should be changed.

5. The decision of the appellate officer is limited to the grounds of the appeal. Judgments are made according to the following guidelines:
   a. Failure of the Graduate Honor System to Follow Proper Procedures

   Determine whether or not the Graduate Honor System followed proper procedures. If proper procedures were followed, then the official decision is enforced. If proper procedures were not followed, then the referred student is acquitted and the case is closed.

   b. Introduction of New Evidence

   Determine whether or not the new evidence is relevant to the official decision. In the event that the information is determined to be relevant, the appellate officer shall inform the Dean of the Graduate School or the Graduate Honor System Advisor that a new Review Panel is requested. The new Review Panel shall have no members from a previous panel. If information is determined to be irrelevant or there is no new evidence, then the original decision is upheld.
c. **Severity of Penalty**

Determine if the penalty is too severe for the violation(s), for which the student was found responsible. The finding of a violation is not appealable and the case will not be reheard. The appellate officer has the option to consult GHS facilitators or experienced panelists who were not involved with the original case, as identified by the Chair or Advisor to the GHS, if perspective on the severity of the penalty is required. In the event that the penalty is found to be too severe, a lower penalty may be determined by the appellate officer from those specified under Article VII of this Constitution.

6. The final determination of an appeal shall be the sole responsibility of the appellate officer. The student shall be notified in writing of the disposition of the appeal.

**ARTICLE VII: ACTIONS OF THE GRADUATE HONOR SYSTEM**

*Section 1 - Penalties*

Where a violation is determined, the Review Panel or Facilitated Discussion shall also be responsible for determining an appropriate sanction. There are four major penalty levels (1-4) with increasing severity. These penalties are (1) Graduate Honor System Probation, (2) Suspension in Abeyance, (3) Suspension, and (4) Permanent Dismissal. For each charge of a Graduate Honor Code violation for which a student acknowledges responsibility or is found responsible, one of these four penalties must be given.

For cases resolved through Facilitated Discussion, only penalty 1 (Graduate Honor System Probation), subparts a-f may be applied.

For those cases where suspension or dismissal is not warranted, the subparts of penalty 1 (Graduate Honor System Probation) provide a further gradation in the penalty action. Whereas penalties 2, 3, and 4 must be given as a whole (i.e., no parts may be given without the others), penalty 1 may be given in part or in full. However, *if penalty 1 is selected, parts a and b are required.* Only parts c-i of penalty 1 shall be optional. The very minimum penalty given shall be penalty 1, parts a and b.

1. **Graduate Honor System Probation** (parts a and b mandatory, parts c-h optional)
   a. The referred shall not be suspended from the University, but shall be placed on Graduate Honor System Probation until graduation or termination of enrollment. The sentence of Probation is a warning and is intended to serve as a deterrent against future misconduct. In the event of any other University or Graduate Honor Code violation, the appropriate parties shall be notified of the previous history of the referred. In the event of resignation and re-enrollment within a period of one (1) year, the referred shall be reinstated on Graduate Honor System Probation (penalty 1, part a only) subsequent to re-enrollment.
   b. The referred shall also automatically receive a zero on the assignment on which the violation occurred. In cases other than those involving course work (or other
similar work where a zero is applicable), action shall be taken to negate any advantages obtained by the violation.

c. A record of the action shall be kept in the referred student's folder (*not* the official transcript) in the Graduate School until graduation from the University or termination of enrollment.

d. The referred shall be required to attend a meeting or meetings with the Chair and the Dean of the Graduate School for the purpose of achieving a better understanding on the student’s part of the requirements and purpose of the Graduate Honor System. Failure to participate in this meeting(s) shall constitute grounds for the *automatic* invocation of part "g" below.

e. The referred shall be required to write an essay on academic integrity, prevention of academic misconduct, and/or what they have learned regarding academic integrity. Additional essay topics may be requested by the Review Panel. The Chair or Associate Chair from the case will review and guide the writing of the essay. Failure to complete this assignment shall constitute grounds for the *automatic* invocation of part "g" below.

f. The referred shall be required to complete GRAD 5014: Academic Integrity and Plagiarism course. Failure to successfully complete this course shall constitute grounds for the *automatic* invocation of part "g" below.

g. The notation "placed on Graduate Honor System Probation" shall appear on the student's permanent record (transcript) under the semester in which the violation occurred.

h. If substantial unfair academic advantage was gained, that is to say, if the violation, undetected, would have led to an advantage over the other students (or if the referred thought it would), then a grade of "F" for the course in which the offense occurred shall also be a penalty action under this part. This grade shall appear on the student's grade report and permanent record (transcript) as an "F."

i. If substantial unfair academic advantage was gained, that is to say, if the violation, undetected, would have led to a substantial grade advantage over the other students (or if the referred thought it would), then a grade of "F for violation of the Graduate Honor Code" for the course in which the offense occurred shall also be a penalty action under this part. This grade shall appear on the student's grade report and permanent record (transcript) as an "F*", and it shall be a permanent notation.

2. **Suspension in Abeyance** (all parts mandatory)

   a. The referred shall be allowed to remain in the University to complete the semester in which the offense occurred or in which the hearing is held.

   b. The penalty shall automatically include a grade of "F for violation of the Graduate Honor Code" for the course (or equivalent) in which the offense occurred. This grade shall appear on the student's grade report and permanent record (transcript) as an "F*", and it shall be a permanent notation.

   c. After the completion of the semester as specified in item (a) above, the referred shall be suspended for a period not to exceed two (2) successive semesters or one (1) full academic year as specified by the official notification of the University action (as specified under Article VI, Section 1, item 3 of this Constitution).
d. The notation "suspended for violation of the Graduate Honor Code" shall appear on the student's permanent record (transcript) under the semester in which the violation occurred.

e. Upon the referred student's re-enrollment at Virginia Tech at the end of the period of suspension, the student shall be placed on Graduate Honor System Probation (penalty 1, part a only) until graduation or termination of enrollment.

3. **Suspension** (all parts mandatory)

   a. Suspension is immediate and the student shall not be allowed to complete the current semester. In addition, the referred shall be suspended for a period not to exceed two (2) successive academic semesters or one (1) full academic year following the current semester (as specified under Article VI, Section 1, item 3 of this Constitution).

   b. All credits shall be lost for work done during the semester in which the student is currently enrolled. The penalty shall automatically include a grade of "F for violation of the Graduate Honor Code" for the course (or equivalent) in which the offense occurred. This grade shall appear on the student's grade report and permanent record (transcript) as an "F*", and it shall be a permanent notation.

   c. The notation "suspended for violation of the Graduate Honor Code" shall appear on the student's permanent record (transcript) under the semester in which the violation occurred.

   d. Upon the referred student's re-enrollment at Virginia Tech at the end of the period of suspension, the student shall be placed on Graduate Honor System Probation (penalty 1, part a only) until graduation or termination of enrollment.

4. **Permanent Dismissal** (all parts mandatory)

   a. The referred shall be permanently dismissed from the University without being allowed to complete the current semester.

   b. All credits shall be lost for work done during the semester in which the student is currently enrolled. In addition, if the offense did not occur during the semester in which the hearing is held, then a grade of "F for violation of the Graduate Honor Code" shall also be assigned for the course in which the offense was committed. This grade shall appear on the student's grade report and permanent record (transcript) as an "F*", and it shall be a permanent notation.

   c. The referred may never re-enroll in the University.

   d. The notation "permanently dismissed for violation of the Graduate Honor Code" shall appear on the student's permanent record (transcript) under the semester in which the violation occurred.

**Section 2 - Acquittal**

In the event of acquittal by the Graduate Honor System, all records of any description in conjunction with the trial shall be completely destroyed, except the "charges" and the "Findings of the System," which shall be filed in the Chair’s confidential file.

**Section 3 - Announcement**
1. In cases where students are found in (or claim responsibility for) violation of the honor code, the penalty and specifications may be published without names, when the case is resolved, in such media as the GHS annual report and reports to the Graduate Student Assembly or Commission on Graduate Studies and Policies.

2. Exonerations may also be published (without names) if the referred so desires. A written release must be obtained from the referred prior to publication.

**ARTICLE VIII: RIGHTS AND OBLIGATIONS OF THE REFERRED STUDENT**

*Section 1 - Rights of the Referred Student*

A student referred for violating the Graduate Honor Code shall have certain procedural guarantees to ensure fair judicial hearing of evidence. These rights under the Graduate Honor Code shall be as follows:

1. Students shall be considered innocent until judged guilty.
2. Students shall have the right to refrain from speaking for or against themselves.
3. Students shall have the right to speak in their own behalf.
4. Students may choose a member of the university community, such as a fellow student, faculty member, or staff member who is willing to assist them in preparing their defense. This person may attend a Facilitated Discussion, but may only participate in an advisory capacity to the student. During a Review Panel, the student's representative shall only be allowed to address the Review Panel; they may not question witnesses. Lawyers retained by referred students shall not be permitted in Review Panel hearings or at Facilitated Discussions.
5. Students may terminate a Facilitated Discussion at any time, without reason.
6. Students shall have the right to review the report prepared by the Associate Chair, prior to the scheduling of a Preliminary Review Panel.
7. Students shall have the right to suggest corrections and/or additions to the report prepared by the Associate Chair, prior to the scheduling of a Preliminary Review Panel. All suggestions will be considered at the discretion of the Chair and the Associate Chair for the case.
8. Students may at any time privately seek counsel with their university community representative. Statements made at this time shall be confidential.
9. Students may have any Graduate Honor System function that they are entitled to attend stopped at any time for a point of clarification.
10. Students may leave any Graduate Honor System function at any time; however, it is in their best interest to remain until they are made aware of all the details.
11. Students shall have the right to receive written notice of the charges, the "Order of Events for Review Panel Hearings," and any other pertinent information sufficiently in advance of the Review Panel hearing and in reasonable enough detail to allow them to prepare a case in their behalf. Likewise, students shall have the right to examine all evidence collected during evidence gathering prior to the Review Panel hearing. The students and their representatives shall have a copy of the evidence during the Review Panel hearing.
12. Students shall have the right to be aware of all testimony.
13. Students shall have the right to face the referrer, when such opportunity exists, at the Review Panel hearing and to present a defense against the charges, including presenting
witnesses on their behalf. Consequently, students shall be consulted in the scheduling of the Review Panel hearing. However, students shall only be allowed to reschedule the Review Panel hearing once. Except under extenuating circumstances, Review Panel hearings shall not be rescheduled unless the Chair or the Graduate Honor System Advisor is notified of the requested change prior to three (3) days preceding the scheduled hearing date.

14. Failure of students to be present at Review Panel hearings, assuming reasonable effort has been made to ensure their presence, shall indicate that they are waiving their rights to face the referrer and to appear before the Review Panel.

15. Students may ask that a panel member be excused from the Review Panel hearing if they can give reasonable cause why that panel member may be biased or have some other conflict of interest. The Chair and the Graduate Honor System Advisor shall make a final ruling on any such request.

16. Students shall have the right to an appeal as specified under Article VI, Section 2.

Section 2 - Obligations of the Referred Student(s)

Students referred of Graduate Honor Code violations shall have the responsibility of cooperating with Graduate Honor System personnel. Furthermore, when a case involves other students, these students' rights to privacy should be observed. Students should be aware that the confidentiality of Honor System proceedings may be covered under the Family Educational Rights and Privacy Act (FERPA) as outlined on the University Registrar’s website.

ARTICLE IX: RIGHTS AND OBLIGATIONS OF THE REFERRER

Section 1 - Rights of the Referrer

A person referring charges of a Graduate Honor Code violation against a graduate student shall be accorded the following rights:

1. Discussion of the charges between the referrer and referred prior to the Review Panel hearing shall be allowed, although the referrer shall have the right to decline to discuss the case with the referred. The referrer shall have the right, with the permission of the referred, to have one witness present when talking with the referred about the alleged violation.

2. The referrer shall have the right to choose one person (any member of the university community, such as a graduate student, a faculty or staff member, or department head) to assist them in preparation of the case. This person is not allowed to be present at the Review Panel hearing or during a Facilitated Discussion.

3. The referrer shall have the right to terminate a Facilitated Discussion at any time, without reason.

4. The referrer shall have the right to review the report prepared by the Associate Chair, prior to the scheduling of a Preliminary Review Panel.

5. The referrer shall have the right to suggest corrections and/or additions to the report prepared by the Associate Chair, prior to the scheduling of a Preliminary Review Panel. The referrer shall have the right to receive a copy of the evidence collected during the evidence gathering, the "Order of Events for Review Panel Hearings," and any other
pertinent information, if the Preliminary Review Panel sends the case to the Review Panel.

6. The referrer shall have the right to receive written notification of the final disposition of the case.

7. The referrer shall have the right to be secure in person and property.

8. Professors referring charges of violations may opt to grade or refrain from grading any assignment referred to the Graduate Honor System. It is recommended that instructors, if they are able to do so, grade the assignment with the assumption that the student is innocent of the charge. However, an incomplete grade may be assigned to the referred student pending the decision of the Graduate Honor System. The incomplete grade will be removed when the case is resolved.

Section 2 - Obligations of the Referrer

A person referring a suspected of a Graduate Honor Code violation shall accept the following obligations:

1. The referrer shall cooperate with the Chair, the Graduate Honor System advisor, the Associate Chair, and any other personnel of the Graduate Honor System.

2. The referrer shall be expected to appear at the Review Panel hearing.

3. The referrer shall have the responsibility of maintaining confidentiality in all matters pertaining to the case. However, referrers may discuss the case with their counsel (see Article IX, Section 1, item 2). The referrer should be aware that the confidentiality of Honor System proceedings may be covered under the Family Educational Rights and Privacy Act (FERPA) as outlined on the University Registrar’s website.

ARTICLE X: OBLIGATIONS OF PARTIES INDIRECTLY INVOLVED IN HONOR SYSTEM CASES

1. Parties indirectly involved in Honor System cases include but are not limited to persons who witness alleged violations, witness discussions between referrers and referred students, and serve as members of the University community that help referrers and referred students prepare their case.

2. Parties indirectly involved in Honor System cases shall have the responsibility of maintaining confidentiality in all matters. Parties indirectly involved in Honor System Cases should be aware that the confidentiality of Honor System proceedings may be covered under the Family Educational Rights and Privacy Act (FERPA) as outlined on the University Registrar’s website.

ARTICLE XI: GENERAL

Section 1 - Reporting of Violations

It is the obligation of all members of the academic community to report alleged violations of the Graduate Honor Code. Reporting the observance of a Graduate Honor Code violation shall not be optional; it shall be mandatory. Reports should be submitted in writing to the Chair or the
Graduate Honor System Advisor on forms provided for that purpose, which are available at the Graduate Honor System website. The report form also may be obtained at the Graduate School.

 Alleged violations of the Graduate Honor Code must be reported within ten (10) University business days after the date of discovery. Only under very special circumstances shall exceptions to this policy be granted, and then only at the discretion of the Chair and the Graduate Honor System Advisor. A possible reason for exception could include, but is not limited to, unavoidable delays in obtaining the evidence.

Section 2 - Violations at Extended Campuses

1. Students engaged in graduate studies at any of Virginia Tech’s extended campuses shall be subject to all provisions of this Constitution.
2. Designated panelists may assist in gathering evidence if it is not possible for an Associate Chair to do so. The evidence obtained shall be presented to the Preliminary Review Panel and shall be evaluated in a manner prescribed in Article IV of this Constitution.
3. Unless otherwise designated by the Chair, with the approval of the Dean of the Graduate School, all hearings shall be conducted at the Virginia Tech main campus in Blacksburg.

Section 3 - Summer

Because of the decreased availability of graduate student and faculty panelists during the summer, delays in processing and hearing cases may result. Thus, reasonable delays of this sort shall not be considered as violating the student's rights or as grounds for an appeal.

Section 4 - Graduate Students Enrolled in Undergraduate Classes

Graduate students shall be subject to stipulations within this Constitution regardless of whether they are enrolled in undergraduate or graduate classes. In cases in which the graduate student is referred in conjunction with an undergraduate student, the Graduate Honor System will work with the Office of Undergraduate Academic Integrity.

Section 5 - Undergraduate Students Enrolled in Graduate Classes

The undergraduate honor system, commonly referred to as The Virginia Tech Honor System, shall have jurisdiction over cases involving undergraduate students in graduate classes unless the student is also enrolled in the Graduate School and taking graduate classes for graduate credit under the classification of "Dual Student" or "Combined Student," and "Bachelor/Master’s Degree Student," in which case the Graduate Honor System shall have jurisdiction. In cases in which an undergraduate student is referred with a graduate student, the Graduate Honor System will work with the Office of Undergraduate Academic Integrity.

Section 6 - Violations Involving Graduate Students Already Graduated

If the degree towards which the student was working at the time of the alleged violation has already been awarded, the case shall be referred to the Dean of the Graduate School who shall
convene a committee to review and investigate the charge and make recommendations. The committee composition shall be determined by the Dean of the Graduate School. The Chair of the Graduate Honor System shall be an ex officio member of this committee and shall have the same voting privileges as the other members of this committee.

Section 7 - Recruitment of Graduate Honor System Members

Recognizing that it is strongest when it fosters and reflects the support of all graduate students and faculty at the University, the Graduate Honor System shall seek to be as broadly representative of the graduate student and faculty bodies at Virginia Tech as possible. To this end, all qualified graduate students and faculty shall be encouraged to participate in the Graduate Honor System. No otherwise qualified graduate student or faculty may be excluded from membership on the basis of race, sex, handicap, age, veteran status, national origin, religion, political affiliation, or sexual orientation.

Section 8 - Clearance of Graduate Student Records

Graduate students volunteering or appointed to serve on the Graduate Honor System must receive clearance of their personal disciplinary records and their academic records through the Dean of the Graduate School. Such clearances shall be conducted consistent with the University's regulations on the confidentiality of records and shall assure a minimum academic quality credit average of 3.00 and no previous or current disciplinary action for each appointee.

Section 9 - Confidentiality

All investigations, hearings, reviews, and other associated activities of the Graduate Honor System shall conform to the University's "Confidentiality of Student Records" and FERPA policies.

Section 10 - Substitution of Graduate Honor System Personnel

The Chair or the Graduate Honor System Advisor shall be authorized, when circumstances dictate, to appoint substitutes for any Graduate Honor System personnel in any case before the Graduate Honor System. However, faculty may not be substituted for graduate students and vice versa.

Section 11 - University Policies

Where appropriate, the Graduate Honor System shall abide by all applicable policies, statements, and principles as contained in the University Policies for Student Life.

Section 12 – Definition of a “University business day”

A “University business day,” as referred to in this constitution, shall be defined as any day on which the main Virginia Tech campus is open and the Graduate School offices are open.
ARTICLE XII: AMENDMENTS

Proposed amendments to the Constitution of the Graduate Honor System may be initiated through one of the following channels: (1) by a majority vote of the Graduate Student Assembly, (2) by a majority vote of the Commission on Graduate Studies and Policies, or (3) by direct submission to the Chair or the Dean of the Graduate School. Also, at the discretion of the Chair and the Graduate Honor System advisor, amendments may be initiated through the Graduate Honor System. Upon receiving such proposals, the Dean of the Graduate School shall convene the Constitution Revision Committee. With the approval of two-thirds of this committee, proposed amendments shall be forwarded for approval by the Commission on Graduate Studies and Policies and thereafter through the proper channels of the University governance structure (which at the time of the 2008-09 revision is described in Policies and Procedures No. 8011). Any substantive changes in proposed amendments as they proceed through subsequent levels of approval shall be resubmitted to the Constitution Revision Committee for its approval.

The Constitution Revision Committee shall consist of the Chair, the Graduate Honor System Advisor, a minimum of six (6) panelists (minimum of four (4) graduate students and two (2) faculty), and up to two (2) other representatives from the graduate student body to be nominated by the Graduate Student Assembly.

2018 Revision

The Vice President and Dean of the Graduate School convened a Constitution Review Committee in the Spring of 2018. This revision was conducted by a panel of graduate students and faculty members in accordance with the constitution.

The goals of the revision were to address concerns about the path of appeals, update language within the constitution to better fit the Honor System’s values, and include penalties that fit the Honor System’s values and mission which were not available at the time of the last revision.

2008-09 Revision

At the request of the Dean of the Graduate School, a Constitution Review Committee was convened in 2008 to perform a periodic review to bring the GHS Constitution up to date with current University policies and the climate of the time. This revision was conducted by a panel of graduate students and faculty in accordance with the constitution.

The goals of the current revision were two-fold: First, revisions were intended to address substantive issues that have arisen since the 1991 revision. Second, revisions were intended to improve the efficiency and effectiveness of the Honor System. The Review Committee considered a number of changes and ultimately rejected those that did not meet either of the above mentioned goals. The committee has worked very hard to ensure that the revisions to this constitution stand for at least another 15 years.

1991 Revision
Following the conclusion of the 1987 University Self-Study, a Constitution Revision Committee was convened to evaluate the Graduate Honor System. Since the Constitution had not received serious scrutiny in a decade or more, and since the Graduate Honor System has now matured to a level where the old Constitution is hardly serviceable, the ultimate goal of this committee from the outset was a revision of the Constitution. Much work has gone into ensuring that this revision will stand the test of time and will be instructive in guiding the operation of the Graduate Honor System in the years ahead.

**Reference Material Used**

Revision of this document was based on a variety of materials; these include:


3. Several ideas and sentences from the following sources have been used with and without modification in the writing of the section "Purpose and Description of Graduate Honor Code" (Article I, Section 1):
   a. Reference 1.

4. Information used in defining "Misconduct in Research" (Article I, Section 3):
   a. Recommendations on "Research Misconduct and Graduate Students at VPI&SU" submitted to the Constitution Revision Committee by the Degree Requirements, Standards, Criteria and Academic Policies Committee (DRSCAPC) of the Commission on Graduate Studies, January 18, 1990.

5. "Computer Science Department Policy on Koofers, Old Programs, Cheating, and Microcomputer Use," CS Bits & Bytes (CS Dept. VPI&SU), Wednesday, February 15, 1989, pp. 7-8. (Ideas and and wording from this policy were used in Article I, Section 3.)
CONSTITUTION OF THE GRADUATE HONOR SYSTEM

Virginia Polytechnic Institute and State University
Passed by the Commission on Graduate Studies and Policies
Effective Fall 2009

Table of Contents

Article I: Purpose and Description 2
Article II: General Administration 4
Article III: Facilitated Discussion 6
Article IV: Investigative Board 7
Article V: Judicial Panel 8
Article VI: University Action 9
Article VII: Actions of the Graduate Honor System 10
Article VIII: Rights and Obligations of the Accused 12
Article IX: Rights and Obligations of the Referrer 12
Article X: Obligations of Parties Indirectly Involved in Cases 13
Article XI: General (Reporting of Violations; Jurisdiction; Membership) 13
Article XII: Amendments 15
Appendix: Plagiarism 16
ARTICLE I: PURPOSE AND DESCRIPTION

Section 1 - Graduate Honor Code

The Graduate Honor Code establishes a standard of academic integrity. As such, this code demands a firm adherence to a set of values. In particular, the code is founded on the concept of honesty with respect to the intellectual efforts of oneself and others. Compliance with the Graduate Honor Code requires that all graduate students exercise honesty and ethical behavior in all their academic pursuits here at Virginia Tech, whether these undertakings pertain to study, course work, research, extension, or teaching.

It is recognized that graduate students have very diverse cultural backgrounds. In light of this, the term ethical behavior is defined as conforming to accepted professional standards of conduct, such as codes of ethics used by professional societies in the United States to regulate the manner in which their professions are practiced. The knowledge and practice of ethical behavior shall be the full responsibility of the student. Graduate students may, however, consult with their major professors, department heads, International Graduate Student Services, or the Graduate School for further information on what is expected of them.

More specifically, all graduate students, while being affiliated with Virginia Tech, shall abide by the standards established by Virginia Tech, as these are described in this Constitution. Graduate students, in accepting admission, indicate their willingness to subscribe to and be governed by the Graduate Honor Code and acknowledge the right of the University to establish policies and procedures and to take disciplinary action (including suspension or expulsion) when such action is warranted. Ignorance shall be no excuse for actions which violate the integrity of the academic community.

The fundamental beliefs underlying and reflected in the Graduate Honor Code are that (1) to trust in a person is a positive force in making a person worthy of trust, (2) to study, perform research, and teach in an environment that is free from the inconveniences and injustices caused by any form of intellectual dishonesty is a right of every graduate student, and (3) to live by an Honor System, which places a positive emphasis on honesty as a means of protecting this right, is consistent with, and a contribution to, the University's quest for truth.

Section 2 - Implementation

The Graduate Honor System was established to implement the Graduate Honor Code, and its functions shall be:

1. To promote honesty and ethical behavior in all academic pursuits, including, but not limited to, study, research, teaching, and extension.
2. To disseminate information concerning the Graduate Honor System to all new graduate students, faculty, and other interested parties.
3. To investigate all suspected violations of the Graduate Honor Code in an impartial, thorough, and unbiased manner.
4. To try all cases involving academic infractions of the Graduate Honor Code brought before the System.
5. To assure that the rights of all involved parties are protected and assure due process in all proceedings.

Section 3 - Violations

All forms of academic work including, but not limited to, course work, lab work, thesis or dissertation work, research, teaching, and extension performed by any graduate student enrolled on a part-time or full-time basis under any of the admission categories listed in the Virginia Tech Graduate Catalog shall be subject to the stipulations of the Graduate Honor Code. Violations of the Graduate Honor Code are categorized as follows: Cheating, Plagiarism, Falsification, and Academic Sabotage. Violations are defined as follows:

1. Cheating: Cheating is defined as the giving or receiving of any unauthorized aid, assistance, or unfair advantage in any form of academic work. Cheating applies to the products of all forms of academic work. These products include, but are not limited to, in-class tests, take-home tests, lab assignments, problem sets, term papers, research projects, theses, dissertations, preliminary and qualifying examinations given for the fulfillment of graduate degrees, or any other work assigned by an instructor or professor, department committee, or department that pertains to graduate work or degrees.

Any student giving or receiving unauthorized information concerning a test, quiz, or examination shall be guilty of an Honor Code violation. Submitting work that counts towards the student's grade or degree which is not the sole product of that student's individual effort shall be considered cheating, unless, for example, the professor explicitly allows group work, use of out-of-class materials, or other forms of collective or cooperative efforts. In general, all academic work shall be done in accordance with the requirements specified by the instructor or professor. In the absence of specific allowances or instructions by the professor, students shall assume that all work must be done individually.
Some uses of permanently returned, graded material ("koofers") are cheating violations of the Code. By permanently returning graded materials, a faculty member or instructor demonstrates the intent that these materials should be accessible to all students. Such materials may be used for study purposes, such as preparing for tests or other assignments, and other uses explicitly allowed by the professor or course instructor. Once test questions have been handed out, koofers may not be used. Other specific examples of the illegal use of koofers include, but are not limited to, using koofers during closed-book exams, handing in any type of copy (e.g., a photocopy or a transcribed copy) of someone else's work (partial or complete) from a previous term, and copying a current answer key or one that was handed out in a previous term. Students may not copy and hand in as their own work answers taken from any kind of koofer. When in doubt of what may or may not be used, students should consult with the course instructor. In the absence of specific instructions concerning koofers from the instructor, students shall assume that all submitted work must be the product of their own efforts.

2. **Plagiarism:** Plagiarism is a specific form of cheating, and is defined as the copying of the language, structure, idea, and/or thoughts of another and claiming or attempting to imply that it is one's own original work. It also includes the omitting of quotation marks when references are copied directly, improper paraphrasing (see Appendix: Plagiarism, p. 16), or inadequate referencing of sources. Sources used in preparing assignments for classes, theses, dissertations, manuscripts for publication, and other academic work should be documented in the text and in a reference list, or as directed by the instructor or professor. Sources requiring referencing include, but are not limited to, information received from other persons that would not normally be considered common knowledge (Plagiarism), computer programs designed or written by another person, experimental data collected by someone else, graded permanently-returned materials such as term papers or other out-of-class assignments (koofers), as well as published sources.

A more detailed discussion of plagiarism may be found at the end of this document under Plagiarism.

3. **Falsification:** Students who falsify, orally, in writing, or via electronic media, any circumstance relevant to their academic work shall be guilty of a violation of this Code. Included are such actions as forgery of official signatures, tampering with official records or documents, fraudulently adding or deleting information on academic documents, fraudulently changing an examination or testing period or due date of an assignment, and the unauthorized accessing of someone else's computer account or files. Violations also include willfully giving an improper grade or neglecting to properly grade submitted material, improperly influencing the results of course evaluations, and knowingly including false data or results in any paper or report submitted for a grade, as a degree requirement, or for publication.

4. **Academic Sabotage:** Academic sabotage is purposeful vandalism directed against any academic endeavor or equipment. It includes, but is not limited to, the destruction or theft of written material, laboratory or field experiments, equipment used in teaching or research, or computer files or programs. Unauthorized tampering with computer programs or systems shall constitute a violation. Academic sabotage includes deliberately crashing or attempting to crash a computer system or the use of files intended to cause or actually causing computer systems to behave atypically, thereby impeding another person's or group's efforts. In particular, knowingly infecting any system with a virus, worm, time bomb, trap door, Trojan horse, or any other kind of invasive program shall be considered a serious violation. Note that violations under this category may also lead to University judicial action or to criminal suits charged by the University.

**Misconduct in research and teaching** deserves special mention in the Code since it is an area of special interest to graduate students. It is not a separate violation category since it may involve cheating, plagiarism, falsification, and/or academic sabotage as discussed above. **Misconduct in research** does not include those factors intrinsic to the process of research, such as honest error, conflicting data, or differences in interpretation concerning data or experimental design. Likewise, **misconduct in teaching** does not include honest disagreement over the method of presentation of instructional material to a class or in the evaluation of the performance of a student. Research misconduct allegations may also be investigated by the Virginia Tech Office of Research Integrity.

**Section 4 - Composition**

The Graduate Honor System shall consist of an Advisor, a Chief Justice, one or more Investigators, GHS Facilitators, an Investigative Board, and a Judicial Panel. The Dean (or designee) of the Graduate School shall be responsible for the continued operation of the System. Appointment of Graduate Honor System personnel shall be made in accordance with Article XI, Section 7.
ARTICLE II: GENERAL ADMINISTRATION

Section 1 - Appointment of the Graduate Honor System Advisor

A member of the staff of the Dean of the Graduate School shall be appointed by the President to serve as the Graduate Honor System Advisor. The Advisor shall serve in an advisory capacity to the Chief Justice and shall be present (or represented) at all hearings of both the Investigative Board and the Judicial Panel.

Section 2 - Duties and Functions of the Advisor

The following duties and functions shall be performed by the Advisor:

1. The advisor shall have the responsibility to train the Chief Justice, Investigators, Facilitators, and new board and panel members.
2. The advisor shall provide counsel to the Chief Justice and Investigators in the preparation of cases.
3. The advisor shall provide staff for handling training sessions, scheduling meetings, and other matters related to the administration of the Graduate Honor System.
4. The advisor shall counsel faculty or students referring cases as well as those students charged with offenses.
5. The advisor (or designee) shall attend all hearings.
6. The advisor, in consultation with the Chief Justice, shall be responsible for appointing the Investigators.
7. The advisor, upon the receiving the recommendation of the Chief Justice, shall be responsible for approving the membership of the Investigative Board and Judicial Panel.

Section 3 - Appointment of the Chief Justice

1. Nominations for the position of Chief Justice shall be accepted from the Graduate Student Assembly, College Deans, and other members of the academic community, and applications by qualified persons shall be welcomed. Candidates for the position of Chief Justice must be graduate students in good standing and must have been in residence for at least one (1) semester immediately preceding nomination. Preferably, the nominee will have served as an Investigator or as a graduate student panel member of the Graduate Honor Court for at least one (1) semester prior to appointment.
2. The term of office shall be one (1) year, but if available and willing, the current Chief Justice may be re-appointed by the President of the University to serve subsequent terms, up to four (4) years, upon the recommendation of the Graduate Honor System Advisor.

3. The Chief Justice Nominating Committee shall be convened by the Dean upon the resignation of the current Chief Justice, upon completion of term of office, or upon termination of office. This committee shall consist of the Graduate Honor System Advisor (Chair), up to three (3) graduate student members of the Graduate Honor System, and one (1) faculty member having previously served on the Judicial Panel and appointed by the Dean of the Graduate School. All members shall have equal voting privileges. The function of this committee shall be to nominate a candidate for appointment by the President. The nomination process shall be: (1) to invite nominations and accept applications, (2) to review applications and conduct interviews with applicants, and (3) to recommend to the President of the University from among these applicants a nominee for the position of Chief Justice. The recommendation of this committee shall be by majority vote.

4. The recommendation of the nominating committee is voted on by the Graduate Student Assembly (GSA) and the Commission on Graduate Studies and Policies (CGS&P).

5. The Dean of the Graduate School will forward the nomination to the President conveying the vote of the GSA and CGS&P.

6. The President shall appoint the Chief Justice.

7. In the absence of a timely appointment, the President through the recommendation of the Dean, can appoint the nominee as an interim Chief Justice until the conclusion of the appointment process.

Section 4 - Duties and Functions of the Chief Justice

The Chief Justice shall perform the following duties and functions:

1. The Chief Justice shall receive reports of suspected violations and determine, in consultation with the GHS Advisor, if the accused student is eligible for a Facilitated Discussion.
2. The Chief Justice shall assign to the Investigative Board all cases not eligible for Facilitated Discussion.
3. The Chief Justice shall preside at all Judicial Panel hearings. The Chief Justice may request a member of the Judicial Panel to preside in his or her place.
4. The Chief Justice shall assure justice, fairness, and due process.
5. The Chief Justice shall secure nominations and select graduate student and faculty members for the Facilitated Discussion Process, the Investigative Board, and Judicial Panel, subject to approval by the Graduate Honor System Advisor.
6. The Chief Justice shall assume responsibility for the instruction and training of graduate student and
faculty members in the operation, function, and responsibility of the Graduate Honor System.

7. The Chief Justice shall orient entering graduate students and new faculty to the values and obligations of the Graduate Honor Code.
8. The Chief Justice shall conduct information activities and coordinate activities of the Graduate Honor System.
9. The Chief Justice shall administer the operation of the Graduate Honor System throughout the entire calendar year.
10. The Chief Justice shall keep the graduate community apprised of relevant activities of the Graduate Honor System.
11. The Chief Justice shall consult with the Graduate Honor System Advisor in the appointment of the Investigators and Graduate Honor System panelists for the Facilitated Discussion.
12. The Chief Justice shall select the Judicial Panel subcommittees to hear the cases.

Section 5 - Staff of the Chief Justice

The Chief Justice, with the approval of the Graduate Honor System Advisor, shall appoint sufficient staff to assist with the duties of the office.

Section 6 - Appointment of Investigators

1. The Graduate Honor System Advisor, in consultation with the Chief Justice, shall appoint one or more Investigators. Nominations for this position shall be accepted from the Graduate Student Assembly, College Deans, and other members of the academic community; and applications from qualified personnel shall be welcomed. Members of the Investigative Panel will be invited to apply. Students being considered for Investigator positions must be graduate students in good standing and must have been in residence for at least one (1) semester immediately preceding appointment. Preferably, the nominee will have served as a graduate student panel member of the Graduate Honor System for at least one (1) semester prior to the appointment. Investigators shall serve a one (1) year term but may be re-appointed to serve subsequent terms, up to four (4) years, if available and willing.
2. The appointment of the new Investigator(s) shall be made as necessary to meet the needs of the Honor System.

Section 7 - Duties of Investigators

Investigators shall perform the following duties:

1. Investigators shall gather evidence and conduct interviews with the referrer and the accused student(s).
2. Investigators shall prepare a brief report summarizing the evidence.
3. Investigators shall present the report summarizing the evidence to the referrer, accused student, and Chief Justice before presenting it for review by the Investigative Board.
4. Investigators shall select the Investigative Board subcommittee for reviewing the evidence.
5. Investigators shall convene and chair Investigative Board meetings.
6. Investigators shall prepare a brief report for the Chief Justice which summarizes the decision of the Investigative Board and shall brief the Chief Justice on all the details of the case at hand.
7. Investigators shall present the evidence before the Judicial Panel.
8. Investigators shall aid the Chief Justice in convening and conducting training sessions for Investigative Board members.

Section 8 – Appointment of Graduate Honor System Facilitators

1. The Graduate Honor System Advisor, in consultation with the Chief Justice, shall appoint one or more Graduate Honor System Facilitators. Applications for this position shall only be taken from current members of the Investigative Board and Judicial Panel. Graduate Honor System Facilitators must have significant experience with the Graduate Honor System as determined by the Graduate Honor System Advisor and Chief Justice before appointment as Discussion Facilitators. Facilitators shall serve a one (1) year term but may be re-appointed to serve subsequent terms, up to four (4) years, if available and willing.
2. The appointment of new Facilitators shall be made as necessary to meet the needs of the Honor System.

Section 9 – Duties of Graduate Honor System Facilitators

1. Graduate Honor System Facilitators shall facilitate a discussion meeting between the referrer, and the accused student(s).
2. Graduate Honor System Facilitators shall ensure that all applicable GHS guidelines are observed and followed.
3. Graduate Honor System Facilitators shall ensure that the rights of the accused and referrer are upheld.
4. Graduate Honor System Facilitators shall, upon examination of the facts of the case, have the authority to refer cases to the Chief Justice so that they may be assigned an Investigator.
ARTICLE III: FACILITATED DISCUSSION

Section 1 - Composition

1. The Facilitated Discussion shall be attended by the referrer(s) of the case, the accused student(s), and one Graduate Honor System Facilitator (as outlined in Article II, Sections 8 and 9).

Section 2 – Functions of the Facilitated Discussion

The Facilitated Discussion shall fulfill the following functions:

1. It shall assure that the rights of the accused and the referrer are protected and assure due process.
2. It shall facilitate a discussion between the referrer and accused student(s).
3. It shall attempt to build a consensus resolution to a suspected Honor Code violation without convening an Investigative Board or a Judicial Panel.
4. It shall create a record of an Honor Code violation if all parties conclude that a violation did occur. This record shall be kept in the Graduate Honor System case files.

Section 3 – Eligibility for the Facilitated Discussion

A suspected Honor Code violation will be eligible for a Facilitated Discussion if ALL of the following criteria are met:

1. The referrer of the case is a Faculty member;
2. The suspected violation involves an allegation of either 1) cheating or 2) plagiarism as outlined in Article I, Section 3 of the GHS Constitution;
3. The accused student(s) is(are) not on Graduate Honor System Probation at the time the report of the suspected violation is received by the Graduate Honor System;
4. And the violation is one for which a reasonable person who is familiar with the form and functions of the Graduate Honor System would not assign a penalty of more than the sanctions outlined in Article VII, Section 1, Item 1, Part a-d of this Constitution.

Section 4 – Operation

1. The Chief Justice, after determining a case eligible for a Facilitated Discussion, will notify the referrer and the accused of this determination.
2. The referrer and accused will then have no more than ten (10) University business days to notify the Chief Justice of their desire to participate in a Facilitated Discussion; otherwise the case will be sent for investigation and panel review. Exceptions to the ten-day period will only be made under extenuating circumstances, as determined by the Chief Justice or Graduate Honor System Advisor.
3. If either the referrer or the accused student(s) does not agree to participate in the Facilitated Discussion, the case will be sent for investigation and panel review.
4. During the Facilitated Discussion, the referrer of the alleged violation and the accused student will attempt to reach a resolution to the case, with the assistance of the Graduate Honor System Facilitator. The question which the accused and the referrer must answer is “Is the student guilty of the alleged violation?” A determination of guilt shall require both the referrer and the accused student to agree that the student is guilty of the alleged violation. A determination of not guilty shall require both the referrer and the accused student to agree that the student is not guilty of the alleged violation. In the absence of such an agreement, the case shall be sent for an investigation and panel review.
5. If the referrer and student agree that the student is guilty of the alleged violation, the referrer and student may then decide upon an appropriate penalty. Sanctions for the Facilitated Discussion will be limited to those sanctions outlined in Article VII, Section 1, Item 1, Parts a-d of this Constitution. The referrer and accused must both come to an agreement on the appropriate penalty. In the absence of such an agreement, the case shall be sent for an investigation and panel review.
6. The GHS Facilitator shall keep a record of the outcome of the Facilitated Discussion. This record, the original report of the alleged violation, and any relevant evidence shall be held in the Chief Justice’s confidential file. The Chief Justice shall inform the Dean of the Graduate School (or designee), in writing, of the outcome of all Facilitated Discussions.
7. For cases in which the referrer or the accused withdraws from the Facilitated Discussion, no record shall be kept that either the referrer or accused participated in a Facilitated Discussion and the fact that they did participate in such a proceeding shall not be deemed relevant in any future Honor System proceedings.
Section 5 – Withdrawal from the Decision of the Facilitated Discussion

1. The accused or referrer may withdraw from a decision reached during a Facilitated Discussion for any reason.
2. If the accused or referrer wishes to withdraw from the Facilitated Discussion decision, the Chief Justice must be notified of the desire to withdraw from the decision within two (2) calendar days of the conclusion of the Facilitated Discussion.
3. If the accused or referrer withdraws from the Facilitated Discussion decision, the case shall be immediately sent for an investigation and panel review.
4. In these instances no record shall be kept that the Facilitated Discussion occurred and the fact that they did participate in such a proceeding shall not be deemed relevant in any future Honor System proceedings.

ARTICLE IV: INVESTIGATIVE BOARD

Section 1 – Investigative Board Waiver

1. The accused student(s) and referrer shall have the opportunity to review the report prepared by the Investigator, before it is presented to an Investigative Board.
2. If, after review of the materials presented in the report, the accused student(s) accepts that there is substantive evidence to support the charge and warrant a full hearing of the case by the Judicial Panel, the student may request an Investigative Board Waiver. This request must be submitted to the Chief Justice within five (5) University business days of the student(s) receiving the case packet.
3. A request for an Investigative Board Waiver must be received before an Investigative Board is scheduled.
4. A request for an Investigative Board Waiver does not, in any way, imply guilt on the part of the student(s).
5. In cases involving multiple accused students, if all accused students do not request an Investigative Board Waiver, the case will proceed to an Investigative Board.
6. Cases for which an Investigative Board waiver is granted shall proceed directly to a Judicial Panel for a hearing.

Section 2 - Composition

1. The Investigative Board shall consist of a minimum of one (1) graduate student from each College, a minimum of one (1) faculty member from each College, one or more Investigators, and the Graduate Honor System Advisor.
2. Student members shall be selected by the Chief Justice upon consultation with the College Deans and the Graduate Student Assembly and shall be approved by the Graduate Honor System Advisor. The term of office shall be one (1) year, from the date of the appointment. If available and willing, students may be re-appointed to serve subsequent terms, up to four (4) years.
3. Faculty members shall be selected by the Chief Justice upon consultation with the College Deans and shall be approved by the Graduate Honor System Advisor. The term of office shall be two (2) years from the date of the appointment. If available and willing, faculty may be re-appointed to serve subsequent terms, up to four (4) years.
4. Graduate student members of the Investigative Board shall have full voting privileges, whereas the faculty members shall serve in an advisory capacity to the student members and shall not have voting privileges.
5. The Investigators (or designees) shall chair Investigative Board meetings and shall not have voting privileges.
6. The Graduate Honor System Advisor shall be a non-voting member and shall serve in an advisory capacity to the Investigator and the Investigative Board.

Section 3 - Functions of the Investigative Board

The Investigative Board shall perform the following functions:

1. It shall gather and evaluate evidence.
2. It shall decide whether a hearing before the Judicial Panel should be held.
3. It shall select an individual from its membership to present the evidence before the Judicial Panel. This normally will be the Investigator, but it may be any member present at the Investigative Board meeting.

Section 4 - Operation

1. For each case without an Investigative Board Waiver, a hearing shall be conducted by a subcommittee of the Investigative Board, consisting of a minimum of five (5) graduate students and at least two (2) faculty members, to be selected by the Chief Justice. The Investigator managing the case shall serve as chair. In addition, the Graduate Honor System Advisor shall be a non-voting member and shall serve in an advisory capacity to the Investigator and the Investigative Board.
2. Investigations shall adhere to the basic tenets of due process for an academic honor violation as outlined in University Policies for Student Life.*
3. A decision to send the case to the Judicial Panel should be based upon substantive evidence to support the charge. The lack of such evidence should lead the Investigative Board to vote against sending the case to the Judicial Panel and consequently lead to the termination of the proceedings. Otherwise, the Investigative Board should send the case forward for the further scrutiny of the Judicial Panel. The fact that the case is forwarded to the Judicial Panel shall in no way imply guilt; the Investigative Board is simply stating that the case should be reviewed with the aid of personal testimonies.
4. The student members shall have full voting privileges while the faculty members serve in an advisory capacity. Recommendations of the Investigative Board must be by majority vote of the graduate student members present. In the event of a tie vote, the case will go forward.


**ARTICLE V: JUDICIAL PANEL**

**Section 1 - Composition**

1. The Judicial Panel shall consist of a minimum of one (1) graduate student from each College, a minimum of one (1) faculty member from each College, the Chief Justice, and the Graduate Honor System Advisor.
2. Graduate student members shall be selected by the Chief Justice upon consultation with the College Deans and the Graduate Student Assembly and shall be approved by the Graduate Honor System Advisor. The term of office shall be one (1) year from the time of the appointment. If available and willing, students may be re-appointed to serve subsequent terms, up to four (4) years.
3. Faculty members shall be selected by the Chief Justice upon consultation with the College Deans and shall be approved by the Graduate Honor System Advisor. The term of office shall be two (2) years from the time of the appointment. If available and willing, faculty may be reappointed to serve subsequent terms, up to four (4) years.
4. Both graduate student and faculty members of the Judicial Panel shall have full voting rights.
5. The Chief Justice (or designee) shall be a non-voting member and shall serve as the panel moderator.
6. The Graduate Honor System Advisor shall be a non-voting member and shall serve in an advisory capacity to the Chief Justice and the Judicial Panel.

**Section 2 - Functions of the Judicial Panel**

The Judicial Panel shall perform the following functions:

1. It shall hear evidence gathered by the Investigative Board.
2. It shall hear testimony of the referrer, accused, and witnesses.
3. It shall hear the remarks of the University community representative of the accused.
4. It shall assure that the rights of the accused and the referrer are protected and assure due process.
5. It shall determine guilt or innocence.
6. It shall recommend the penalty when the accused is determined to be guilty of the charge.

**Section 3 - Operation**

1. For each case, a hearing shall be conducted by a subcommittee of the Judicial Panel, consisting of the Chief Justice, a minimum of four (4) graduate students, a minimum of three (3) faculty members, and the Graduate Honor System Advisor. The number of voting faculty shall not exceed the number of voting graduate students present. The graduate students and faculty members shall be selected by the Chief Justice with the approval of the Graduate Honor System Advisor. Each graduate student and faculty member shall have full voting privileges, while the Chief Justice (or designee) shall be a non-voting member and shall serve as the moderator of the hearing. In addition, the Graduate Honor System Advisor shall be a non-voting member and shall serve in an Advisory capacity to the Chief Justice and the Judicial Panel.
2. All Judicial Panel hearings shall adhere to the basic tenets of due process of an academic honor violation as outlined in University Policies for Student Life.
3. All persons involved with the hearing have the right to be treated with respect. Persons displaying disrespect for another person at the hearing or contempt for the proceedings shall be dismissed, and the hearing shall be concluded in their absence.
4. All evidence regarding cases should be submitted to the Investigators during the investigation and interviewing process (prior to the Investigative Board meeting). If additional information is submitted after the case is sent forward by the Investigative Board, the Judicial Panel will decide the relevancy of that information.
5. The accused must be adjudged guilty before any consideration is given to the penalty, unless the accused pleads guilty, in which case the deliberations shall focus solely on the penalty.
6. In evaluating evidence and testimony regarding guilt or innocence, each member of the Judicial Panel shall consider whether or not there exists substantive evidence of guilt. The verdict of guilt or innocence...
shall be determined solely on the basis of the facts regarding the charge, i.e., based on evidence collected and testimony presented at the Judicial Panel hearing.

7. At the conclusion of the deliberations on guilt or innocence for each charge against the student the Chief Justice shall poll the members of the Panel on the question: "Is the student guilty of the alleged violation?" An affirmative vote represents "guilty," while a negative vote represents "not guilty." A determination of guilt shall require a majority vote. In the absence of such a vote, the Panel shall be deemed to have found the student "not guilty." An abstention shall not be counted as a vote. In the unlikely event that a majority of the Judicial Panel members do not vote, then the current panel shall be dismissed and a new panel shall be convened to re-hear the case.

8. In determining the appropriate sanction, such factors as the accused student's past history of violations, attitude, intent, severity of the violation, and the degree of cooperation may be considered.

9. Recommendations of penalty shall be by majority vote. An abstention shall not be counted as a vote.

10. A taped recording of the proceedings, the confidential recommendations of the Judicial Panel, together with all submitted evidence and votes recorded, shall be held in the Chief Justice's confidential file. The Chief Justice shall inform the Dean of the Graduate School (or designee), in writing, of the findings and recommendations of the Judicial Panel.

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ARTICLE VI: UNIVERSITY ACTION

Section 1 - Review and Decision

1. The recommendations (verdict, and penalty if required) of the Judicial Panel shall be submitted in writing by the Chief Justice to the Dean of the Graduate School (or designee) for review and decision.

2. No penalty shall be announced until an official decision shall have been rendered by the Dean of the Graduate School (or designee).

3. The official decision of the Dean of the Graduate School (or designee) shall be transmitted in writing to the accused, the referrer, and the course instructor (or major professor for a research-related violation). The accused shall also be notified of the right to appeal the decision.

4. When the Judicial Panel's recommendation is not accepted by the Dean (or designee), the Panel shall be notified of the final decision of the Dean (or designee).

Section 2 - Appeals

1. The accused may appeal the official decision to the Dean of the Graduate School on grounds of (1) failure of the Graduate Honor System to follow proper procedures, (2) introduction of new evidence, and/or (3) severity of the penalty. The imposition of the penalty shall be deferred until the termination of the appeals process.

2. The Dean of the Graduate School must be notified of an intention to appeal within five (5) University business days after the accused receives written notification of the verdict and penalty.

3. In the event of an appeal, the Dean of the Graduate School (or designee) shall convene an Appeals Board. The Board shall consist of two (2) members [one (1) graduate student and one (1) faculty] from the Commission on Graduate Studies and Policies and one (1) faculty and one (1) graduate student representative selected at large. The members of the Appeals Board shall be appointed by the Dean of the Graduate School. When convened, the Board shall serve in an advisory capacity and the Dean of the Graduate School shall preside.

4. The accused and the University community representative of the accused may present the argument of the defense before the Appeals Board. The case of the Graduate Honor System shall be presented by one (1) graduate student and one (1) faculty member, both selected by the Chief Justice, who were members of the Judicial Panel that considered the case. The Chief Justice and the Graduate Honor System advisor shall normally present the case findings of the Graduate Honor System.

5. The appeals hearing is not a retrial and must be focused solely upon one or more of the following: (1) failure of the Graduate Honor System to follow proper procedures, (2) introduction of new evidence, (3) severity of penalty. The hearing shall be limited to the consideration of the specific information pertaining to one or more of the above. The burden shall be placed on the appealing student to demonstrate why the original finding or sanction should be changed.

6. The decision of the appeals committee is limited to grounds of the appeal. Judgments are made according to the following guidelines:

a. Failure of the Graduate Honor System to Follow Proper Procedures: Determine whether or not the Graduate Honor System followed proper procedures. If proper procedures were followed, then the official decision is enforce. If proper procedures were not followed, then the student is acquitted and the case is closed.

b. Introduction of New Evidence: Determine whether or not the new evidence is relevant to the official
decision. In the event that the information is determined to be relevant, the appeals board would request a new judicial panel hearing with no members from a previous panel. If information is determined to be irrelevant, then the official decision is upheld.

c. Severity of Penalty: Determine if the penalty is too severe for the violations of which the student was found guilty. The finding of guilt is not appealable and the case will not be retried. In the event that the penalty is found to be too severe, a lower penalty may be given from those specified under Article VII of this Constitution.

7. The final determination of an appeal shall be the sole responsibility of the Dean (or designee) of the Graduate School. The student shall be notified in writing of the disposition of the appeal.

ARTICLE VII: ACTIONS OF THE GRADUATE HONOR SYSTEM

Section 1 - Penalties

Where guilt is determined, the Judicial Panel or Facilitated Discussion shall also be responsible for determining an appropriate sanction. There are four major penalty levels (1-4) with increasing severity. These penalties are (1) Graduate Honor System Probation, (2) Suspension in Abeyance, (3) Suspension, and (4) Permanent Dismissal. For each charge of a Graduate Honor Code violation for which a student is found (or pleads) guilty, one of these four penalties must be given.

For cases resolved through Facilitated Discussion, only penalty 1 (Graduate Honor System Probation), subparts a-d may be applied.

For those cases where suspension or dismissal is not warranted, the subparts of penalty 1 (Graduate Honor System Probation) provide a further gradation in the penalty action. Whereas penalties 2, 3, and 4 must be given as a whole (i.e., no parts may be given without the others), penalty 1 may be given in part or in full. However, if penalty 1 is selected, parts a and b must always be given. Only parts c-h of penalty 1 may be optional. The very minimum penalty given shall be penalty 1, parts a and b.

1. Graduate Honor System Probation (parts a and b mandatory, parts c-h optional)

a. The accused shall not be suspended from the University, but shall be placed on Graduate Honor System Probation until graduation or termination of enrollment. The sentence of Probation is a warning and is intended to serve as a deterrent against future misconduct. In the event of any other University or Graduate Honor Code violation, the appropriate parties shall be notified of the previous history of the accused. In the event of resignation and re-enrollment within a period of one (1) year, the accused shall be reinstated on Graduate Honor System Probation (penalty 1, part a only) subsequent to re-enrollment.

b. The accused shall also automatically receive a zero on the assignment on which the violation occurred. In cases other than those involving course work (or other similar work where a zero is applicable), action shall be taken to negate any advantages obtained by the violation.

c. A record of the action shall be kept in the accused's folder (not the official transcript) in the Graduate School until graduation from the University or termination of enrollment.

d. The accused shall be required to attend a meeting or meetings with the Chief Justice and the Dean of the Graduate School for the purpose of achieving a better understanding on the student’s part of the requirements and purpose of the Graduate Honor System. Failure to participate in this meeting(s) shall constitute grounds for the automatic invocation of part "i" below.

e. The accused may be sanctioned to perform an appropriate number of hours (not to exceed 50) of service to the home academic department or other appropriate entities within the university. Failure to perform this service as specified by the Graduate Honor System shall constitute grounds for the automatic invocation of part "i" below.

f. The notation "placed on Graduate Honor System Probation" shall appear on the student's permanent record (transcript) under the semester in which the violation occurred.

g. If substantial unfair academic advantage was gained, that is to say, if the violation, undetected, would have led to an advantage over the other students (or if the accused thought it would), then a grade of "F#" for violation of the Graduate Honor Code" for the course in which the offense occurred shall also be a penalty action under this part. This grade shall appear on the student's grade report and permanent record (transcript) as an "F#. The notation of "#" may be removed by either the student's graduation...
or if the student re-takes the course.

h. If substantial unfair academic advantage was gained, that is to say, if the violation, undetected, would have led to a substantial grade advantage over the other students (or if the accused thought it would), then a grade of "F for violation of the Graduate Honor Code" for the course in which the offense occurred shall also be a penalty action under this part. This grade shall appear on the student's grade report and permanent record (transcript) as an "F*", and it shall be a permanent notation.

c. The notation "suspended for violation of the Graduate Honor Code" shall appear on the student's permanent record (transcript) under the semester in which the violation occurred.

d. Upon the accused's re-enrollment at Virginia Tech at the end of the period of suspension, the student shall be placed on Graduate Honor System Probation (penalty 1, part a only) until graduation or termination of enrollment.

4. Permanent Dismissal (all parts mandatory)

a. The accused shall be permanently dismissed from the University without being allowed to complete the current semester.

b. All credits shall be lost for work done during the semester in which the student is currently enrolled. In addition, if the offense did not occur during the semester in which the hearing is held, then a grade of "F for violation of the Graduate Honor Code" shall also be assigned for the course in which the offense was committed. This grade shall appear on the student's grade report and permanent record (transcript) as an "F*", and it shall be a permanent notation.

c. The accused may never re-enroll in the University.

d. The notation "permanently dismissed for violation of the Graduate Honor Code" shall appear on the student's permanent record (transcript) under the semester in which the violation occurred.

Section 2 - Acquittal

In the event of acquittal by the Graduate Honor System, all records of any description in conjunction with the trial shall be completely destroyed, except the "charges" and the "Findings of the System," which shall be filed in the Chief Justice's confidential file.

Section 3 - Announcement

In cases where students are found (or plead) guilty, the penalty and specifications may be published without names when the case is resolved, in such media as the Collegiate Times or the GHS annual report. Exonerations may also be published (without names) if the accused so desires. A written release must be obtained from the accused prior to publication.
**ARTICLE VIII: RIGHTS AND OBLIGATIONS OF THE ACCUSED**

Section 1 - Rights of the Accused

A student accused of violating the Graduate Honor Code shall have certain procedural guarantees to ensure fair judicial hearing of evidence. These rights under the Graduate Honor Code shall be as follows:

1. Students shall be considered innocent until judged guilty.
2. Students shall have the right to refrain from speaking for or against themselves.
3. Students shall have the right to speak in their own behalf.
4. Students may choose a member of the university community, such as a fellow student, faculty member, or staff member who is willing to assist them in preparing their defense. This person may attend a Facilitated Discussion, but may only participate in an advisory capacity to the student. During a Judicial Panel, the student's representative shall only be allowed to address the Judicial Panel; they may not question witnesses. Lawyers retained by accused students shall not be permitted in Judicial Panel hearings or at Facilitated Discussions.
5. Students may terminate a Facilitated Discussion at any time, without reason.
6. Students shall have the right to review the report prepared by the Investigator, prior to the scheduling of an Investigative Board.
7. Students shall have the right to suggest corrections and/or additions to the report prepared by the Investigator, prior to the scheduling of an Investigative Board. All suggestions will be considered at the discretion of the Chief Justice and the Investigator for the case.
8. Students may at any time privately seek counsel with their university community representative. Statements made at this time shall be confidential.
9. Students may have any Graduate Honor System function that they are entitled to attend stopped at any time for a point of clarification.
10. Students may leave any Graduate Honor System function at any time; however, it is in their best interest to remain until they are made aware of all the details.
11. Students shall have the right to receive written notice of the charges, the "Order of Events for Judicial Panel Hearings," and any other pertinent information sufficiently in advance of the Judicial Panel hearing and in reasonable enough detail to allow them to prepare a case in their behalf. Likewise, students shall have the right to examine all evidence collected during the investigation prior to the Judicial Panel hearing. The students and their representatives shall have a copy of the evidence during the Judicial Panel hearing.
12. Students shall have the right to be aware of all testimony.
13. Students shall have the right to face the referrer, when such opportunity exists, at the Judicial Panel hearing and to present a defense against the charges, including presenting witnesses on their behalf. Consequently, students shall be consulted in the scheduling of the Judicial Panel hearing. However, students shall only be allowed to reschedule the Judicial Panel hearing once. Except under extenuating circumstances, Judicial Panel hearings shall not be rescheduled unless the Chief Justice or the Graduate Honor System Advisor is notified of the requested change prior to three (3) days preceding the scheduled hearing date.
14. Failure of students to be present at Judicial Panel hearings, assuming reasonable effort has been made to ensure their presence, shall indicate that they are waiving their rights to face the referrer and to appear before the Judicial Panel.
15. Students may ask that a panel member be excused from the Judicial Panel hearing if they can give reasonable cause why that panel member may be biased or have some other conflict of interest. The Chief Justice and the Graduate Honor System Advisor shall make a final ruling on any such request.
16. Students shall have the right to an appeal as specified under Article VI, Section 2.

Section 2 - Obligations of the Accused

Students accused of Graduate Honor Code violations shall have the responsibility of cooperating with Graduate Honor System personnel. Furthermore, when a case involves other students, these students' rights to privacy should be observed. Students should be aware that the confidentiality of Honor System proceedings may be covered under the Family Educational Rights and Privacy Act (FERPA) as outlined on the University Registrar’s website at http://www.registrar.vt.edu/records/ferpa.php.

**ARTICLE IX: RIGHTS AND OBLIGATIONS OF THE REFERRER**

Section 1 - Rights of the Referrer

A person referring charges of a Graduate Honor Code violation against a graduate student shall be accorded the following rights:
1. Discussion of the charges between the referrer and accused prior to the Judicial Panel hearing shall be allowed, although the referrer shall have the right to decline to discuss the charge with the accused. The referrer shall have the right, with the permission of the accused, to have one witness present when talking with the accused about the alleged violation.

2. The referrer shall have the right to choose one person (any member of the university community, such as a graduate student, a faculty or staff member, or department head) to assist them in preparation of the case. This person is not allowed to be present at the Judicial Panel hearing or during a Facilitated Discussion.

3. The referrer shall have the right to terminate a Facilitated Discussion at any time, without reason.

4. The referrer shall have the right to review the report prepared by the Investigator, prior to the scheduling of an Investigative Board.

5. The referrer shall have the right to suggest corrections and/or additions to the report prepared by the Investigator, prior to the scheduling of an Investigative Board. The referrer shall have the right to receive a copy of the evidence collected during the investigation, the "Order of Events for Judicial Panel Hearings," and any other pertinent information, if the Investigative Board sends the case to the Judicial Panel.

6. The referrer shall have the right to receive written notification of the final disposition of the case.

7. The referrer shall have the right to be secure in person and property.

8. Professors referring charges of violations may opt to grade or refrain from grading any assignment under investigation by the Graduate Honor System. It is recommended that instructors, if they are able to do so, grade the assignment with the assumption that the student is innocent of the charge. However, an incomplete grade may be assigned to the accused student pending the decision of the Graduate Honor System. The incomplete grade will be removed when the case is resolved.

Section 2 - Obligations of the Referrer

A person bringing charges of a Graduate Honor Code violation against another shall accept the following obligations:

1. The referrer shall cooperate with the Chief Justice, the Graduate Honor System advisor, the Investigator, and any other personnel of the Graduate Honor System.

2. The referrer shall be expected to appear at the Judicial Panel hearing.

3. The referrer shall have the responsibility of maintaining confidentiality in all matters pertaining to the case. However, referrers may discuss the case with their counsel (see Article IX, Section 1, item 2). The referrer should be aware that the confidentiality of Honor System proceedings may be covered under the Family Educational Rights and Privacy Act (FERPA) as outlined on the University Registrar’s website at http://www.registrar.vt.edu/records/ferpa.php.

**ARTICLE X: OBLIGATIONS OF PARTIES INDIRECTLY INVOLVED IN HONOR SYSTEM CASES**

1. Parties indirectly involved in Honor System cases include but are not limited to persons who witness alleged violations, witness discussions between referrers and accused students, and serve as members of the University community that help referrers and accused students prepare their case.

2. Parties indirectly involved in Honor System cases shall have the responsibility of maintaining confidentiality in all matters. Parties indirectly involved in Honor System Cases should be aware that the confidentiality of Honor System proceedings may be covered under the Family Educational Rights and Privacy Act (FERPA) as outlined on the University Registrar’s website at http://www.registrar.vt.edu/records/ferpa.php.

**ARTICLE XI: GENERAL**

**Section 1 - Reporting of Violations**

It is the obligation of all members of the academic community to report alleged violations of the Graduate Honor Code. Reporting the observance of a Graduate Honor Code violation shall not be optional; it shall be mandatory. Reports should be submitted in writing to the Chief Justice or the Graduate Honor System Advisor on forms provided for that purpose, which are available at http://ghs.grads.vt.edu. The report form also may be obtained at the Graduate School.

Alleged violations of the Graduate Honor Code must be reported within ten (10) University business days after the date of discovery. Only under very special circumstances shall exceptions to this policy be granted, and then only at the discretion of the Chief Justice and the Graduate Honor System Advisor. A possible reason for exception could include, but is not limited to, unavoidable delays in obtaining the evidence.

**Section 2 - Violations at Extended Campuses**
1. Students engaged in graduate studies at any of Virginia Tech’s extended campuses shall be subject to all provisions of this Constitution.

2. Designated members of the Investigative Board shall gather evidence. The evidence obtained shall be presented to the Investigative Board and shall be evaluated in a manner prescribed in Article IV of this Constitution.

3. Unless otherwise designated by the Chief Justice, with the approval of the Dean of the Graduate School, all hearings shall be conducted at the Virginia Tech main campus in Blacksburg.

Section 3 - Summer School

Because of the decreased availability of graduate student and faculty board and panel members during the summer, delays in processing and hearing cases may result. Thus, reasonable delays of this sort shall not be considered as violating the student's rights or as grounds for an appeal.

Section 4 - Graduate Students Enrolled in Undergraduate Classes

Graduate students shall be subject to stipulations within this Constitution regardless of whether they are enrolled in undergraduate or graduate classes.

Section 5 - Undergraduate Students Enrolled in Graduate Classes

The undergraduate honor system, commonly referred to as The Virginia Tech Honor System, shall have jurisdiction over cases involving undergraduate students in graduate classes unless the student is also enrolled in the Graduate School and taking graduate classes for graduate credit under the classification of "Dual Student" or "Combined Student," and "Bachelor/Master's Degree Student," in which case the Graduate Honor System shall have jurisdiction.

Section 6 - Violations Involving Graduate Students Already Graduated

If the degree towards which the student was working at the time of the alleged violation has already been awarded, the case shall be referred to the Dean of the Graduate School who shall convene a committee to review and investigate the charge and make recommendations. The committee composition shall be determined by the Dean of the Graduate School. The Chief Justice of the Graduate Honor System shall be an ex officio member of this committee and shall have the same voting privileges as the other members of this committee.

Section 7 - Recruitment of Graduate Honor System Members

Recognizing that it is strongest when it fosters and reflects the support of all graduate students and faculty at the University, the Graduate Honor System shall seek to be as broadly representative of the graduate student and faculty bodies at Virginia Tech as possible. To this end, all qualified graduate students and faculty shall be encouraged to participate in the Graduate Honor System. No otherwise qualified graduate student or faculty may be excluded from membership on the basis of race, sex, handicap, age, veteran status, national origin, religion, political affiliation, or sexual orientation.

Section 8 - Clearance of Graduate Student Records

Graduate students volunteering or appointed to serve on the Graduate Honor System must receive clearance of their personal disciplinary records and their academic records through the Dean of the Graduate School. Such clearances shall be conducted consistent with the University's regulations on the confidentiality of records and shall assure a minimum academic quality credit average of 3.00 and no previous or current disciplinary action for each appointee.

Section 9 - Confidentiality

All investigations, hearings, reviews, and other associated activities of the Graduate Honor System shall conform to the University's "Confidentiality of Student Records" as outlined on the University Registrar’s website at http://www.registrar.vt.edu/records/ferpa.php.

Section 10 - Substitution of Graduate Honor System Personnel

The Chief Justice or the Graduate Honor System Advisor shall be authorized, when circumstances dictate, to appoint substitutes for any Graduate Honor System personnel in any case before the Graduate Honor System. However, faculty may not be substituted for graduate students and vice versa.

Section 11 - University Policies

Where appropriate, the Graduate Honor System shall abide by all applicable policies, statements, and principles as contained in the University Policies for Student Life.

Section 12 – Definition of a “University business day”

A “University business day,” as referred to in this Constitution, shall be defined as any day on which the
main Virginia Tech campus is open and the Graduate School offices are open.

ARTICLE XII: AMENDMENTS

Proposed amendments to the Constitution of the Graduate Honor System may be initiated through one of the following channels: (1) by a majority vote of the Graduate Student Assembly, (2) by a majority vote of the Commission on Graduate Studies and Policies, or (3) by direct submission to the Chief Justice or the Dean of the Graduate School. Also, at the discretion of the Chief Justice and the Graduate Honor System Advisor, amendments may be initiated through the Graduate Honor System. Upon receiving such proposals, the Dean of the Graduate School shall convene the Constitution Revision Committee. With the approval of two-thirds of this committee, proposed amendments shall be forwarded for approval by the Commission on Graduate Studies and Policies and thereafter through the proper channels of the University governance structure (which at the time of the 2008-09 revision is described in Policies and Procedures No. 8011). Any substantive changes in proposed amendments as they proceed through subsequent levels of approval shall be resubmitted to the Constitution Revision Committee for its approval.

The Constitution Revision Committee shall consist of the Chief Justice (chair), the Graduate Honor System Advisor, a minimum of three (3) members of the Investigative Board (minimum of two (2) graduate students and one (1) faculty), a minimum of three (3) members of the Judicial Panel (minimum of two (2) graduate students and one (1) faculty), and up to two (2) other representatives from the graduate student body to be nominated by the Graduate Student Assembly.

2008-09 Revision

At the request of the Dean of the Graduate School, a Constitution Review Committee was convened in 2008 to perform a periodic review to bring the GHS Constitution up to date with current University policies and the climate and practices of the time. This revision was conducted by a panel of graduate students and faculty in accordance with the Constitution.

The goals of the current revision were two-fold: First, revisions were intended to address substantive issues that have arisen since the 1991 revision. Second, revisions were intended to improve the efficiency and effectiveness of the Honor System. The Review Committee considered a number of changes and ultimately rejected those that did not meet one or both of the above mentioned goals. The committee has worked very diligently to ensure that revisions enacted in 2009 would stand the test of time. All amendments recommended by the Constitution Revision Committee were unanimously approved by the Commission on Graduate Studies and Policies on April 15, 2009.

1991 Revision

Following the conclusion of the 1987 University Self-Study, a Constitution Revision Committee was convened to evaluate the Graduate Honor System. Since the Constitution had not received serious scrutiny in a decade or more, and since the Graduate Honor System has now matured to a level where the old Constitution is hardly serviceable, the ultimate goal of this committee from the outset was a revision of the Constitution. Much work has gone into ensuring that this revision will stand the test of time and will be instructive in guiding the operation of the Graduate Honor System in the years ahead.

Reference Material Used

Revision of this document was based on a variety of materials; these include:

1. Constitution to the Virginia Tech [Undergraduate] Honor System, published in the Pylon (1988-89), (Article VII, Article VIII, several sections of Article IX, and Appendix A are used with and without modifications by permission of the Virginia Tech [Undergraduate] Honor System). Also, a report written by the Virginia Tech [Undergraduate] Honor System Self-Study Committee was used.
3. Several ideas and sentences from the following sources have been used with and without modification in the writing of the section "Purpose and Description of Graduate Honor Code" (Article I, Section 1):
   a. Reference 1.
4. Information used in defining "Misconduct in Research" (Article I, Section 3):
   a. Recommendations on "Research Misconduct and Graduate Students at VPI&SU" submitted to the Constitution Revision Committee by the Degree
Requirements, Standards, Criteria and Academic Policies Committee (DRSCAPC) of the Commission on Graduate Studies, January 18, 1990.


5. "Computer Science Department Policy on Koofers, Old Programs, Cheating, and Microcomputer Use," CS Bits & Bytes (CS Dept. VPI&SU), Wednesday, February 15, 1989, pp. 7-8. (Ideas and wording from this policy were used in Article I, Section 3.)

APPENDIX: PLAGIARISM

The following text is reproduced with minor editorial changes, with permission, from the Constitution of the Virginia Tech [Undergraduate] Honor System.

DEFINITION

The Virginia Tech honor system constitution states that "Plagiarism includes the copying of the language, structure, ideas, and/or thoughts of another and passing off same as one's own, original work." The violation, then, consists of both copying and misrepresenting the material in question.

Generally, when a student places his or her name on any kind of work, whether it is specifically pledged or not, he or she claims responsibility for the originality of the contents except for those parts that are specifically attributed to another or that are considered common knowledge. (The concept of common knowledge poses a problem of definition, and the student should consult the section of this handbook that addresses that area.) Thus, if a student has consulted any outside source, whether published or not, and has incorporated any of its "language, structure, ideas, and/or thoughts" into his or her work without acknowledging that source, he or she may be guilty of misrepresenting the work's originality. [Furthermore, in citing a reference, the student must change both the sentence structure and the vocabulary (where possible) in expressing the original material in his or her own words.]

Copying includes a whole range of offenses. Everyone is familiar with stories involving a student who has "borrowed" or bought a term paper or laboratory report from a so-called research service, a fellow student, the Internet, or another similar source. Such wholesale copying is akin to the lifting of an assignment in its entirety from a book or journal article. In either case, the student in question submits work that is literally copied and transferred from one piece of paper to another; by claiming this work as his or her own, the student is clearly guilty of the most flagrant kind of plagiarism.

Another type of copying that is not as obvious, though equally serious, involves the translation of a part of a book, article, or other source into different words—paraphrasing. Although the language is not the same because the exact words of the source have been changed, the structure, ideas, and thoughts of the original author have been copied. Thus, the student who submits an assignment that simply paraphrases a source without identifying it may also be guilty of plagiarism.

Similarly, any combination of simple copying and paraphrasing, whether from one source or from many, is also a type of plagiarism, and the offender may be equally guilty as those students described above.

Because a person's ideas can be conveyed in many ways besides the written word, students should be aware that the copying of drawings, designs, photographs, maps, graphs, illustrations, tables, primary data, derived equations, computer programs, verbal communications of information and ideas, and other sources may also constitute plagiarism, unless the source is acknowledged and properly documented.

For the purposes of the Virginia Tech honor system, plagiarism can be broadly defined as the act of appropriating the literary composition, language, structure, ideas, and/or thoughts, drawings, laboratory reports, or computer programs of another or parts or passages thereof, and of passing them off as the original product of one's own mind. To be liable for plagiarism under the university's honor system, it is not necessary to duplicate another's literary work exactly; it being sufficient if unfair use of such work is made by lifting of substantial portions of it. Plagiarism is not confined to literal copying, but also includes any of the evasive variations and colorable alterations by which the plagiarist may disguise the source from which the material was copied. On the other hand, even an exact
EXAMPLES OF CORRECT AND INCORRECT USES OF SOURCES

The following four examples provide illustrations of three kinds of plagiarism, as well as the proper use and acknowledgement of sources. The excerpt from Niccolo Machiavelli's *The Prince* is quoted from W. K. Marriott's translation (New York: E. P. Dutton, 1908), p. 37. The excerpts from student papers have been written for the purposes of this document.

FLAGRANT PLAGIARISM

**Excerpt from The Prince**

Whenever those states which have been acquired as stated have been accustomed to live under their own laws and in freedom, there are three courses for those who wish to hold them: the first is to ruin them, the next is to reside there in person, the third is to permit them to live under their own laws, drawing a tribute, and establishing within it an oligarchy which will keep it friendly to you. Because such a government, being created by the prince, knows that it cannot stand without his friendship and interest, and does its utmost to support him; and therefore he who would keep a city accustomed to freedom will hold it more easily by the means of its own citizens than in any other way.

**Excerpt from a student paper**

There are basically three methods to maintain control over nations which formerly enjoyed their independence. First the nation can be completely destroyed. Second, the king can personally reside in the conquered territory. Finally, the king can permit them to live under their own rules; he would then levy a tax and establish a ruling clique which would be loyal to him. Since this government is created and maintained by the conquering power, the puppet government will do its utmost to support him in order to keep his friendship. In addition, by establishing a puppet government in such a manner, he will gain the allegiance of its citizens.

**Comments**

By paraphrasing the paragraph taken from Machiavelli, the student attempted to disguise the source of material. Nevertheless, it is quite obvious that the sentences of this writer parallel those of the Machiavelli text and are identical in meaning.

This student paper is an example of the most obvious form of plagiarism. The writer has copied Machiavelli almost verbatim without any acknowledgment. There have been some minor changes. For example, the italicized words have been changed. "States" becomes "nations," "courses" becomes "options," etc.

PLAGIARISM THROUGH PARAPHRASING

**Excerpt from The Prince**

Whenever those states which have been acquired as stated have been accustomed to live under their own laws and in freedom, there are three courses for those who wish to hold them: the first is to ruin them, the next is to reside there in person, the third is to permit them to live under their own laws, drawing a tribute, and establishing within it an oligarchy which will keep it friendly to you. Because such a government, being created by the prince, knows that it cannot stand without his friendship and interest, and does its utmost to support him; and therefore he who would keep a city accustomed to freedom will hold it more easily by the means of its own citizens than in any other way.

**Excerpt from a student paper**

Whenever those nations which have been acquired have been accustomed to living under their own laws and in freedom, then there are three options for those who wish to keep them; the first is to ruin them, second is to reside there in person, and the last is to permit them to live under their own government, drawing a tribute, and establishing within it an oligarchy which will keep it friendly to you. Because such a government, being created by the ruler, knows that it cannot stand without his friendship and interest, and does its utmost to gain his support, and therefore, he who would keep a city accustomed to freedom will hold it more easily by the means of its own citizens than in any other way.

**Comments**

This student paper is an example of the most obvious form of plagiarism. The writer has copied Machiavelli almost verbatim without any acknowledgment. There have been some minor changes. For example, the italicized words have been changed. "States" becomes "nations," "courses" becomes "options," etc.
PLAGIARISM OF AN IDEA

Excerpt from The Prince

Whenever those states which have been acquired as stated have been accustomed to live under their own laws and in freedom, there are three courses for those who wish to hold them: the first is to ruin them, the next is to reside there in person, the third is to permit them to live under their own laws, drawing a tribute, and establishing within it an oligarchy which will keep it friendly to you. Because such a government, being created by the prince, knows that it cannot stand without his friendship and interest, and does its utmost to support him; and therefore he who would keep a city accustomed to freedom will hold it more easily by the means of its own citizens than in any other way.

Excerpt from a student paper

When the British established their empire in Asia and Africa during the eighteenth and nineteenth centuries, they were faced with the problem of how to govern and control effectively these areas which had formerly lived under their own government. There were essentially three methods of achieving this end: destroying the country; establishing direct rule through governors appointed by the king; and maintaining indirect control through the already established governing structure. The British chose indirect rule. Through indirect rule, the former officials realized that their position was now dependent upon the British. Consequently, their allegiance was assured, and through them the British obtained substantial economic benefits. In addition, the people, seeing their leaders still in power, obediently supported the indirect rule of the British.

Comments

The student has used the ideas of Machiavelli in describing a historical event. Machiavelli lists three methods of governing and controlling a state that had formerly been independent, and then shows the relative advantage of pursuing the last method. The student does not acknowledge the use of the description of the three methods of control nor the advantages of the last method when applying Machiavelli's idea to a specific example.

CORRECT USE OF PARAPHRASING AND DIRECT QUOTATIONS

Excerpt from The Prince

Whenever those states which have been acquired as stated have been accustomed to live under their own laws and in freedom, there are three courses for those who wish to hold them: the first is to ruin them, the next is to reside there in person, the third is to permit them to live under their own laws, drawing a tribute, and establishing within it an oligarchy which will keep it friendly to you. Because such a government, being created by the prince, knows that it cannot stand without his friendship and interest, and does its utmost to support him; and therefore he who would keep a city accustomed to freedom will hold it more easily by the means of its own citizens than in any other way.

Excerpt from a student paper

When the British established their empire in Asia and Africa during the eighteenth and nineteenth centuries, they were faced with the problem of how to govern these formerly independent areas effectively. According to Niccolo Machiavelli, in The Prince, a ruler had three options. He could destroy them, "reside there in person," or "permit them to live under their own laws, drawing a tribute and establishing within it an oligarchy which will keep it friendly to you."1 Machiavelli felt that through this third method the conqueror gained the support of the former leaders and their subjects.2

The British seemed to apply this third method through their indirect rule concept. In other words, the British maintained control using the former leaders as figureheads. The former leaders realized that their position was now dependent upon the British. Consequently, their allegiance was assured and through them substantial economic benefits were obtained. In addition, the people, seeing their leaders still in power, obediently supported the indirect rule of the British.

Comments

In this instance, the student has correctly footnoted the ideas of Machiavelli, which he has paraphrased and quoted. The writer has then applied Machiavelli's ideas to a more recent historical event.

2 Machiavelli, p.37.
THE PROBLEM OF COMMON KNOWLEDGE

The concept of common knowledge is one of the more difficult points to explain in any consideration of plagiarism. How can a student, often a novice in the subject, determine whether an idea or fact included in a paper is so widely known that it is considered common knowledge and requires no documentation? A few general guidelines for solving this dilemma can be suggested, but none is inviolate. Given the seriousness of plagiarism, the prudent writer cites a reference whenever he or she is uncertain.

1. Concepts and facts widely known outside of the specific area of study are generally considered common knowledge. These include undisputed dates (e.g. the adoption of the Declaration of Independence on July 4, 1776), scientific principles (e.g. Newton's Laws of Motion), and commonly accepted ideas (e.g., Hamlet's role as a tragic hero). Such data require no specific reference. Students should be aware, however, that the addition of minor informational embellishments might require documentation (e.g., that the Declaration of Independence was unanimously adopted by the American colonies on July 4, 1776, despite the abstention of New York).

2. The fact that material appears in a dictionary, encyclopedia, handbook, or other reference work or textbook does not guarantee that it is common knowledge. Such books are written by experts, and most of the information they contain is not widely known.

3. There is no simple test to determine whether information is common knowledge. In case of doubt, the student should consult his or her instructor.

DOCUMENTATION

To avoid plagiarism in writing, the student must be familiar with the concept of documentation. Terminology and methodology concerning proper ways to acknowledge sources are probably more confusing to students than any other aspect of research reporting. The purpose of documenting a source is first to give proper credit to others for their original words, thoughts, and ideas, and second to enable the interested reader to locate the original source in order to read or study further. Keeping this latter purpose in mind, one finds that the rules regarding documentation make more sense. Therefore, students should familiarize themselves with the proper methods of providing citations and bibliographies both to document their sources and to provide the reader with the necessary data to locate further information on the subject.

INDICATING QUOTATIONS

Whenever the exact wording of a source appears in a student paper, that fact must be made apparent to the reader. This goal can be accomplished in two ways. Brief quotations should be enclosed in quotation marks, whether complete sentences, phrases, or single significant words which have been incorporated into the student's own sentence or into a paraphrase or a longer excerpt of the source. The student should be careful to denote precisely where the source's exact wording begins and ends by the appropriate placing of opening and closing quotation marks.

Longer quotations (of more than three lines) should be indented ten spaces from the left-hand margin. Again, the beginning and ending of quoted material should be clearly indicated.

All direct quotations must be signified in one of these ways.

CITATIONS

Immediately following every piece of quoted or paraphrased material, some type of reference is required. The method used varies according to the field of study for which the paper is written; thus, students should ask instructors which style manual to use in preparing papers for their courses. Examples of two commonly used methods follow.

1. Footnotes or Endnotes: A small numeral in the text refers to a complete reference, similarly numbered, at the foot of the page or at the end of the paper. Notes should be numbered sequentially, beginning with "1."

Example:
"Congruence...between the self concept and the ideal self is one of the most fundamental conditions for both general happiness and for satisfaction in specific life areas."¹

2. Author-Date Citation: Following a quotation or paraphrase, the author's name and the publication date of the work appear in parentheses and refer the reader to the bibliography at the end of the paper.

Example:
For a person to be truly happy, his or her self concept must more or less coincide with the ideal self he or she envisions (Brophy, 1959).

BIBLIOGRAPHY OR LIST OF CITED REFERENCES

A list of all sources used, arranged alphabetically by the authors’ last names, should appear at the end of every paper. Each entry should contain all information necessary for a reader to retrieve the work. Book entries usually include author's name, book title, and publication data (city, publisher, and date). Entries for periodical articles generally include author's name, article title, periodical title, volume number, date of issue, and pages on which the article appears. Students should make whatever adjustments that are necessary to these general rules so that entries coincide with the format prescribed by an instructor or by a specific manual. (An example of one type of bibliography format can be found in the list of style manuals which follows.)

This appendix is not intended to suggest or endorse any specific method of documentation. Rather, its purpose is to remind the student that acknowledgment of sources is necessary. The examples given above are provided as illustrations of some of many possibilities. The final authority regarding methods of documentation is the course instructor; students should choose a system of documentation and use it consistently throughout a paper. The following style manuals are commonly used.


RESOLUTION TO CLARIFY FACULTY HANDBOOK LANGUAGE ON RESEARCH FACULTY PROMOTION PROCESS

WHEREAS, research is part of the core mission of Virginia Tech, and

WHEREAS, research faculty make significant ongoing contributions to the university mission, and

WHEREAS, Virginia Tech wants to recognize and reward the contributions of research faculty through a process of review, recognition, and promotion where appropriate, consistent with the process for recognizing contributions of other types of faculty, now

THEREFORE, BE IT RESOLVED, that section 6.2 of the Faculty Handbook be modified and a section 6.2.1 and a section 6.2.2 be added that define the process for research faculty promotions as indicated below (changes and new language indicated in red):

6.2 Research Faculty Appointments

Research faculty appointments are designated to promote and expedite university research activities. The rank descriptions create several series common to current sponsored research or outreach projects. For example, employees involved in conducting research are generally appointed as research associates or research scientists (or to the “senior” titles for either of these). Those individuals who are appointed to a research traineeship for a period of up to four years following receipt of their doctorate are usually appointed as postdoctoral associates. (See Guidelines for the Hiring of Postdoctoral Associates on the OVPRI Human Resources website.) Usually, postdoctoral associates work closely with a faculty mentor in preparation for a career in academe or research; if they remain involved with research projects at Virginia Tech over a period of time, they are appointed or promoted into another appropriate rank.

The "project associate" series was designed for employees involved in sponsored activity other than traditional research, such as delivery of service or technical assistance, consultation with particular clients, preparation of manuals and materials, and so on. The project associate series is also appropriate for personnel involved primarily in the administration of large and complex sponsored programs.

While there is logic to the progression between and among ranks, employees may change ranks as appropriate or necessary to reflect a change in role or project. Promotions from one rank to another in order to recognize a faculty member’s increased responsibilities, credentials, and/or contributions to the program over time may be recommended by the supervisor. Recommendations for promotions are done during the annual evaluation and merit adjustment process. The promotions require approval by the department head, dean, and Office of the Vice President for Research and Innovation. Approval by a departmental committee is also required for certain ranks (see below). A faculty member may not serve on any committee that is evaluating a spouse, family member, or other
individual with whom the faculty member has a close personal relationship. (See chapter
two, “Potential Conflicts Involving Spouses and Immediate Family Members.”)

Research faculty members may be assigned a functional title in addition to their official
faculty rank in order to facilitate their work or clarify their role to internal or external
constituencies. (A functional title may not be an official faculty rank other than that held
by the research faculty member.) In some cases, increased responsibilities may lead to
a change in functional title and possibly a salary adjustment rather than a promotion in
faculty rank.

Appointments to research faculty ranks, except the rank of postdoctoral associate, are
indefinitely renewable. However, tenure cannot be earned in any of the research faculty
ranks and service is not applicable toward the pre-tenure probationary period if the
employee is subsequently appointed to a tenure-track position.

The source of funds is not the determining factor as to whether a position carries a
research faculty rank, but rather the nature and purpose of the assignment. Thus, a
research faculty member may be funded by sponsored projects, overhead, state dollars,
or other sources. Policies related to research faculty apply, regardless of the source of
funding.

Research faculty may participate in activities outside of their direct source of funding,
such as providing significant contributions to the conceptualization or writing of new
proposals, or teaching; however, support for any time or effort spent on activities outside
of their sponsored research must come from non-sponsored research funds. Special
attention should be given in the development of position descriptions where funding is
limited to only sponsored funding. (See chapter six, “Effort Certification Compliance
Issues for Research Faculty Members,” and chapter ten, “Effort Certification and Salary
Charges to Sponsored Grants and Contracts.”)

Original appointments and reappointments, including rank, salary, and other conditions,
require the approval of the department head, dean (or next level administrator), and the
Office of the Vice President for Research and Innovation before an offer is extended.
Requests for principal investigator status may be submitted to the Office of the Vice
President for Research and Innovation. Such requests require the approval of the
department head, dean, and the Office of the Vice President for Research and Innovation.

6.2.1 Research Faculty Promotions: Non-professorial Ranks

While there is logic to the progression between and among ranks, employees may change
ranks as appropriate or necessary to reflect a change in role or project. Promotions from
one rank to another in order to recognize a faculty member’s increased responsibilities,
credentials, and/or contributions to the program over time may be recommended by the
supervisor.
Recommendations for promotions are done during the annual evaluation and merit adjustment process within the non-professorial ranks (such as project associates, research associates, and research scientist) may be requested at any time during the year in recognition of significant increases in responsibilities, credentials or contributions. The promotions require approval by the department head, dean, and Office of the Vice President for Research and Innovation. Approval by a departmental committee is also required for certain ranks (see below). A faculty member may not serve on any committee that is evaluating a spouse, family member, or other individual with whom the faculty member has a close personal relationship. (See chapter two, “Potential Conflicts Involving Spouses and Immediate Family Members.”) Following approval of the promotion request, a promotion letter signed by the department head should be presented to the employee.

6.2.2 Research Faculty Promotions: Professorial Ranks

Promotion recommendation into and within the research professorial faculty ranks (research assistant professor, research associate professor and research professor) should align with the annual timeline published by the university. Faculty members being considered for promotion have their dossiers reviewed by: (1) a departmental committee and the head or chair; (2) a college committee and the dean; and (3) the vice president for research and innovation. A parallel process for review, approved in advance by the executive vice president and provost and the vice president for research and innovation, is required for promotion of a member of the research professor series whose primary appointment is not in an academic department. A faculty member may not serve on any committee that is evaluating a spouse, family member, or other individual with whom the faculty member has a close personal relationship. (See chapter two, “Potential Conflicts Involving Spouses and Immediate Family Members.”) Following approval of the promotion request, a promotion letter signed by the vice president of research and innovation should be presented to the employee.

RECOMMENDATION:

That the above resolution be approved.

June 4, 2018
WHEREAS, research is part of the core mission of Virginia Tech, and

WHEREAS, research faculty make significant ongoing contributions to the university mission, and

WHEREAS, Chapter 6 of the Faculty Handbook describes policies and procedures related to the employment of research faculty, and

WHEREAS, language addressing removal of research faculty in Chapter 6 of the Faculty Handbook is in need of clarification, now

THEREFORE, BE IT RESOLVED that section 6.14 of the faculty handbook be modified as outlined below to clarify policies related to removal of research faculty (changes and new language in red).

6.14.1 Dismissal for Cause

Research faculty members may be removed for just cause. Stated causes for removal shall include, but are not limited to: professional incompetence; unacceptable or unsatisfactory performance after due notice; unethical conduct or misconduct that interferes with the capacity of the employee to perform effectively the requirements of the position; violation of university policy; falsification of credentials, experience, leave reports, or other official employment documents. Filing a grievance does not constitute just cause for termination.

When it becomes necessary to terminate a member of the research faculty for unsatisfactory performance prior to the end of the appointment period, the following procedures apply:

When the faculty supervisor determines that performance is unsatisfactory, the supervisor writes a letter to the individual detailing the areas of performance that are deficient. This letter should indicate specific expectations of improvement by the employee during a specified time period of not less than 30 calendar days. The department head and college dean receive copies. In cases where there is some likelihood of threat to health or safety, the 30-day period may be waived.

At the end of the above period, the faculty supervisor must again write the research faculty member with an evaluation of his/her performance during the interim since the first letter, with copies to the department head and college dean or equivalent senior-level manager. If performance continues to be unsatisfactory, this second letter may contain a termination notice. The termination notice has an effective date 45 calendar days from the date of the
In the event of termination, the research faculty member may appeal to the department head. Should the appeal process be initiated, the termination is held in abeyance until the appeal process is complete.

The appeal must be made in writing within five working days of receipt of the letter. (If the department head has a conflict of interest, the head refers the matter to the college dean.)

The department head (or dean) must respond in writing within 10 working days. If the recommendations of the department head (or dean) are unsatisfactory to either party, an appeal may be made to the vice president for research and innovation in writing within five working days.

The vice president for research and innovation appoints a committee of three members of the general faculty who make recommendations to the executive vice president and provost within 10 working days.

The decision of the provost is final and is rendered within 10 working days of receiving the report.

The above time limits of the appeal process may be altered by extenuating circumstances and the agreement of both parties.

If the research faculty member is a member of an interdisciplinary research center, the center director as well as the department head and college dean of the faculty supervisor are copied on all correspondence.

6.14.2 Termination of Appointment for Faculty on Restricted Contracts

Non-reappointment of Research Faculty

The terms of faculty offer for a restricted appointment clearly defines the length of the appointment and also serves as a notice of termination. The terms of faculty offer also makes clear that continuation of appointment, even during the initial year, is subject to the availability of funds, the need for services, and satisfactory performance. (See section 6.9).

Research faculty members with regular appointment receive written notice of non-reappointment as described in chapter two, section 2.11, “Retirement, Resignation, and Non-Reappointment,” should it become necessary to end the appointment.

Occasionally a sponsor terminates funding before the end of a contract, or directs a change in the research program resulting in the need to terminate the services of an employee. While principal investigators and research centers are encouraged to make every effort to assure continuity of employment to individuals performing satisfactorily, there are circumstances in which this may not be possible or in the best interest of the research program or university. Research faculty appointments may be terminated in the
case where there are insufficient funds or no further need for services. The date of termination for a restricted faculty member is at least 30 calendar days from the date of notification. A faculty member on a regular appointment is entitled to notice of non-reappointment, as stated in chapter six, “Reappointment.” A proposed notice of termination because of insufficient funds or lack of need for services requires the approval of the department head, and dean (or appropriate administrator), and the OVPRI Human Resources.

6.14.3 Termination Of Appointment For Faculty On Restricted Contracts of Position Because of Insufficient Funds or No Further Need for Services

Occasionally a sponsor terminates funding before the end of a contract, or directs a change in the research program resulting in the need to terminate the services of an employee. While principal investigators and research centers are encouraged to make every effort to assure continuity of employment to individuals performing satisfactorily, there are circumstances in which this may not be possible or in the best interest of the research program or university. Research faculty appointments may be terminated in the case where there are insufficient funds or no further need for services. The date of termination for a restricted faculty member is at least 30 calendar days from the date of notification. A faculty member on a regular appointment is entitled to notice of non-reappointment, as stated in chapter six “Reappointment” two, section 2.11, “Retirement, Resignation, and Non-Reappointment.” A proposed notice of termination because of insufficient funds or lack of need for services requires the approval of the department head, and dean (or appropriate administrator), and the OVPRI Human Resources.

**RECOMMENDATION:**

That the above resolution be approved.

June 4, 2018
WHEREAS, Virginia Tech has policies and procedures regarding the procurement and use of textbooks in accordance with both the federal Higher Education Authorization Act, Public Law 110-135 (HEOA 2008), and the Code of Virginia; and

WHEREAS, effective July 1, 2018 the Code of Virginia §23.1-1308 (attached) directs the Virginia Tech Board of Visitors to amend and/or implement, as appropriate, policies, procedures, and guidelines addressing the use and procurement of textbooks, and open educational resources; and

WHEREAS, the university’s current policies and procedures provide direction for the use and procurement of textbooks, and

WHEREAS, college and University Libraries faculty members have taken the initiative to be leaders in the production of open educational resources; now

THEREFORE, BE IT RESOLVED, effective July 1, 2018 and in accordance with Code of Virginia §23.1-1308 the Board of Visitors reaffirms the university's policies and procedures regarding textbook sales and bookstores and directs the university's administration to revise and amend, as necessary, the policies and procedures associated with textbook sales and bookstores, and

BE IT FURTHER RESOLVED, as outlined in Code of Virginia §23.1-1308, the Board of Visitors directs the university administration to “implement guidelines for the adoption and use of low-cost and no-cost open educational resources in courses offered...[including] provision for low-cost commercially published materials.”

RECOMMENDATION:

That the Board of Visitors approve the resolution regarding textbooks and open educational materials.

June 4, 2018
CHAPTER 752

An Act to amend and reenact § 23.1-1308 of the Code of Virginia, relating to public institutions of higher education; governing boards; open educational resources.

Approved April 4, 2018

Be it enacted by the General Assembly of Virginia:

1. That § 23.1-1308 of the Code of Virginia is amended and reenacted as follows:

§ 23.1-1308. Governing board procedures; textbook sales and bookstores; open educational resources.

A. No employee of a public institution of higher education shall demand or receive any payment, loan, subscription, advance, deposit of money, services, or anything, present or promised, as an inducement for requiring students to purchase a specific textbook required for coursework or instruction. However, such employee may receive (i) sample copies, instructor's copies, or instructional material not to be sold and (ii) royalties or other compensation from sales of textbooks that include such instructor's own writing or work.

B. The governing board of each public institution of higher education shall implement procedures for making available to students in a central location and in a standard format on the relevant institutional website listings of textbooks required or assigned for particular courses at the institution. The lists of those required or assigned textbooks for each particular course shall include the International Standard Book Number (ISBN) along with other relevant information.

C. Public institutions of higher education maintaining a bookstore supported by auxiliary services or operated by a private contractor shall post the listing of such textbooks when the relevant instructor or academic department identifies the required textbooks for order and subsequent student purchase.

D. The governing board of each public institution of higher education shall implement policies, procedures, and guidelines that encourage efforts to minimize the cost of textbooks for students while maintaining the quality of education and academic freedom. The guidelines shall ensure that:

1. Faculty textbook adoptions are made with sufficient lead time to university-managed or contract-managed bookstores so as to confirm availability of the requested materials and, when possible, ensure maximum availability of used textbooks;

2. In the textbook adoption process, the intent to use all items ordered, particularly each individual item sold as part of a bundled package, is affirmatively confirmed by the faculty member before the adoption is finalized. If the faculty member does not intend to use each item in the bundled package, he shall notify the bookstore, and the bookstore shall order the individualized items when their procurement is cost effective for both the institution and students and such items are made available by the publisher;

3. Faculty members affirmatively acknowledge the bookstore's quoted retail price of textbooks selected for use in each course;

4. Faculty members are encouraged to limit their use of new edition textbooks when previous editions do not significantly differ in a substantive way as determined by the appropriate faculty member; and

5. Provisions address the availability of required textbooks to students otherwise unable to afford the cost.

E. The governing board of each public institution of higher education shall implement guidelines for the adoption and use of low-cost and no-cost open educational resources in courses offered at such institution. Such guidelines may include provisions for low-cost commercially published materials.

F. No funds provided for financial aid from university bookstore revenue shall be counted in the calculation for state appropriations for student financial aid.
RESOLUTION TO APPROVE NEW AND REVISED LANGUAGE IN FACULTY HANDBOOK REGARDING ALUMNI DISTINGUISHED PROFESSORS

WHEREAS, the preeminently recognized rank of Alumni Distinguished Professor has grown since its inception many years ago; and

WHEREAS, the standards for and expectations of current and recently appointed Alumni Distinguished Professors have evolved with the vision of Virginia Tech as a global land-grant university; and

WHEREAS, the description and criteria for selection in Section 3.2.2 of the Faculty Handbook are no longer accurate in describing how the rank has evolved; and

WHEREAS, the current description and criteria for selection have somewhat limited the consideration of nominees; and

WHEREAS, the Alumni Distinguished Professor embodies the university’s mission by contributing extraordinary scholarly work across all three mission areas of the global land-grant university: teaching, research and/or creative activities, and engagement; now

THEREFORE, BE IT RESOLVED, that the new and revised language in the Faculty Handbook regarding Alumni Distinguished Professors be approved for inclusion in the university’s 2018 – 2019 Faculty Handbook as attached below.

RECOMMENDATION:

That the Board of Visitors approve the resolution.

June 4, 2018
Included below:

- Revised ADP Language for Inclusion in 2018 – 2019 Faculty Handbook
- Current ADP Language in 2017 – 2018 Faculty Handbook
- “Tracked” version of new and revised ADP language in 2017-2018 Faculty Handbook

Revised ADP Language for Inclusion in 2018 – 2019 Faculty Handbook

3.2.2 Alumni Distinguished Professor

General conditions and definitions: The Alumni Distinguished Professorship (ADP) is a preeminent faculty appointment, reserved by the Board of Visitors for recognition of faculty members who demonstrate extraordinary accomplishments and academic citizenship through substantive scholarly contributions across all three of Virginia Tech’s core mission areas of teaching, research or creative activity, and engagement. The provost determines the number of Alumni Distinguished Professors in consultation with the president and the Alumni Association. There is no quota by college or department.

Eligibility and criteria for selection: While no minimum number of years of service is required for eligibility, the selection committee places strong emphasis on the magnitude, character, and quality of each nominee’s scholarly accomplishments as they contribute to the global land-grant mission of the university. Nominees must have well-established outstanding records of substantive scholarly accomplishment in teaching, research or creative activities, and engagement at Virginia Tech.

Responsibilities and perquisites: Each Alumni Distinguished Professor shall continue making scholarly contributions in teaching, research or creative activities, and engagement at the same high level evident at the time of appointment. This includes continued contributions to the department and college and may include contributions to other departments, colleges, and units, subject to the professor’s interests and the ability of the department head or chair and college dean to accommodate such latitude. Alumni Distinguished Professors may also elect, in a given term, to divert energies from the usual activities or responsibilities to other valued scholarly pursuits appropriate to this university-level appointment.

Alumni Distinguished Professors embody the university’s land-grant mission in their scholarly work and are also crucial faculty ambassadors within and beyond the university community. As such, they may be called upon from time to time, individually and as a group, to share their scholarship with university alumni or other interested groups, as well as to render special service or to offer particular advice to the university at large.

Each Alumni Distinguished Professor receives a base salary supplement from the endowment established by the Alumni Association and operating funds for scholarly support, as available, from eminent scholar programs.
Given the high level of performance expected of this select group of faculty members, university and college administrators are cognizant of the particular needs of each individual Alumni Distinguished Professor for appropriate support personnel and sufficient space, within acknowledged fiscal and physical constraints.

**Nomination and selection procedures:** Each academic year the provost, in consultation with the president and the Alumni Association, determines if there will be one or more appointments to the Alumni Distinguished Professor rank and, if so, issues a call to the academic deans for nominations. The deans, in turn, invite nominations from academic departments. Screening procedures at departmental and collegiate levels involve appropriate personnel or executive committees. Nominations dossiers include a current curriculum vitae, letters of nomination from both the departmental and collegiate screening committees, letters of support, and other evidence attesting to the quality of the nominee’s scholarly contributions.

The provost appoints an Alumni Distinguished Professor Selection Committee that includes two current Alumni Distinguished Professors, one current University Distinguished Professor, and one faculty member recommended by the Commission on Faculty Affairs. The committee reviews the nominations and makes a recommendation to the provost. The provost’s subsequent recommendation is sent through the president to the executive committee of the Board of Directors of the Virginia Tech Alumni Association for its review and recommendation. The president makes the final recommendation to the Board of Visitors for its approval.

The Board of Visitors confers upon an individual the rank of Alumni Distinguished Professor for a period of 10 years; the appointment may be renewed.

**Procedures for renewal of appointments:** An ADP may request renewal of his or her appointment at the end of the initial, or any subsequent, 10-year appointment period. A current curriculum vitae and five-page personal statement of accomplishments during the appointment term is requested by the office of the provost and reviewed by two current ADPs. The reviewing ADPs each make a recommendation regarding reappointment to the provost, who then forwards a recommendation to the president and Alumni Association for consideration. Final reappointment recommendations are made to the Board of Visitors for its approval. Renewed appointments are also for a period of 10 years.
General conditions and definitions: The Alumni Distinguished Professorship (ADP) recognizes extraordinary academic citizenship and distinguished service within the Virginia Tech community. In recognition of the importance of alumni to the university, the Alumni Distinguished Professorship is a pre-eminent faculty appointment, reserved by the Board of Visitors for recognition of faculty members who, over time, have made outstanding contributions to the instructional program of the university and, in so doing, have touched the lives of generations of Virginia Tech alumni.

The Board of Visitors confers upon an individual an appointment as Alumni Distinguished Professor for a period of 10 years; the appointment may be renewed. The number of Alumni Distinguished Professors is determined by the provost, in consultation with the president and Alumni Association. There is no quota by college or department.

Eligibility and criteria for selection: Since the hallmark of the Alumni Distinguished Professorship is distinguished contribution—over time—to Virginia Tech, newly arrived faculty are not eligible for nomination. And while there is no specified minimum number of years of service required for eligibility, the selection committee places strong emphasis on the magnitude and character of the candidate’s impact on academic programs at Virginia Tech. Nominees should also have established outstanding personal records of accomplishment in creative scholarship.

Nomination and selection procedures: Each academic year the provost determines if there will be one or more appointments to the Alumni Distinguished Professor group and, if appropriate, issues a call to the academic deans for nominations. The deans, in turn, invite nominations from academic departments. Screening procedures at departmental and collegiate levels involve appropriate personnel or executive committees in place. Nominations are accompanied by a full dossier of relevant materials including current curriculum vita, letters of nomination from both the departmental and collegiate screening committees, letters of support, and other evidence attesting to the quality of the contributions of the nominee(s).

The provost appoints an Alumni Distinguished Professor Selection Committee that includes two current Alumni Distinguished Professors, one current University Distinguished Professor, and one faculty member recommended by the Commission on Faculty Affairs. The committee reviews the nominations and makes a recommendation to the provost. The provost’s subsequent recommendation is sent through the president to the executive committee of the Board of Directors of the Virginia Tech Alumni Association for its review and recommendation. The president makes the final recommendation to the Board of Visitors for its approval.

Perquisites and responsibilities: Each Alumni Distinguished Professor is provided a base salary supplement from the endowment established by the Alumni Association and matched by available funds, if available, from the eminent scholar program. The ADPs receive a salary supplement and operating allocation from the university comparable to that provided for other endowed professorships.

Each Alumni Distinguished Professor is expected to continue in service to the department, the college, and the university at the same high level evident at the time of appointment. But in particular, within whatever latitude the department head or chair and college dean can accommodate, the Alumni Distinguished Professor is encouraged to teach, when invited, in other departments of the university or in collegiate or university courses (e.g., honors colloquia). He or she may also elect, in a given term, to divert energies from the usual classroom responsibilities to other valued activities, such as substantive curriculum revision or textbook preparation.

Alumni Distinguished Professors are also called upon from time to time, individually and also as a group, to render special service or to offer particular advice to the university at large.

Given the high level of performance expected of this select group of faculty members, university and college administrators are cognizant of the particular needs of each individual Alumni Distinguished Professor for appropriate support personnel and sufficient space, within acknowledged fiscal and physical constraints.
WHEREAS, the preeminently recognized rank of Alumni Distinguished Professor has grown since its inception many years ago; and

WHEREAS, the standards for and expectations of current and recently appointed Alumni Distinguished professors have evolved with the vision of Virginia Tech as a global land-grant university; and

WHEREAS, the description and criteria for selection in the existing Faculty Handbook Section 3.2.2 are no longer accurate in describing how the rank has evolved; and

WHEREAS, the current description and criteria for selection have somewhat limited the consideration of nominees; and

WHEREAS, the Alumni Distinguished Professor embodies the university’s mission by contributing extraordinary scholarly work across all three mission areas of the global land-grant university: teaching, research and/or creative activities, and engagement;

NOW, THEREFORE, BE IT RESOLVED that Faculty Handbook Section 3.2.2: Alumni Distinguished Professor be updated as attached:
3.2.2 Alumni Distinguished Professor

General conditions and definitions: The Alumni Distinguished Professorship (ADP) is a preeminent faculty appointment, reserved by the Board of Visitors for recognition of faculty members who demonstrate extraordinary accomplishments and academic citizenship through substantive scholarly contributions across all three of Virginia Tech’s core mission areas of teaching, research or creative activity, and engagement. The provost determines the number of Alumni Distinguished Professors in consultation with the president and the Alumni Association. There is no quota by college or department.

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Responsibilities and perquisites: Each Alumni Distinguished Professor shall continue making scholarly contributions in teaching, research or creative activities, and engagement at the same high level evident at the time of appointment. This includes continued contributions to the department and college and may include contributions to other departments, colleges, and units, subject to the professor’s interests and the ability of the department head or chair and college dean to accommodate such latitude. Alumni Distinguished Professors may also elect, in a given term, to divert energies from the usual activities or responsibilities to other valued scholarly pursuits appropriate to this university-level appointment.

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Updated 4/3/2018 per discussion from CFA first reading, Provost feedback, and further review by ADPs
from both the departmental and collegiate screening committees, letters of support, and other evidence attesting to the quality of the nominee’s scholarly contributions.

The provost appoints an Alumni Distinguished Professor Selection Committee that includes two current Alumni Distinguished Professors, one current University Distinguished Professor, and one faculty member recommended by the Commission on Faculty Affairs. The committee reviews the nominations and makes a recommendation to the provost. The provost’s subsequent recommendation is sent through the president to the executive committee of the Board of Directors of the Virginia Tech Alumni Association for its review and recommendation. The president makes the final recommendation to the Board of Visitors for its approval.

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Updated 4/3/2018 per discussion from CFA first reading, Provost feedback, and further review by ADPs
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Updated 4/3/2018 per discussion from CFA first reading, Provost feedback, and further review by ADPs.
RESOLUTION FOR AN INGRESS AND EGRESS EASEMENT
TO THE NEW RIVER VALLEY REGIONAL WATER AUTHORITY

The New River Valley Regional Water Authority has requested that the university grant an easement for ingress and egress along a roadway partially located on university owned property in the Prices Fork Magisterial District of Montgomery County, Virginia, to provide access to the Montgomery County Public Service Authority's water tank located on Price Mountain.
RESOLUTION FOR AN INGRESS AND EGRESS EASEMENT
TO THE NEW RIVER VALLEY REGIONAL WATER AUTHORITY

WHEREAS, on June 3, 2002, the Board of Visitors authorized Virginia Polytechnic Institute and State University ("Virginia Tech") to grant an easement to the Montgomery County Public Service Authority ("PSA") for ingress and egress, along a well-defined roadway partially located on Virginia Tech’s Fishburn tract, to the PSA’s water tank on Price Mountain; and

WHEREAS, Virginia Tech granted an easement for the purposes of ingress and egress to the water tank on Price Mountain to the PSA by deed of easement dated October 10, 2002, which deed of easement is recorded in the Clerk’s Office of the Circuit Court for Montgomery County, Virginia, at Instrument Number 2002016354; and

WHEREAS, said easement for ingress and egress along the well-defined roadway located on Virginia Tech’s Fishburn tract is more particularly shown and described on the Anderson & Associates, Inc. plat dated March 4, 2002 and signed by the surveyor on September 20, 2002, entitled “Plat of Lease Parcel, Water Line & Ingress/Egress Easements To Be Acquired By Montgomery County Public Service Authority From Virginia Tech Foundation, Inc. And V.P.I. & S. U. Located in Prices Fork Magisterial District Montgomery County, Virginia,” a copy of which plat is attached hereto, and which non-exclusive ingress and egress easement area would be approximately 3.46 acres; and

WHEREAS, the New River Valley (NRV) Regional Water Authority has requested that Virginia Tech grant it an easement, similar to the easement granted to the PSA, for ingress and egress to install, operate, and maintain the Supervisory Control and Data Acquisition ("SCADA") equipment at the Price Mountain PSA water tank; and

WHEREAS, the Virginia Tech College of Natural Resources and Environment and the PSA have stated support for the NRV Regional Water Authority’s request for an easement for ingress and egress along the same well-defined roadway to and from the PSA water tank on Price Mountain; and

WHEREAS, Virginia Tech desires to grant said non-exclusive easement for ingress and egress to and from the PSA water tank to the NRV Regional Water Authority;

NOW, THEREFORE BE IT RESOLVED, that the Vice President for Operations be authorized to execute a non-exclusive easement for ingress and egress to the NRV Regional Water Authority in accordance with applicable procedures for said easement as permitted by the Higher Education Restructuring Act and Management Agreement with the Commonwealth of Virginia, and the Code of Virginia (1950), as amended.
RECOMMENDATION:

That the above resolution authorizing the Vice President for Operations to execute a non-exclusive easement for ingress and egress to the NRV Regional Water Authority be approved.

June 4, 2018
RESOLUTION ON APPOINTMENT TO THE
NEW RIVER VALLEY REGIONAL WATER AUTHORITY

The New River Valley Regional Water Authority (the Authority) consists of five members who are responsible for the management and operation of the Authority. One member is appointed by each of the participating political subdivisions, and the other member is appointed jointly by the Virginia Tech Board of Visitors, the Blacksburg and Christiansburg Town Councils, and the Montgomery County Board of Supervisors. The jointly appointed member of the Authority has a term that expires on June 30, 2018.

The members of the authority recommend William R. Knocke as the new at-large member to the Authority. Dr. Knocke is the W.C. English Professor and Program Coordinator in the The Charles E. Via, Jr. Department of Civil & Environmental Engineering at Virginia Tech. Dr. Knocke is a licensed Professional Engineer, specializes in Environmental and Water Resources Engineering, and his areas of interest include: physical-chemical treatment of water and wastewater, chemistry of aquatic systems, sludge treatment and disposal, and hazardous waste assessment and treatment. Knocke's Bachelor of Science, Master of Science, and Ph.D. are in civil engineering from the University of Missouri, with a concentration in environmental engineering.
RESOLUTION ON APPOINTMENT TO THE NEW RIVER VALLEY REGIONAL WATER AUTHORITY

WHEREAS, the New River Valley Regional Water Authority (the Authority) consists of five members who are responsible for the management and operation of the Authority; and

WHEREAS, one member is appointed by each of the political subdivisions, and the other member is appointed jointly by the Virginia Tech Board of Visitors, the Blacksburg and Christiansburg Town Councils, and the Montgomery County Board of Supervisors; and

WHEREAS, the jointly appointed member of the Authority has a term that expires on June 30, 2018; and

WHEREAS, the members of the authority desire to appoint William R. Knocke as the at-large member for a four-year term;

NOW, THEREFORE, BE IT RESOLVED, that William R. Knocke be appointed as joint member of the New River Valley Regional Water Authority for a four-year term expiring June 30, 2022.

RECOMMENDATION:

That the above resolution appointing William R. Knocke as joint representative to the New River Valley Regional Water Authority through June 30, 2022 be approved.

June 4, 2018
The Hotel Roanoke Conference Center Commission was established by resolutions adopted by Virginia Tech on November 18, 1991 and by the City Council of the City of Roanoke, Virginia on April 14, 1992, pursuant to Chapter 440 of the 1991 Acts of Assembly of the Commonwealth of Virginia, adopted March 20, 1991. Section 21 B of the enabling legislation provided that the Commission shall annually prepare and submit to both the City of Roanoke and Virginia Tech (the “Participating Parties”) a proposed operating budget showing its estimated revenues and expenses on an accrual basis for the forthcoming fiscal year and if such estimated expenses exceed such estimated revenues, the portion of the deficit proposed to be borne by each Participating Party.

The Commission has adopted and approved its operating budget for the fiscal year 2018-19. Virginia Tech and the City of Roanoke will make equal contributions of $80,000 to the Commission for fiscal year 2018-19. The recommended budget is shown on the following page.
HOTEL ROANOKE CONFERENCE CENTER COMMISSION  
BUDGET  
JULY 2018 - JUNE 2019

Revenues

City of Roanoke $ 80,000  
Virginia Tech $ 80,000  
$ 160,000

Expenses

Salaries and Fringe Benefits  $ 77,000  
Fees for Professional Services  78,000  
Administrative Expenses  1,500  
Technology Support Services and Equipment  1,200  
Commission Operations  2,300  
$160,000

RECOMMENDATION:

That the budget for The Hotel Roanoke Conference Center Commission for 2018-2019 be approved.
The Board of Visitors of Virginia Tech adopted a resolution that authorized the establishment of the Virginia Tech-Wake Forest University School of Biomedical Engineering and Sciences on August 26, 2002. Subsequently, Virginia Tech and Wake Forest University entered into a collaboration agreement which outlines the relationship and responsibilities of each party. As stated in the collaboration agreement, the annual operating budget for the School of Biomedical Engineering and Sciences requires approval by the governing boards of each university.

The 2018-19 recommended budget of $5,751,978 for Virginia Tech's contribution to the School of Biomedical Engineering and Sciences is shown on the following page.
Virginia Tech-Wake Forest University  
School of Biomedical Engineering and Sciences  
2018-19 Operating Budget  

FINANCE AND RESOURCE MANAGEMENT COMMITTEE  

April 30, 2018

Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>University Allocation</td>
<td>$5,751,978</td>
</tr>
</tbody>
</table>

Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty</td>
<td>$3,044,525</td>
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<tr>
<td>Staff</td>
<td>174,020</td>
</tr>
<tr>
<td>Graduate Students</td>
<td>371,386</td>
</tr>
<tr>
<td>Fringes</td>
<td>1,269,503</td>
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<tr>
<td><strong>Subtotal Personnel Costs</strong></td>
<td><strong>4,859,434</strong></td>
</tr>
<tr>
<td>Operating Costs</td>
<td>331,709</td>
</tr>
<tr>
<td>Faculty Start Up Packages (one-time)</td>
<td>560,835</td>
</tr>
<tr>
<td><strong>Subtotal Non-personnel Costs</strong></td>
<td><strong>892,544</strong></td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$5,751,978</strong></td>
</tr>
</tbody>
</table>

Net

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Net</td>
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</table>

**RECOMMENDATION:**

That the 2018-19 budget for the Virginia Tech - Wake Forest School of Biomedical Engineering and Sciences be approved.

June 4, 2018
RESOLUTION TO APPOINT UNIVERSITY COMMISSIONER
TO THE HOTEL ROANOKE CONFERENCE CENTER COMMISSION

WHEREAS, the Virginia General Assembly approved legislation known as the “Hotel Roanoke Conference Center Commission Act” to provide for the establishment of a conference center commission; and,

WHEREAS, the Act provides for the appointment of three commissioners each from the City of Roanoke and from Virginia Polytechnic Institute and State University; and,

WHEREAS, the Act provides that the commissioner appointments be staggered; and,

WHEREAS, the terms of the appointments shall be four years, and shall end on June 30 of the respective year; and,

WHEREAS, pursuant to the Act, the Board of Visitors of Virginia Polytechnic Institute and State University reappoints effective July 1, 2018, the following as commissioner:

• Vice President for Outreach and International Affairs June 30, 2022

NOW, THEREFORE, BE IT RESOLVED that the appointment of the Vice President for Outreach and International Affairs shall continue effective July 1, 2018 with the approval of this resolution.

RECOMMENDATION:

That the above resolution for the appointment of the Vice President for Outreach and International Affairs as the university’s representative on the Hotel Roanoke Conference Center Commission be approved.

June 4, 2018
<table>
<thead>
<tr>
<th>Reason for Conflict</th>
<th>External Entity</th>
<th>Owner</th>
<th>Principal Investigator</th>
<th>Co - P.I.'s</th>
<th>College</th>
<th>Period of Performance</th>
<th>Award Amount</th>
<th>Project Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty-Employee</td>
<td>Li Industries Inc.</td>
<td>Zheng Li</td>
<td>Zheng Li</td>
<td>Michael Ellis</td>
<td>Mechanical Engr.</td>
<td>TBD</td>
<td>$90,000</td>
<td>Both Dr. Li and Dr. Ellis hold an equity stake in Li Industries. The Company has received a NSF STTR award and seeks to subcontract to VT. Drs. Li and Ellis will perform the subcontract work for VT. The company portion of the work will be handled by Dr. Schmidt, CEO. Dr. Schmidt is not a VT employee. A management plan is in place to document the oversight for this project which involves investigating lithium deficient materials suspension.</td>
</tr>
<tr>
<td>Faculty-Employee</td>
<td>Prime Research (dba Prime Photonics LLC)</td>
<td>Anbo Wang</td>
<td>Electrical &amp; Computer Engineering</td>
<td>Gary Pickrell</td>
<td>Materials Science &amp; Engineering</td>
<td>April 1, 2018 thru June 30, 2019</td>
<td>Master Agreement up to $200,000</td>
<td>Prime Research has been a research partner with Virginia Tech for many years. The company has been a sponsor to the university for a variety of federal flow-thru projects. Drs. Wang and Pickrell both hold an equity interest in Prime Research but do not participate in research projects funded to VT. A current subcontract to VT will be under the direction of Dr. Todd Lowe in the Aerospace &amp; Ocean Engineering Department. This work involves aircraft inlets. A management plan is in place.</td>
</tr>
<tr>
<td>Faculty-Employee</td>
<td>Engle-Stone Aquatic LLC.</td>
<td>Carole Engle</td>
<td>Affiliated Faculty with VA Seafood AREC</td>
<td></td>
<td></td>
<td>April 1, 2018 thru June 30, 2019</td>
<td>Master Agreement up to $100,000</td>
<td>Dr. Engle is an unpaid affiliated faculty member associated with the Virginia Seafood AREC. Dr. Engle's expertise in certain aquaculture has increased sponsored research at the AREC with specific fish species. Dr. Engle's private consulting business is involved on some proposals as a subcontractor. Because of the on-going close associations between VT, Dr. Engle and her consulting business, we are reporting this activity and will ensure appropriate COI management plans are in place for any sponsored programs which may occur in the future.</td>
</tr>
</tbody>
</table>
## Closed Session Agenda

**ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE**

**New Classroom Building**  
Room 110A  
8:30 – 9:00 a.m.  
Monday, June 4, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Welcome and Motion to Begin Closed Session</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>2. Acceptance of Agenda</td>
<td></td>
</tr>
<tr>
<td>3. Consent Agenda</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>*A. Resolutions to Approve Appointments to Emeritus Status (4)</td>
<td></td>
</tr>
<tr>
<td>*B. Resolutions to Approve Appointments to Endowed Chairs Professorships, or Fellowships (1)</td>
<td></td>
</tr>
<tr>
<td>*C. Exception to the Virginia Conflict of Interests Act (2)</td>
<td></td>
</tr>
<tr>
<td>*D. Special Faculty Research Leave (1)</td>
<td></td>
</tr>
<tr>
<td>4. Resolution to Approve Promotion and Tenure Appointments (125)</td>
<td>C. Clarke</td>
</tr>
<tr>
<td>Also voted on by the Finance and Resource Management Committee</td>
<td></td>
</tr>
<tr>
<td>5. Ratification of Faculty Personnel Changes Report</td>
<td>C. Clarke</td>
</tr>
<tr>
<td>Also voted on by the Finance and Resource Management Committee</td>
<td></td>
</tr>
<tr>
<td>6. Motion to Return to Open Session</td>
<td>C. Clarke</td>
</tr>
</tbody>
</table>

*Requires Full Board Approval*
# Agenda Item: Welcome and Motion to Begin Closed Session

Debbie Petrine, chair of the committee, will welcome committee members and request that a member of the committee make a motion to take the committee into closed session.

# Agenda Item: Acceptance of Agenda

D. Petrine will review and ask for acceptance of the Closed Session Agenda and items as listed on the Closed Session Consent Agenda.

# Agenda Item: Consent Agenda

<table>
<thead>
<tr>
<th>*A.</th>
<th>Resolutions to Approve Appointments to Emeritus Status (4)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The committee will consider four resolutions for appointments to emeritus status.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>*B.</th>
<th>Resolutions to Approve Appointments to Endowed Chairs, Professorships, or Fellowships (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The committee will consider one resolution for an appointment to an endowed chair, professorship, or fellowship.</td>
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</table>

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<thead>
<tr>
<th>*C.</th>
<th>Exception to the Virginia Conflicts of Interests Act (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The committee will consider approval of two exceptions to the Virginia Conflict of Interests Act. The board approves alternative supervision, evaluation, and merit decision processes for circumstances where the spouse or partner of a faculty member serves in a supervisory capacity within the faculty member's department.</td>
</tr>
</tbody>
</table>

| *D. | Special Faculty Research Leave (1) |

*Requires Full Board Approval
The committee will consider a request for a special faculty research leave.

*4. Resolution to Approve Promotion and Tenure Appointments (125)  C. Clarke

President Timothy D. Sands and Interim Executive Vice President and Provost Cyril Clarke recommend for approval the promotion, tenure, or continued appointment of 125 faculty members outlined in the Promotion, Tenure, and Continued Appointment report. This includes 96 promotion and/or tenure appointments, 8 instructor promotions, and 17 promotion for extra-collegiate faculty including Extension agents. The Finance and Resource Management committee also consider and vote on this resolution.

*5. Ratification of Faculty Personnel Changes Report  C. Clarke

The Faculty Personnel Changes Report is considered at each board meeting by the Academic, Research, and Student Affairs Committee and the Finance and Resource Management Committee. The report includes new faculty appointments and adjustments in salaries for faculty through the quarter ending March 31, 2018.

6. Motion to Return to Open Session  D. Petrine

*Requires Full Board Approval
Open Session Agenda

ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE

New Classroom Building, Room 120
9:00 – 11:30 a.m.
Monday, June 4, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Welcome and Acceptance of Agenda</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>2. Consent Agenda</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>A. Approval of March 26 Meeting Minutes</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>B. Report of Reappointments to Endowed Chairs, Professorships and Fellowships (2)</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>*C. Approval of 2018-19 Pratt Fund Budgets (Shared with the Finance and Resource Management Committee)</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>*D. Resolution to Discontinue Degree, Bachelor of Science in Environmental Policy and Planning</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>*E. Resolution to Adopt the Virginia Tech Carilion School of Medicine Student Honor Code, Attributes of Professionalism, and Teacher-Learner Compact</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>*F. Resolution to Revise the Graduate Honor System Constitution</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>*G. Resolution to Clarify Faculty Handbook Language on Research Faculty Promotion Process</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>*H. Resolution to Clarify Faculty Handbook Language on Overload Compensation for Research Faculty Members Teaching Credit Classes</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>*I. Resolution to Clarify Language in Faculty Handbook on Removal Processes for Research Faculty Members</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>*J. Resolution to Revise University Policies Regarding Textbooks and Create Guidelines for Open Educational Resources to Comply with Amended Code of Virginia §23.1-1308</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>*K. Resolution to Approve New and Revised Language in Faculty Handbook Regarding Alumni Distinguished Professors</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>L. Report of 2018-19 Faculty Compensation Plan (Shared for information purposes by the Finance and Resource Management Committee)</td>
<td>D. Petrine</td>
</tr>
</tbody>
</table>

3. Report of Closed Session Items | D. Petrine

* Requires Full Board Approval
4. Provost’s Update

5. Student Affairs – Living and Learning Communities

Presentation and committee discussion

6. Academic Affairs

* A. New Degrees: Bachelor of Arts and Bachelor of Science in Science, Technology, and Society (2 resolutions)

B. Enrollment Management Report

Presentation and committee vote to accept annual Enrollment Management Report

C. College Update: College of Engineering

7. Council of College Deans Update

8. Agenda Items for August 2018 Committee Meeting

9. Adjourn

* Requires Full Board Approval
Open Session Briefing Report

ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE

New Classroom Building, Room 120
9:00 – 11:30 a.m.
Monday, June 4, 2018

Agenda Item                          Reporting Responsibility

1. Welcome and Acceptance of Agenda   D. Petrine

   Debbie Petrine, chair of the committee, will convene the meeting, and
   review the agenda for acceptance by committee members.

2. Consent Agenda                     D. Petrine

   The committee will consider approval of the consent agenda, including
   meeting minutes, a report on two reappointments to endowed chairs, professorships,
   or fellowships, approval of the 2018-19 Pratt Fund Budgets (shared with the Finance
   and Resource Management Committee); the discontinuance of a degree in
   environmental policy and planning; adoption of the Virginia Tech
   Carilion School of Medicine Student Honor Code, Attributes of
   Professionalism, and Teacher-Learner Compact; revisions to the
   Graduate Honor System Constitution; resolutions clarifying language
   in the Faculty Handbook pertaining to research faculty on: promotion
   processes, overload compensation for teaching credit classes, and
   research faculty removal processes, and a resolution to revise
   language in the Faculty Handbook pertaining to the appointment of
   Alumni Distinguished Professors; approving a resolution to comply
   with amended Code of Virginia §23.1-1308 regarding textbooks and
   open educational resources; a resolution to approve language for the
   Faculty Handbook pertaining to Alumni Distinguished Professors, and
   the Report of 2018-19 Faculty Compensation Plan (shared for
   information purposes, by the Finance and Resource Management
   Committee).

3. Report of Closed Session Items      D. Petrine

   D. Petrine will report on actions taken during the Closed Session of
   the committee including four appointments to emeritus/a status; one
   appointment to an endowed chair, professorship, or fellowship;
   approval of two exceptions to the Virginia Conflict of Interests Act;
   approval of one faculty special leave request, approval of promotions
   and tenure of 125 faculty members; and ratification of the faculty
   personnel changes report (shared with the Finance and Resource
   Management Committee).
4. **Provost’s Update**

C. Clarke

*Cyril Clarke, interim executive vice president and provost will provide an update to the committee.*

5. **Student Affairs**

P. Perillo, F. Keene

*Patty Perillo, vice president for student affairs, and Frances Keene, interim director of housing and residence life, will present information to the committee on the university’s 11 undergraduate Living-Learning Communities.*

6. **Academic Affairs**

A. New Degrees: Bachelor of Arts and Bachelor of Science in Science, Technology, and Society

R. Blieszner, D. Breslau

*Rosemary Blieszner, dean of the College of Liberal Arts and Human Sciences, and Daniel Breslau, chair of the Department of Science and Technology in Society, will share with the committee information regarding the interdisciplinary field of science, technology, and society (STS) which draws from social sciences and humanities. STS teaches students to examine the ways the development of technologies and the course of scientific research are shaped by social settings and, in turn, the ways in which scientific and technological developments impact society. The committee will consider and vote on two resolutions one each for the bachelor of arts degree in STS and the bachelor of science in STS.*

B. Enrollment Management Report

L. Havens Gerardo

*Luisa Havens Gerardo, vice provost for enrollment management, will present to the committee the annual report on enrollment management. Included in the report are strategic enrollment initiatives that include outreach and access, recruitment, and yield efforts. The committee annually receives and considers approval of the enrollment management report.*

C. College Update: College of Engineering

J. Ross

*Julia Ross, dean of the College of Engineering, will highlight the college’s academic programs, scholarship, research, and significant contributions to the university’s mission.*
7. Council of College Deans Update  

Robert Sumichrast, dean of the Pamplin College of Business and representative to the committee from the university’s Council of College Deans, will offer remarks.

8. Agenda Items for August 2018 Committee Meeting  

The committee will discuss items for possible consideration at the August 2018 meeting of the Board of Visitors.

9. Adjourn
RESOLUTION TO APPROVE NEW DEGREE, BACHELOR OF ARTS IN SCIENCE, TECHNOLOGY, AND SOCIETY

WHEREAS, emerging science and technology present new and unanticipated social, political, and ethical consequences; and

WHEREAS, science, technology, and society (STS) is a growing interdisciplinary field that brings together conceptual and methodological frameworks from the social sciences and humanities to develop ways of understanding and intervening in the relationship of science and technology to society; and

WHEREAS, public and private organizations increasingly require management, communication, marketing, and research personnel who have a thorough knowledge of the social and ethical dimensions of emerging science and technology; and

WHEREAS, there is currently no undergraduate degree in science, technology, and society offered at institutions of higher education in Virginia; and

WHEREAS, the bachelor of arts in STS embodies the elements of the “VT-shaped Individual” with depth in the specialized concepts and frameworks of STS, transdisciplinary skills, and problem-driven, experiential learning; and

WHEREAS, the Department of Science, Technology, and Society at Virginia Tech is a leading department in graduate instruction and research in the field and already offers a range of undergraduate courses, providing about 2,000 credit hours of undergraduate instruction per year; now

THEREFORE, BE IT RESOLVED, that the bachelor of arts in science, technology, and society be approved effective spring 2019 and the proposal forwarded to the State Council of Higher Education for Virginia (SCHEV) for approval.

RECOMMENDATION:

That the above resolution recommending the establishment of the bachelor of arts in science, technology, and society be approved.

June 4, 2018
Virginia Tech Degree Proposal
Bachelor of Arts/Bachelor of Science in Science, Technology, and Society
(CIP: 30.1501)
Type of degree action: New

Program Description
The Department of Science, Technology, and Society is proposing a new Undergraduate Degree Program in Science, Technology, and Society. The program will offer both a Bachelor of Arts and a Bachelor of Science. The program anticipates admitting its first students in spring of 2019, and will begin awarding degrees in 2021.

The field of Science, Technology, and Society studies the relationship of science and technology to their social, political, and cultural contexts. It examines the ways that the development of technologies and the course of scientific research are shaped by their social settings, and in turn, the ways that scientific and technological developments impact society.

As an interdisciplinary field, Science, Technology, and Society draws from the social sciences and humanities, particularly from Anthropology, Sociology, History, and Philosophy. The field has also developed its own concepts and frameworks, which have proven particularly revealing in the study of the social dimensions of technical fields. Central concerns of the field include the politics of expertise, public deliberation on science and technology policy, the social consequences of molecular biology and associated technologies, innovation as a social process, information technologies and social change.

In addition to advancing knowledge of this subject area, the field of STS has a strong tradition of practical involvement in the interface between society and the technical fields of science and technology. STS scholars and practitioners work with scientists and engineers to incorporate a greater awareness of the social and ethical consequences of their work into their professional work itself. And STS-trained professionals work with citizens’ groups and other stakeholders to translate and interpret scientific and technological developments in terms of their risks, benefits, and other social consequences. They can often facilitate informed public involvement in deliberation over policy responses. Faculty in STS at Virginia Tech are already working on projects involving reshaping the training of engineers, developing strategies for disaster response, and involving citizens in research on environmental health risks.

The program will build on existing strengths of faculty in the Department of Science, Technology, and Society and the graduate program in Science and Technology Studies. Active scholarship of faculty, with strengths in science and technology policy, energy and environmental issues, engineering studies, biomedicine and society, will expose undergraduates to the state of the art in STS research and public outreach.

The Undergraduate Degree Program in STS has six emphases:
1. The study of STS as a set of perspectives, concepts, and methods that apply across a broad range of issues for research and active intervention involving science and technology.
2. A focus on contemporary problems involving science and technology, developing approaches to those problems that take into account their social dimensions and social consequences.
3. Real-world engagement through experiential and collaborative learning.
4. Acquisition of a set of transdisciplinary skills, including technological literacy, professional presentations, research design, critical thinking, and managing collaborative projects.

5. **For the Bachelor of Arts degree**, advanced knowledge in humanistic and social science perspectives on science and technology.

6. **For the Bachelor of Science degree**, technical literacy at an advanced undergraduate level, in a specialized area of science and technology.

In the degree’s core, students will learn general conceptual tools and perspectives of STS. But beyond the introductory course (STS 1504), these are taught in conjunction with specific contemporary problem areas: environment, biomedicine and the life sciences, global science and technology policy, and innovation.

The core includes an innovative course on the practice of collaborative research (STS 3504 Collaborative Research in Science, Technology, and Society). The course combines research methods with hands-on experience in collaborative work on a social problem involving science and/or technology. During alternate years, the collaborative methods course will be coupled with the STS Department’s Choices and Challenges Forum. This is a public forum on an area of science and technology that is of pressing public concern. Students in the STS Collaborative Methods course will participate in developing information materials for the forum, designing background sessions, and will interact with invited panelists in a closed workshop setting.

Furthermore, all students in the program will specialize in a focus area, where they will take 9 credit hours to acquire technical literacy and deeper knowledge of one area. The focus areas will initially consist of Energy and Environment, Medicine and Life Sciences, and Engineering and Innovation, with a fourth option consisting of a custom focus area that students design in consultation with their advisor.

The capstone, STS 4304, will provide an opportunity to pursue supervised individual research related to the student’s focus area, while gaining experience in presentation and critique in a seminar setting. Students in the STS program will compile a research portfolio based on their projects in the Collaborative Methods course and the STS Capstone.

Students will complete the program with either a Bachelor of Arts or a Bachelor of Science degree. The BA is appropriate for students seeking a broad liberal arts degree, requiring additional upper-level courses in perspectives on science and technology from the humanities, social science and arts. The Bachelor of Science allows students to combine the STS requirements with a more advanced program of study in a scientific or technological area that is linked to their STS focus area.

**Curriculum Summary**

I. **Pathways to General Education (45 credits)**

   Distributive Pathway:
   - Discourse (9 credits)
   - Quantitative and Computational Thinking (9 credits)
   - Reasoning in the Natural Sciences (6 credits)
   - Critique and Practice in Design and the Arts (6 credits)
   - Reasoning in the Social Sciences (6 credits)
Critical Thinking in the Humanities (6 credits)
Critical Analysis of Identity and Equity in the United States (3 credits)
Pathways requirements may also be fulfilled through a Pathways Minor or Alternative Pathway.

II. **STS Degree Core Requirement (21 credit hours)**

STS Core Sequence

- STS 1504: Introduction to Science, Technology, and Society (3 cr)
- STS 3504: The Practice of Collaborative Research in STS (3 cr)
- STS 4304: Contemporary Issues in Science, Technology, and Society (3 cr)

Core area requirements

- STS 2154: Humanities, Technology and the Life Sciences (3 cr)
- STS 2254: Innovation in Context (3 cr)
- STS 2454: Science, Technology, and the Environment (3 cr)
- STS 2444: Global Science and Technology Policy (3 cr)

III. **Focus Area Restricted Electives (9 credit hours)**

Nine credit hours in one of the following focus areas

**Energy and Environment (three of the following):**
- ENGL 3534: Literature and Ecology (3 cr)
- GEOG/NR 1115-1116: Seeking Sustainability\(^1\) (3 cr)
- GEOG 3104: Environmental Problems, Population, and Development (3 cr)
- HIST 3144: American Environmental History (3 cr)
- PHIL 2304: Global Ethics (3 cr)
- STS 3334: Energy and Society (3 cr)
- UAP/PSCI 3344: Global Environmental Issues: Interdisciplinary Perspectives (3 cr)
- UAP 3354: Introduction to Environmental Policy and Planning (3 cr)

**Engineering and Innovation (three of the following):**
- ENGL 3844: Writing and Digital Media (3 cr)
- HIST/SOC/STS 2604: Introduction to Data in Social Context (3 cr)
- HIST/STS 2715, 2716: History of Technology (3 cr)
- HIST 3114: United States Business History (3 cr)
- MGT 3064: Cornerstones of Entrepreneurship and Innovation (3 cr)
- STS/HIST 2054: Engineering Cultures (3 cr)

**Life Sciences and Biomedicine (three of the following):**
- ENGL 3154: Literature, Medicine, and Culture (3 cr)
- ENGL/STS 4314: Narrative Medicine (3 cr)
- HIST 3624: Health and Illness in African History (3 cr)
- HIST 3714: War and Medicine (3 cr)
- HIST 3724: History of Disease, Medicine, and Health (3 cr)
- HIST/STS 3734: History of Modern Biology (3 cr)
- PHIL 3324: Biomedical Ethics (3 cr)
- PHIL 4604: Philosophy of Biology (3 cr)

\(^1\) Only one course of the two-course sequence can be counted toward the STS focus area requirement.
SOC 3714: Sociology of Aging (3 cr)
SOC 4704 Medical Sociology (3 cr)
STS 3284: Technology and Disability (3 cr)
STS 3314: Medical Dilemmas and Human Experience (3 cr)
WGS/SOC/STS 3324: Perspectives on the Biology of Women (3 cr)
WGS/SOC/STS 4334: Sexual Medicine (3 cr)
WGS/STS 4704: Gender and Science (3 cr)

Custom Focus Area, designed with academic advisor (9 credits)

IV. **For the Bachelor of Arts Degree: Advanced perspectives from the humanities and social sciences (6 credit hours)**
Two additional courses at the 3000-level or higher, and approved by the academic advisor, related to science and technology from the perspective of humanities, social sciences, or the arts. For example, a student in the Engineering and Innovation focus area might fulfill this requirement with CINE 3224 Documentary Cinema Production and CINE 3184 Cinema Production Topics.

**For the Bachelor of Science Degree: Specialized study in science and technology (6 credits)**
Two additional courses at the 3000-level or higher in a technical area outside of social sciences and humanities related to the student’s focus area, and approved by the academic advisor. These must be courses with subject matter in science, mathematics, technology, or engineering. For example, a student in the Energy and Environment focus area pursuing the Bachelor of Science Degree might fulfill this requirement with BIOL 3114: Field and Laboratory Ecology (3), and BIOL 4004: Freshwater Ecology (3).

V. **Free electives (39 credits)**

**Relevance to university mission and strategic planning**
The BA/BS in Science, Technology, and Society is designed to harmonize with the university’s goals of developing “VT-shaped individuals.” First, it will provide disciplinary knowledge in the form of STS as a comprehensive way of thinking about the relationship of science and technology to society. This involves a set of specialized concepts and frameworks developed expressly for studying and understanding technical fields as thoroughly intertwined with social, cultural, and political realities.

Second, the curriculum will provide cross-cutting skills such as research design, managing collaborative projects, policy development and evaluation, writing and speaking skills for public engagement. Focus areas and specialization requirements will provide students with literacy in a specific problem area. Students in the Bachelor of Science option will undertake further study in a technical area.

Third, the program will provide guided experiential learning in the 3000-level core course on the practice of collaborative research and in the STS capstone. Students will be encouraged to pursue internships related to their STS studies. The STS Department has piloted a summer course for students pursuing internships in the National Capital Region.
Finally, the program will promote informal communal learning through co-curricular activities using existing departmental resources: undergraduate research symposia, guest speakers, presentations of student work in the ST Global student meeting held annually in the National Capital Region.

**Destination areas:** Students in the STS program will be able to combine their degree requirements in STS with a major in any of the planned Destination Areas. The STS program will complement work in a Destination Area by providing social science and humanities perspectives on the area’s subject matter. The major will also include courses that fit within specific destination areas, allowing students to count STS courses toward a Destination Area major. For instance, our courses in Engineering and Innovation might count toward a major in Intelligent Infrastructures and Human-Centered Design.

Other planned features of the program that relate directly to the VT mission and strategic plan:

- With our department’s presence in the National Capitol Region, we will initiate undergraduate activities there, offering summer courses that will provide an opportunity to combine internships with classroom study and research.
- The program combines transdisciplinary competence with specialization. It pursues general learning outcomes, with regard to interdisciplinary and transdisciplinary perspectives and methods of STS, and specialized learning outcomes, requiring the application of those tools in the process of developing deep knowledge of a particular focus area.

**Justification**

The establishment of a Bachelor of Arts/Bachelor of Science in Science, Technology, and Society at Virginia Tech will answer two related and growing demands. On one hand, Virginia Tech attracts many students with strong interests in science and technology, but who are not interested in majoring in engineering or in specializing solely in a scientific field. They are drawn to science and technology through personal interest and an awareness of the pervasive influence of science and technology in modern life. They will be seeking the range of skills typically acquired in a liberal arts degree, such as writing, public speaking, research, but coupled with technological literacy and a focus on specific areas of science and technology.

On the other hand, employers and graduate programs are increasingly placing a high value on college graduates who are neither engineers nor science majors, but who are effective problem solvers due to their understanding of the ways that science and technology interact with social life, culture, and politics.

Science, Technology, and Society (STS) bridges these two growing demands. It provides students with an understanding of the ways that science and technology are embedded in social life, as well as practical conceptual frameworks and methods for pursuing interdisciplinary solutions to contemporary problems. Combined with literacy in one or more areas of science and technology, analytic and writing abilities, and experience in collaborative work, these students will acquire a highly valued and marketable set of competencies.

An undergraduate STS degree is excellent preparation for any career that calls for a liberal arts degree, but with special relevance to science and technology-rich fields, such as science communication, technology marketing and management, environmental organizations, research
administration, science policy, military careers, and museum work. And it prepares students for graduate and professional study in areas such as Business, Law, Health Professions, Information Science, and Environmental Policy.

**Student demand**

Science, Technology, and Society is a growing field, nationally and internationally. The College Board lists STS undergraduate programs at 68 higher education institutions in the U.S., including public land-grant schools such as Penn State, University of California at Davis, and North Carolina State University. Ohio State University has recently added a concentration in STS within its Comparative Studies major. In our region, at North Carolina State University, the STS undergraduate degree program has over 110 students currently enrolled. There are no undergraduate degree programs in Science, Technology, and Society in public higher education institutions in Virginia.

The department’s undergraduate courses have experienced consistently high enrollment. The introductory course in STS has filled to its capacity of 120 students for the past two years. Other courses that will be included in the degree program indicate a strong student interest in the subject matter.

We recently surveyed students enrolled in STS 1504, Introduction to Science, Technology, and Society. Out of 67 responses, 30, or 45% indicated that they were “extremely interested” or “somewhat interested” in the degree program in STS. Of the 25 students who had not yet declared a major 12, or 48% indicated that they were either “extremely interested” or “somewhat interested” in the STS degree program.

**Market demand**

The STS degree program combines instruction and real-world application of communication skills, both written and oral; powerful conceptual frameworks for understanding the social and cultural dimensions of science and technology; and focused knowledge of a particular problem domain. Graduates of the program will be well prepared for positions that require writing, speaking, research, and analytic skills in science- and technology-rich settings.

A growing body of knowledge suggests that pay is not only growing for graduates of liberal arts programs, but that their long-term earning potential is comparable to, or outpacing that of graduates of STEM programs. The *Wall Street Journal* writes, “When asked to define the résumé traits that matter most, however, the NACE-surveyed employers rated technical skills 10th. Four of the top five traits were hallmarks of a traditional liberal-arts education: teamwork, clear writing, problem-solving aptitude and strong oral communications. Mindful of those longer-term needs, some employers end up hiring humanities and social-sciences graduates, even if such majors aren’t explicitly singled out when recruiting.”

The *World Economic Forum* report, ‘The Future of Jobs,’ confirms the importance of these skills. The top five desired traits for employees in 2020 include complex problem solving, critical thinking, creativity, people management, and coordinating with others – all trademarks of degree programs emerging from the liberal arts.

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Yet these traits must be tailored for a rapidly changing and evolving world marketplace. The same report from which the above skills are derived notes that technological developments are driving commerce, development, and production in disruptive ways. “Developments in previously disjointed fields such as artificial intelligence and machine learning, robotics, nanotechnology, 3D printing and genetics and biotechnology are all building on and amplifying one another. Smart systems—homes, factories, farms, grids or entire cities—will help tackle problems ranging from supply chain management to climate change. Concurrent to this technological revolution are a set of broader socioeconomic, geopolitical and demographic developments.” Thus, not only do graduates need to build desirable traits, they must be familiar with new and emerging scientific and technological environments.

**Required resources**
The program can be implemented with existing departmental resources. As enrollment reaches our five-year target, it may require a half-time academic advisor and an additional graduate teaching assistantship. A future faculty position in STS approaches to information technology would allow us to add an additional focus area, but is not necessary for initiating the program.

<table>
<thead>
<tr>
<th>RESOURCE</th>
<th>ESTIMATED COSTS</th>
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<tbody>
<tr>
<td>Faculty</td>
<td>$0</td>
</tr>
<tr>
<td>Administrative Staff</td>
<td>$15,000/yr., starting in year 5</td>
</tr>
<tr>
<td>Graduate Teaching/ Graduate Research Assistant</td>
<td>$32,000/yr., starting in year 5 (includes tuition and stipend)</td>
</tr>
<tr>
<td>Space</td>
<td>$0</td>
</tr>
<tr>
<td>Library</td>
<td>$0</td>
</tr>
<tr>
<td>Equipment</td>
<td>$0</td>
</tr>
<tr>
<td>Other</td>
<td>$1,000 (printing, web design, publicity, information events)</td>
</tr>
</tbody>
</table>
I. STS Degree Core Requirements (21 credit hours)

<table>
<thead>
<tr>
<th>Course</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>STS 1504 Introduction to Science, Technology, and Society</td>
<td>3 cr</td>
</tr>
<tr>
<td>STS 3504 The Practice of Collaborative Research for Science, Technology, and Society (Pre: 1504, and one of 2154 or 2444 or 2454 or 2254)</td>
<td>3 cr</td>
</tr>
<tr>
<td>STS 4304 Contemporary Issues in Science, Technology, and Society (Pre: 1504)</td>
<td>3 cr</td>
</tr>
<tr>
<td>STS 2154 Humanities, Technology, and the Life Sciences</td>
<td>3 cr</td>
</tr>
<tr>
<td>STS 2254 Innovation in Context</td>
<td>3 cr</td>
</tr>
<tr>
<td>STS 2444 Global Science and Technology Policy</td>
<td>3 cr</td>
</tr>
<tr>
<td>STS 2454 Science, Technology, and the Environment</td>
<td>3 cr</td>
</tr>
</tbody>
</table>

II. STS Focus Area Restricted Electives (9 credit hours)

Complete 9 hours of courses in one of the following areas

1. **Engineering and Innovation**
   - ENGL 3844: Writing and Digital Media (Pre: ENGL 1106 or 1204H or COMM 1016) 3 cr
   - HIST/SOC/STS 2604: Introduction to Data in Social Context 3 cr
   - HIST/STS 2715, 2716: History of Technology 3 cr
   - HIST 3114: United States Business History 3 cr
   - MGT 3064: Cornerstones of Entrepreneurship and Innovation 3 cr
   - STS/HIST 2054: Engineering Cultures 3 cr

2. **Energy and Environment**
   - ENGL 3534: Literature and Ecology (Pre: ENGL 1106 or 1204H or COMM 1016) 3 cr
   - GEOG/NR 1115-1116: Seeking Sustainability¹ (Pre: 1115 for 1116) 3 cr
   - GEOG 3104: Environmental Problems, Population, and Development 3 cr

¹ Only one course of the two-course sequence can be counted toward the STS focus area requirement.
HIST 3144: American Environmental History
PHIL 2304: Global Ethics
STS 3334: Energy and Society
UAP/PSCI 3344: Global Environmental Issues: Interdisciplinary Perspectives
UAP 3354: Introduction to Environmental Policy and Planning

3. Life Sciences and Biomedicine
ENGL 3154: Literature, Medicine, and Culture (Pre: ENGL 1106 or 1204H or COMM 1016)
ENGL/STS 4314: Narrative Medicine (Pre: ENGL 3154 or 3324)
HIST 3624: Health and Illness in African History
HIST 3714: War and Medicine
HIST 3724: History of Disease, Medicine, and Health
HIST/STS 3734: History of Modern Biology
PHIL 3324: Biomedical Ethics
PHIL 4604: Philosophy of Biology
SOC 3714: Sociology of Aging (Pre: 1004)
SOC 4704 Medical Sociology (Pre: 1004)
STS 3284: Technology and Disability
STS 3314: Medical Dilemmas and Human Experience
WGS/SOC/STS 3324: Perspectives on the Biology of Women (Pre: WGS 1824)
WGS/SOC/STS 4334 Sexual Medicine (Pre: WGS 1824)
WGS/STS 4704: Gender and Science (Pre: WGS 2244 or STS 1504)

4. Custom Focus Area
Nine credit hours in a selected specialty of Science, Technology, and Society, approved by academic advisor

III. Specialized Study in Science and Technology (6 credit hours)
Two additional courses at the 3000-level or higher in a technical area outside of social sciences and humanities related to the student’s focus area, and approved by the academic advisor. These must be courses with subject matter in science, mathematics, technology, or engineering. Please refer to the Prerequisites section, below.

IV. Pathways to General Education (45 credit hours)
STS courses outside of the 21-credit core may be counted toward the Pathways requirements.
<table>
<thead>
<tr>
<th>Course</th>
<th>Credit Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discourse (9 credit hours)</td>
<td>3 cr ______________</td>
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<tr>
<td></td>
<td>3 cr ______________</td>
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<tr>
<td></td>
<td>3 cr ______________</td>
</tr>
<tr>
<td>Quantitative and Computational Thinking (9 credit hours)</td>
<td>3 cr ______________</td>
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<td>3 cr ______________</td>
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<tr>
<td></td>
<td>3 cr ______________</td>
</tr>
<tr>
<td>Reasoning in the Natural Sciences (6 credit hours)</td>
<td>3 cr ______________</td>
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<td>3 cr ______________</td>
</tr>
<tr>
<td>Critique and Practice in Design and the Arts (6 credit hours)</td>
<td>3 cr ______________</td>
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<td></td>
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<td>3 cr ______________</td>
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</tbody>
</table>

Pathways to General Education Credits can also be fulfilled through a Pathways Minor or Alternative Pathway

V. Free electives (39 credit hours)

| ______________ | ______________ | ______________ | ______________ |
| ______________ | ______________ | ______________ | ______________ |
| ______________ | ______________ | ______________ | ______________ |
| ______________ | ______________ | ______________ | ______________ |
| ______________ | ______________ | ______________ | ______________ |

VI. Foreign Language
Students who did not successfully complete at least two years of a single foreign, classical, or sign language during high school must successfully complete six semester hours of a single foreign, classical, or sign language at the college level. Courses taken to meet this requirement do not count toward the hours required for graduation. Please consult the Undergraduate Catalog for details.

Prerequisites
Some courses listed on this checksheet have prerequisites, please consult the University Course Catalog, or check with your advisor.

**Graduation Requirements**

- Minimum of 120 credit hours for the degree
- In-major GPA (courses in sections I, II, III, above) must be 2.0 or higher.
- Minimum overall GPA of 2.0.

**Satisfactory Progress Policy**

In addition to the satisfactory progress toward a degree policy required by the University, satisfactory progress toward a B.S. in STS requires that upon having attempted 72 semester hours (including transfer, AP, advanced standing, and credit by exam) an STS student must have:

- Completed at least 9 credits of the STS core requirements (Section I, above)
- At least a 2.0 overall GPA
- At least a 2.0 in-major GPA.

In-major courses include all STS core courses (Section I), Focus Area requirements (II), and Specialized Study in Science and Technology (III).
RESOLUTION TO APPROVE NEW DEGREE, BACHELOR OF SCIENCE IN SCIENCE, TECHNOLOGY, AND SOCIETY

WHEREAS, emerging science and technology present new and unanticipated social, political, and ethical consequences; and

WHEREAS, science, technology, and society (STS) is a growing interdisciplinary field that brings together conceptual and methodological frameworks from the social sciences and humanities to develop ways of understanding and intervening in the relationship of science and technology to society; and

WHEREAS, organizations of many kinds are reporting a need for college graduates with a combination of liberal arts skills – writing, research, critical thinking, collaboration – and advanced scientific or technological literacy; and

WHEREAS, there is currently no undergraduate degree in science, technology, and society offered at institutions of higher education in Virginia; and

WHEREAS, the bachelor of science in STS embodies the elements of the “VT-shaped Individual,” with depth in the specialized concepts and frameworks of STS, transdisciplinary skills, and problem-driven, experiential learning; and

WHEREAS, the Department of Science, Technology, and Society at Virginia Tech is a leading department in graduate instruction and research in the field and already offers a range of undergraduate courses, providing about 2,000 credit hours of undergraduate instruction per year: now,

THEREFORE, BE IT RESOLVED that the bachelor of science in science, technology, and society be approved effective spring 2019 and the proposal forwarded to the State Council of Higher Education for Virginia (SCHEV) for approval.

RECOMMENDATION:

That the above resolution recommending the establishment of the bachelor of science in science, technology, and society be approved.

June 4, 2018
Program Description
The Department of Science, Technology, and Society is proposing a new Undergraduate Degree Program in Science, Technology, and Society. The program will offer both a Bachelor of Arts and a Bachelor of Science. The program anticipates admitting its first students in spring of 2019, and will begin awarding degrees in 2021.

The field of Science, Technology, and Society studies the relationship of science and technology to their social, political, and cultural contexts. It examines the ways that the development of technologies and the course of scientific research are shaped by their social settings, and in turn, the ways that scientific and technological developments impact society.

As an interdisciplinary field, Science, Technology, and Society draws from the social sciences and humanities, particularly from Anthropology, Sociology, History, and Philosophy. The field has also developed its own concepts and frameworks, which have proven particularly revealing in the study of the social dimensions of technical fields. Central concerns of the field include the politics of expertise, public deliberation on science and technology policy, the social consequences of molecular biology and associated technologies, innovation as a social process, information technologies and social change.

In addition to advancing knowledge of this subject area, the field of STS has a strong tradition of practical involvement in the interface between society and the technical fields of science and technology. STS scholars and practitioners work with scientists and engineers to incorporate a greater awareness of the social and ethical consequences of their work into their professional work itself. And STS-trained professionals work with citizens’ groups and other stakeholders to translate and interpret scientific and technological developments in terms of their risks, benefits, and other social consequences. They can often facilitate informed public involvement in deliberation over policy responses. Faculty in STS at Virginia Tech are already working on projects involving reshaping the training of engineers, developing strategies for disaster response, and involving citizens in research on environmental health risks.

The program will build on existing strengths of faculty in the Department of Science, Technology, and Society and the graduate program in Science and Technology Studies. Active scholarship of faculty, with strengths in science and technology policy, energy and environmental issues, engineering studies, biomedicine and society, will expose undergraduates to the state of the art in STS research and public outreach.

The Undergraduate Degree Program in STS has six emphases:

1. The study of STS as a set of perspectives, concepts, and methods that apply across a broad range of issues for research and active intervention involving science and technology.
2. A focus on contemporary problems involving science and technology, developing approaches to those problems that take into account their social dimensions and social consequences.
3. Real-world engagement through experiential and collaborative learning.
4. Acquisition of a set of transdisciplinary skills, including technological literacy, professional presentations, research design, critical thinking, and managing collaborative projects.

5. **For the Bachelor of Arts degree**, advanced knowledge in humanistic and social science perspectives on science and technology.

6. **For the Bachelor of Science degree**, technical literacy at an advanced undergraduate level, in a specialized area of science and technology.

In the degree’s core, students will learn general conceptual tools and perspectives of STS. But beyond the introductory course (STS 1504), these are taught in conjunction with specific contemporary problem areas: environment, biomedicine and the life sciences, global science and technology policy, and innovation.

The core includes an innovative course on the practice of collaborative research (STS 3504 Collaborative Research in Science, Technology, and Society). The course combines research methods with hands-on experience in collaborative work on a social problem involving science and/or technology. During alternate years, the collaborative methods course will be coupled with the STS Department’s Choices and Challenges Forum. This is a public forum on an area of science and technology that is of pressing public concern. Students in the STS Collaborative Methods course will participate in developing information materials for the forum, designing background sessions, and will interact with invited panelists in a closed workshop setting.

Furthermore, all students in the program will specialize in a focus area, where they will take 9 credit hours to acquire technical literacy and deeper knowledge of one area. The focus areas will initially consist of Energy and Environment, Medicine and Life Sciences, and Engineering and Innovation, with a fourth option consisting of a custom focus area that students design in consultation with their advisor.

The capstone, STS 4304, will provide an opportunity to pursue supervised individual research related to the student’s focus area, while gaining experience in presentation and critique in a seminar setting. Students in the STS program will compile a research portfolio based on their projects in the Collaborative Methods course and the STS Capstone.

Students will complete the program with either a Bachelor of Arts or a Bachelor of Science degree. The BA is appropriate for students seeking a broad liberal arts degree, requiring additional upper-level courses in perspectives on science and technology from the humanities, social science and arts. The Bachelor of Science allows students to combine the STS requirements with a more advanced program of study in a scientific or technological area that is linked to their STS focus area.

**Curriculum Summary**

I. **Pathways to General Education (45 credits)**

   Distributive Pathway:
   
   - Discourse (9 credits)
   - Quantitative and Computational Thinking (9 credits)
   - Reasoning in the Natural Sciences (6 credits)
   - Critique and Practice in Design and the Arts (6 credits)
   - Reasoning in the Social Sciences (6 credits)
Critical Thinking in the Humanities (6 credits)
Critical Analysis of Identity and Equity in the United States (3 credits)
Pathways requirements may also be fulfilled through a Pathways Minor or Alternative Pathway.

II. **STS Degree Core Requirement (21 credit hours)**
STS Core Sequence

STS 1504: Introduction to Science, Technology, and Society (3 cr)
STS 3504: The Practice of Collaborative Research in STS (3 cr)
STS 4304: Contemporary Issues in Science, Technology, and Society (3 cr)

Core area requirements

STS 2154: Humanities, Technology and the Life Sciences (3 cr)
STS 2254: Innovation in Context (3 cr)
STS 2454: Science, Technology, and the Environment (3 cr)
STS 2444: Global Science and Technology Policy (3 cr)

III. **Focus Area Restricted Electives (9 credit hours)**
Nine credit hours in one of the following focus areas

Energy and Environment (three of the following):
ENGL 3534: Literature and Ecology (3 cr)
GEOG/NR 1115-1116: Seeking Sustainability\(^1\) (3 cr)
GEOG 3104: Environmental Problems, Population, and Development (3 cr)
HIST 3144: American Environmental History (3 cr)
PHIL 2304: Global Ethics (3 cr)
STS 3334: Energy and Society (3 cr)
UAP/PSCI 3344: Global Environmental Issues: Interdisciplinary Perspectives (3 cr)
UAP 3354: Introduction to Environmental Policy and Planning (3 cr)

Engineering and Innovation (three of the following):
ENGL 3844: Writing and Digital Media (3 cr)
HIST/SOC/STS 2604: Introduction to Data in Social Context (3 cr)
HIST/STS 2715, 2716: History of Technology (3 cr)
HIST 3114: United States Business History (3 cr)
MGT 3064: Cornerstones of Entrepreneurship and Innovation (3 cr)
STS/HIST 2054: Engineering Cultures (3 cr)

Life Sciences and Biomedicine (three of the following):
ENGL 3154: Literature, Medicine, and Culture (3 cr)
ENGL/STS 4314: Narrative Medicine (3 cr)
HIST 3624: Health and Illness in African History (3 cr)
HIST 3714: War and Medicine (3 cr)
HIST 3724: History of Disease, Medicine, and Health (3 cr)
HIST/STS 3734: History of Modern Biology (3 cr)
PHIL 3324: Biomedical Ethics (3 cr)
PHIL 4604: Philosophy of Biology (3 cr)

\(^1\) Only one course of the two-course sequence can be counted toward the STS focus area requirement.
SOC 3714: Sociology of Aging (3 cr)
SOC 4704 Medical Sociology (3 cr)
STS 3284: Technology and Disability (3 cr)
STS 3314: Medical Dilemmas and Human Experience (3 cr)
WGS/SOC/STS 3324: Perspectives on the Biology of Women (3 cr)
WGS/SOC/STS 4334: Sexual Medicine (3 cr)
WGS/STS 4704: Gender and Science (3 cr)

Custom Focus Area, designed with academic advisor (9 credits)

IV. For the Bachelor of Arts Degree: Advanced perspectives from the humanities and social sciences (6 credit hours)
Two additional courses at the 3000-level or higher, and approved by the academic advisor, related to science and technology from the perspective of humanities, social sciences, or the arts. For example, a student in the Engineering and Innovation focus area might fulfill this requirement with CINE 3224 Documentary Cinema Production and CINE 3184 Cinema Production Topics.

For the Bachelor of Science Degree: Specialized study in science and technology (6 credits)
Two additional courses at the 3000-level or higher in a technical area outside of social sciences and humanities related to the student’s focus area, and approved by the academic advisor. These must be courses with subject matter in science, mathematics, technology, or engineering. For example, a student in the Energy and Environment focus area pursuing the Bachelor of Science Degree might fulfill this requirement with BIOL 3114: Field and Laboratory Ecology (3), and BIOL 4004: Freshwater Ecology (3).

V. Free electives (39 credits)

Relevance to university mission and strategic planning
The BA/BS in Science, Technology, and Society is designed to harmonize with the university’s goals of developing “VT-shaped individuals.” First, it will provide disciplinary knowledge in the form of STS as a comprehensive way of thinking about the relationship of science and technology to society. This involves a set of specialized concepts and frameworks developed expressly for studying and understanding technical fields as thoroughly intertwined with social, cultural, and political realities.

Second, the curriculum will provide cross-cutting skills such as research design, managing collaborative projects, policy development and evaluation, writing and speaking skills for public engagement. Focus areas and specialization requirements will provide students with literacy in a specific problem area. Students in the Bachelor of Science option will undertake further study in a technical area.

Third, the program will provide guided experiential learning in the 3000-level core course on the practice of collaborative research and in the STS capstone. Students will be encouraged to pursue internships related to their STS studies. The STS Department has piloted a summer course for students pursuing internships in the National Capital Region.
Finally, the program will promote informal communal learning through co-curricular activities using existing departmental resources: undergraduate research symposia, guest speakers, presentations of student work in the ST Global student meeting held annually in the National Capital Region.

**Destination areas:** Students in the STS program will be able to combine their degree requirements in STS with a major in any of the planned Destination Areas. The STS program will complement work in a Destination Area by providing social science and humanities perspectives on the area’s subject matter. The major will also include courses that fit within specific destination areas, allowing students to count STS courses toward a Destination Area major. For instance, our courses in Engineering and Innovation might count toward a major in Intelligent Infrastructures and Human-Centered Design.

Other planned features of the program that relate directly to the VT mission and strategic plan:
- With our department’s presence in the National Capitol Region, we will initiate undergraduate activities there, offering summer courses that will provide an opportunity to combine internships with classroom study and research.
- The program combines transdisciplinary competence with specialization. It pursues general learning outcomes, with regard to interdisciplinary and transdisciplinary perspectives and methods of STS, and specialized learning outcomes, requiring the application of those tools in the process of developing deep knowledge of a particular focus area.

**Justification**

The establishment of a Bachelor of Arts/Bachelor of Science in Science, Technology, and Society at Virginia Tech will answer two related and growing demands. On one hand, Virginia Tech attracts many students with strong interests in science and technology, but who are not interested in majoring in engineering or in specializing solely in a scientific field. They are drawn to science and technology through personal interest and an awareness of the pervasive influence of science and technology in modern life. They will be seeking the range of skills typically acquired in a liberal arts degree, such as writing, public speaking, research, but coupled with technological literacy and a focus on specific areas of science and technology.

On the other hand, employers and graduate programs are increasingly placing a high value on college graduates who are neither engineers nor science majors, but who are effective problem solvers due to their understanding of the ways that science and technology interact with social life, culture, and politics.

Science, Technology, and Society (STS) bridges these two growing demands. It provides students with an understanding of the ways that science and technology are embedded in social life, as well as practical conceptual frameworks and methods for pursuing interdisciplinary solutions to contemporary problems. Combined with literacy in one or more areas of science and technology, analytic and writing abilities, and experience in collaborative work, these students will acquire a highly valued and marketable set of competencies.

An undergraduate STS degree is excellent preparation for any career that calls for a liberal arts degree, but with special relevance to science and technology-rich fields, such as science communication, technology marketing and management, environmental organizations, research
administration, science policy, military careers, and museum work. And it prepares students for graduate and professional study in areas such as Business, Law, Health Professions, Information Science, and Environmental Policy.

**Student demand**

Science, Technology, and Society is a growing field, nationally and internationally. The College Board lists STS undergraduate programs at 68 higher education institutions in the U.S., including public land-grant schools such as Penn State, University of California at Davis, and North Carolina State University. Ohio State University has recently added a concentration in STS within its Comparative Studies major. In our region, at North Carolina State University, the STS undergraduate degree program has over 110 students currently enrolled. There are no undergraduate degree programs in Science, Technology, and Society in public higher education institutions in Virginia.

The department’s undergraduate courses have experienced consistently high enrollment. The introductory course in STS has filled to its capacity of 120 students for the past two years. Other courses that will be included in the degree program indicate a strong student interest in the subject matter.

We recently surveyed students enrolled in STS 1504, Introduction to Science, Technology, and Society. Out of 67 responses, 30, or 45% indicated that they were “extremely interested” or “somewhat interested” in the degree program in STS. Of the 25 students who had not yet declared a major 12, or 48% indicated that they were either “extremely interested” or “somewhat interested” in the STS degree program.

**Market demand**

The STS degree program combines instruction and real-world application of communication skills, both written and oral; powerful conceptual frameworks for understanding the social and cultural dimensions of science and technology; and focused knowledge of a particular problem domain. Graduates of the program will be well prepared for positions that require writing, speaking, research, and analytic skills in science- and technology-rich settings.

A growing body of knowledge suggests that pay is not only growing for graduates of liberal arts programs, but that their long-term earning potential is comparable to, or outpacing that of graduates of STEM programs. The *Wall Street Journal* writes, “When asked to define the résumé traits that matter most, however, the NACE-surveyed employers rated technical skills 10th. Four of the top five traits were hallmarks of a traditional liberal-arts education: teamwork, clear writing, problem-solving aptitude and strong oral communications. Mindful of those longer-term needs, some employers end up hiring humanities and social-sciences graduates, even if such majors aren’t explicitly singled out when recruiting.”

2 The *World Economic Forum* report, ‘The Future of Jobs,’ confirms the importance of these skills. The top five desired traits for employees in 2020 include complex problem solving, critical thinking, creativity, people management, and coordinating with others – all trademarks of degree programs emerging from the liberal arts.

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Yet these traits must be tailored for a rapidly changing and evolving world marketplace. The same report from which the above skills are derived notes that technological developments are driving commerce, development, and production in disruptive ways. “Developments in previously disjointed fields such as artificial intelligence and machine learning, robotics, nanotechnology, 3D printing and genetics and biotechnology are all building on and amplifying one another. Smart systems—homes, factories, farms, grids or entire cities—will help tackle problems ranging from supply chain management to climate change. Concurrent to this technological revolution are a set of broader socioeconomic, geopolitical and demographic developments.” Thus, not only do graduates need to build desirable traits, they must be familiar with new and emerging scientific and technological environments.

**Required resources**
The program can be implemented with existing departmental resources. As enrollment reaches our five-year target, it may require a half-time academic advisor and an additional graduate teaching assistantship. A future faculty position in STS approaches to information technology would allow us to add an additional focus area, but is not necessary for initiating the program.

<table>
<thead>
<tr>
<th>RESOURCE</th>
<th>ESTIMATED COSTS</th>
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<td>Faculty</td>
<td>$0</td>
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<tr>
<td>Administrative Staff</td>
<td>$15000/yr., starting in year 5</td>
</tr>
<tr>
<td>Graduate Teaching/ Graduate Research Assistant</td>
<td>$32000/yr., starting in year 5 (includes tuition and stipend)</td>
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<tr>
<td>Space</td>
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<td>Library</td>
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<td>Equipment</td>
<td>$0</td>
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<tr>
<td>Other</td>
<td>$1000 (printing, web design, publicity, information events)</td>
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</tbody>
</table>
I. **STS Degree Core Requirements (21 credit hours)**

<table>
<thead>
<tr>
<th>Course</th>
<th>Credits</th>
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<tbody>
<tr>
<td>STS 1504 Introduction to Science, Technology, and Society</td>
<td>3</td>
</tr>
<tr>
<td>STS 3504 The Practice of Collaborative Research for Science, Technology, and Society (Pre: 1504, and one of 2154 or 2444 of 2454 or 2254)</td>
<td>3</td>
</tr>
<tr>
<td>STS 4304 Contemporary Issues in Science, Technology, and Society (Pre: 1504)</td>
<td>3</td>
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<td>STS 2154 Humanities, Technology, and the Life Sciences</td>
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<tr>
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<tr>
<td>STS 2444 Global Science and Technology Policy</td>
<td>3</td>
</tr>
<tr>
<td>STS 2454 Science, Technology, and the Environment</td>
<td>3</td>
</tr>
</tbody>
</table>

II. **STS Focus Area Restricted Electives (9 credit hours)**

Complete 9 hours of courses in **one** of the following areas

1. **Engineering and Innovation**
   - ENGL 3844: Writing and Digital Media (Pre: ENGL 1106 or 1204H or COMM 1016) | 3
   - HIST/SOC/STS 2604: Introduction to Data in Social Context | 3
   - HIST/STS 2715, 2716: History of Technology | 3
   - HIST 3114: United States Business History | 3
   - MGT 3064: Cornerstones of Entrepreneurship and Innovation | 3
   - STS/HIST 2054: Engineering Cultures | 3

2. **Energy and Environment**
   - ENGL 3534: Literature and Ecology (Pre: ENGL 1106 or 1204H or COMM 1016) | 3
   - GEOG/NR 1115-1116: Seeking Sustainability¹ (Pre: 1115 for 1116) | 3
   - GEOG 3104: Environmental Problems, Population, and Development | 3

¹ Only one course of the two-course sequence can be counted toward the STS focus area requirement.
HIST 3144: American Environmental History
PHIL 2304: Global Ethics
STS 3334: Energy and Society
UAP/PSCI 3344: Global Environmental Issues: Interdisciplinary Perspectives
UAP 3354: Introduction to Environmental Policy and Planning

3. Life Sciences and Biomedicine
ENGL 3154: Literature, Medicine, and Culture (Pre: ENGL 1106 or 1204H or COMM 1016)
ENGL/STS 4314: Narrative Medicine (Pre: ENGL 3154 or 3324)
HIST 3624: Health and Illness in African History
HIST 3714: War and Medicine
HIST 3724: History of Disease, Medicine, and Health
HIST/STS 3734: History of Modern Biology
PHIL 3324: Biomedical Ethics
PHIL 4604: Philosophy of Biology
SOC 3714: Sociology of Aging (Pre: 1004)
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WGS/SOC/STS 4334 Sexual Medicine (Pre: WGS 1824)
WGS/STS 4704: Gender and Science (Pre: WGS 2244 or STS 1504)

4. Custom Focus Area
Nine credit hours in a selected specialty of Science, Technology, and Society, approved by academic advisor

III. Advanced Perspectives in the Humanities and Social Sciences (6 credit hours)
Two additional courses at the 3000-level or higher, and approved by the academic advisor, related to science and technology from the perspective of humanities, social sciences, or the arts. Please refer to the Prerequisites section, below.
### IV. Pathways to General Education (45 credit hours)
STS courses outside of the 21-credit core may be counted toward the Pathways requirements.

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Pathways to General Education Credits can also be fulfilled through a Pathways Minor or Alternative Pathway.

### V. Free electives (39 credit hours)

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### VI. Foreign Language
Students who did not successfully complete at least two years of a single foreign, classical, or sign language during high school must successfully complete six semester hours of a single foreign, classical, or sign language at the college level. Courses taken to meet this requirement.
do not count toward the hours required for graduation. Please consult the Undergraduate Catalog for details.

**Prerequisites**

Some courses listed on this checksheet have prerequisites, please consult the University Course Catalog, or check with your advisor.

**Graduation Requirements**

- Minimum of 120 credit hours for the degree
- In-major GPA (courses in sections I, II, III, above) must be 2.0 or higher.
- Minimum overall GPA of 2.0.

**Satisfactory Progress Policy**

In addition to the satisfactory progress toward a degree policy required by the University, satisfactory progress toward a B.A. in STS requires that upon having attempted 72 semester hours (including transfer, AP, advanced standing, and credit by exam) an STS student must have:

- Completed at least 9 credits of the STS core requirements (Section I, above)
- At least a 2.0 overall GPA
- At least a 2.0 in-major GPA.

In-major courses include all STS core courses (Section I), Focus Area requirements (II), and Advanced Perspectives in the Humanities and Social Sciences requirements (III).
Open Session Agenda

BUILDINGS AND GROUNDS COMMITTEE

8:30 a.m. Bus Departs from The Inn for Tour
(meet in lobby 5 minutes before departure)

10:00 a.m. Open Session meeting begins in Room 130A, New Classroom Building

Monday, June 4, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Tour of English Field at Union Park, Rector Field House, and O’Shaughnessy Hall.</td>
<td>Mr. Mike Quillen, Chair</td>
</tr>
<tr>
<td>2. Welcome</td>
<td>Mr. Mike Quillen, Chair</td>
</tr>
<tr>
<td>3. Consent Agenda</td>
<td>Mr. Mike Quillen, Chair</td>
</tr>
<tr>
<td>a. Approval of the Minutes from the March 26, 2018 Meeting</td>
<td>Dr. Lance Franklin</td>
</tr>
<tr>
<td>b. Resolution for an Ingress and Egress Easement to the New River Valley Regional Water Authority</td>
<td>Dr. Sherwood Wilson</td>
</tr>
<tr>
<td>c. Resolution on Appointment to the New River Valley Regional Water Authority</td>
<td>Dr. Sherwood Wilson</td>
</tr>
<tr>
<td>d. Acceptance of Capital Project Status Report</td>
<td>Dr. Sherwood Wilson</td>
</tr>
<tr>
<td>4. Overview of Environmental Health and Safety</td>
<td>Ms. Elaine Gall</td>
</tr>
<tr>
<td>5. Report on Public Hearing for Solid Waste Authority Amendment</td>
<td>Dr. Sherwood Wilson</td>
</tr>
<tr>
<td>6. Resolution to Amend Solid Waste Authority Articles of Incorporation</td>
<td>Dr. Sherwood Wilson</td>
</tr>
<tr>
<td>7. Resolution on Appointments to Solid Waste Authority</td>
<td>Dr. Sherwood Wilson</td>
</tr>
<tr>
<td>8. Design Review for Holden Hall Renovation</td>
<td>Mr. Jason Soileau</td>
</tr>
<tr>
<td>9. Design Review for Bovine Extension, Teaching, and Research Facility</td>
<td>Mr. Jason Soileau</td>
</tr>
<tr>
<td>10. Annual Report of the University Building Official</td>
<td>Ms. Elaine Gall</td>
</tr>
<tr>
<td>11. August Agenda Discussion</td>
<td>Mr. Mike Quillen, Chair</td>
</tr>
</tbody>
</table>

* Requires full Board approval.
Open Session

1. **Tour:** The Committee will tour English Field at Union Park, Rector Field House, and O’Shaughnessy Hall.

2. **Welcome**

3. **Consent Agenda:** The Committee will consider for approval and acceptance the items listed on the Consent Agenda:
   a. **Approval of the Minutes for the March 26, 2018 meeting.**
   b. **Resolution for an Ingress and Egress Easement to the New River Valley Regional Water Authority:** The Committee will review for approval a resolution authorizing the Vice President for Operations to execute a non-exclusive easement for ingress and egress to the New River Valley (NRV) Regional Water Authority. The NRV Regional Water Authority requested that the university grant this easement along a roadway partially located on university owned property to provide access to a Montgomery County Public Service Authority water tank.
   c. **Resolution on Appointment to the New River Valley Regional Water Authority:** The Committee will review for approval a resolution recommending William R. Knocke as the new at-large member to the Authority. Dr. Knocke is the W.C. English Professor and Program Coordinator in the Charles E. Via, Jr. Department of Civil and Environmental Engineering at Virginia Tech.
   d. **Acceptance of Capital Project Status Report:** The Committee will review for acceptance the quarterly capital project status report.

4. **Overview of Environmental Health and Safety:** The Committee will receive an overview of the university’s environmental health and safety function from Dr. Lance Franklin, Assistant Vice President for Environmental Health and Safety.

5. **Report on Public Hearing for Solid Waste Authority Amendment:** The Vice President for Operations was appointed by the Board of Visitors at its March 2018 meeting to serve as the university’s representative at any public hearings required for changes to the governing documents of the Authority. A public hearing regarding a proposed amendment to the Authority’s Articles of Incorporation, which will provide staggered terms of office for the Authority’s Board members, was held on May 10, 2018. The Committee will receive a report from Dr. Sherwood G. Wilson on comments received at the public hearing.

6. **Resolution to Amend Solid Waste Authority Articles of Incorporation:** The Committee will review for approval an agreement to amend the articles of
incorporation, to provide staggered terms of office for the members of the Authority’s Board of Directors, and to extend the User Agreement with the Authority.

7. **Resolution on Appointments to Solid Waste Authority:** The Committee will review and consider approval for two reappointments - one joint member and one university representative - to the Montgomery Regional Solid Waste Authority Board of Directors, as a result of changes to the Articles of Incorporation.

8. **Design Review for Holden Hall Renovation:** The Committee will receive for approval the design review of the Holden Hall Renovation. This approximately 101,000 gross square foot renovation and new construction project includes renovation of the 1940s-era southern wing and the demolition and replacement of the existing, dilapidated north and east wings. The facility will support the College of Engineering and create a showcase venue for the Department of Materials Science and Engineering and the Department of Mining and Minerals Engineering.

9. **Design Review for Bovine Extension, Teaching, and Research Facility:** The Committee will receive for approval the design review of the Bovine Extension, Teaching, and Research (BETR) Facility. Part of the three-building Improve Kentland Facilities project, the BETR Facility provides approximately 10,200 gross square feet of additional classroom, animal interaction, and demonstration space for the College of Agriculture and Life Sciences. While the BETR Facility’s design was approved in August 2015, a redesign effort is underway as part of a cost-management effort.

10. **Annual Report of the University Building Official:** The Committee will review for acceptance the annual summary report of activities from the University Building Official. As set forth in university policy 5407, the annual report identifies the code enforcement and building permit activities performed during the prior year.

11. **August Agenda Discussion:** The Committee will discuss potential topics for inclusion on the August meeting agenda.
Open Joint Session Agenda

FINANCE AND RESOURCE MANAGEMENT COMMITTEE
AND BUILDINGS AND GROUNDS COMMITTEE

130 A and B, Classroom Building
11:15 a.m. – 11:45 a.m.

June 4, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
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| * 1. Approval of Resolution for Planning the Slusher Residence Hall Replacement | Mr. Dwight Shelton  
Dr. Sherwood Wilson |
| * 2. Approval of Resolution for Dietrick First Floor and Plaza Renovation Supplement | Mr. Dwight Shelton  
Dr. Sherwood Wilson |

* Requires full Board approval.
Open Session

1. Approval of Resolution for Planning the Slusher Residence Hall Replacement: The Committees will review for approval a resolution for planning the capital project for Slusher Residence Hall Replacement.

Slusher Residence Hall was built in 1972 and is approximately 125,860 gross square feet with housing capacity for about 630 students. The facility has received few improvements since its original construction, does not meet student expectations, carries a significant deferred maintenance backlog, and requires frequent repairs that interrupt services.

The university has determined, because of Slusher Hall’s condition, that the facility should be replaced rather than renovated. The university will first build and occupy a new residential facility neighboring the existing Slusher Hall, then demolish and remove Slusher Hall, and, then build a second building on the site. The total bed count of the new facilities will equal or exceed the existing 630 beds with the intention to maximize the number of beds to the extent practical.

This request is for a $3.5 million planning authorization to complete preliminary design documents for the Slusher Hall Replacement project.

2. Approval of Resolution for Dietrick First Floor and Plaza Renovation Supplement: The Committees will review for approval a resolution for Dietrick First Floor and Plaza Renovation Supplement.

The Board of Visitors approved the Dietrick First Floor and Plaza renovation project with a $7 million total project cost at its September 11, 2017 meeting. The scope and budget for the project resolution were based on a feasibility study from a consultant and internal reviews. Planning work is underway, and schematic design cost reviews reveal the actual total project costs exceed $7 million for the authorized scope.

The university has reviewed and analyzed each construction cost component of the project at the conclusion of schematic design and determined the total construction costs are $6.8 million. The soft costs for design, project management, inspections,
equipment, furnishings, etc. are $1.5 million. Thus, the total project costs inclusive of design, construction, and equipment are $8.3 million. The university has reviewed and analyzed opportunities for cost controls and determined a major scope reduction, either elimination of the plaza improvements or elimination of the enclosure for the seat expansion, would be necessary to remain within the current $7 million project budget. The full project scope is necessary to meet the needs of the dining program and student expectations. The university has developed a financing plan to support the additional $1.3 million of costs necessary to complete the entire scope of work.

This request is for a $1.3 million supplement to adjust the total authorization for the Dietrick First Floor and Plaza Renovation project to $8.3 million.

* Requires full Board approval.
RESOLUTION APPROVING AGREEMENT TO AMEND THE ARTICLES OF INCORPORATION OF THE MONTGOMERY REGIONAL SOLID WASTE AUTHORITY AND TO EXTEND TERM OF USER AGREEMENT BETWEEN THE AUTHORITY AND THE UNIVERSITY

The university, along with Montgomery County and the Towns of Blacksburg and Christiansburg, formed a Solid Waste Authority to dispose of solid waste and recyclable materials on a regional basis. The Authority is led by a five member Board of Directors and the terms of office for all members run concurrently. The Authority and the participating jurisdictions recommend changing the Articles of Incorporation to provide staggered terms of office for the members of the Authority’s Board of Directors.

The Authority and the participating jurisdictions also recommend extending each participating locality’s User Agreement with the Authority (for the provision of solid waste disposal and recycling services) to June 20, 2040.
RESOLUTION APPROVING AGREEMENT TO AMEND THE ARTICLES OF INCORPORATION OF THE MONTGOMERY REGIONAL SOLID WASTE AUTHORITY AND TO EXTEND TERM OF USER AGREEMENT BETWEEN THE AUTHORITY AND THE UNIVERSITY

WHEREAS, Virginia Polytechnic Institute and State University (the "University"), together with Montgomery County, Virginia, the Town of Blacksburg, Virginia and the Town of Christiansburg, Virginia (together, the "Participating Jurisdictions") created the Montgomery Regional Solid Waste Authority (the "Authority") to enable the Participating Jurisdictions to dispose of solid waste and recycle recyclable materials on a regional basis by causing Articles of Incorporation forming the Authority (the "Articles of Incorporation") to be filed with the Virginia State Corporation Commission; and

WHEREAS, the Articles of Incorporation presently provide for terms of office of all members of the Authority's Board of Directors to run concurrently, with the next four year term expiration date being June 30, 2018, and the Authority and the Participating Jurisdictions desire to provide for staggered terms of office for members of the Authority's Board of Directors as stated below; and

WHEREAS, the Participating Jurisdictions have each also entered into identical User Agreements with the Authority (the "User Agreements") for the Authority to provide solid waste disposal and recycling services for each of the Participating Jurisdictions; and

WHEREAS, the User Agreements have a term beginning on July 1, 1995 and ending on June 30, 2025, and the Participating Jurisdictions desire to extend such term to June 30, 2040; and

WHEREAS, there has been presented to this meeting a proposed agreement among the University, the other Participating Jurisdictions and the Authority entitled "Agreement to Amend the Articles of Incorporation of the Montgomery Regional Solid Waste Authority and to Extend Term of User Agreements Between the Authority and Participating Jurisdictions" (the "Agreement"), which Agreement incorporates therein Articles of Amendment to Articles of Incorporation of Montgomery Regional Solid Waste Authority (the "Articles of Amendment") that are attached thereto; and

WHEREAS, a public hearing has been held on behalf of the Board of Visitors of the University concerning the proposed approval of the Board of Visitors of the Agreement and the Board of Visitors has received the report of the Vice President for Operations of the University (the "Vice President for Operations") as the University's representative with a summary of comments made at the public hearing.

NOW THEREFORE, BE IT RESOLVED by the Board of Visitors of the University that the forms of the Agreement and the Articles of Amendment are approved and the
Vice President for Operations is authorized to execute the Agreement and the Articles of Amendment in substantially the forms presented to this meeting; and

**BE IT FURTHER RESOLVED,** upon execution of the Agreement and the Articles of Amendment by the other signatories thereto, the Vice President for Operations is authorized to take all actions to cause the Articles of Amendment to be filed with the Virginia State Corporation Commission together with any other necessary documents, and to take all actions required by law to be taken prior to such filing; and

**BE IT FURTHER RESOLVED,** this Resolution shall take effect immediately on June 4, 2018.

**RECOMMENDATION:**

That the above resolution authorizing the Vice President for Operations to execute the User Agreement and to execute and file the Articles of Amendment for the Montgomery Regional Solid Waste Authority be approved.
CERTIFICATION OF ADOPTION OF RESOLUTION

The undersigned Secretary of the Board of Visitors of Virginia Polytechnic Institute and State University certifies that the Resolution set forth above was adopted on June 4, 2018 in an open meeting.

Signed this 4 day of June, 2018.

By: _____________________________________

Kim O’Rourke, Secretary of the Board of Visitors
Virginia Polytechnic and State University
RESOLUTION ON APPOINTMENTS TO THE MONTGOMERY REGIONAL SOLID WASTE AUTHORITY

The university is requesting approval for reappointments - one joint member and one university representative - to the Montgomery Regional Solid Waste Authority Board of Directors, as a result of changes to the Articles of Incorporation that provide for staggered terms of office.
RESOLUTION ON APPOINTMENTS TO THE MONTGOMERY REGIONAL SOLID WASTE AUTHORITY

WHEREAS, the Montgomery Regional Solid Waste Authority (the Authority) consists of five directors who are responsible for the management and operation of the Authority; and,

WHEREAS, one director is appointed by each of the four political subdivisions, and the other director is appointed jointly by all governing bodies; and,

WHEREAS, it is necessary to reappoint members of its Board of Directors in accordance with the amended Articles of Incorporation; and,

WHEREAS, Al Bowman currently serves as a joint representative; and,

WHEREAS, the local political subdivisions and Virginia Tech desire to reappoint Al Bowman, as the joint representative for a term of two years in accordance with the Authority's Articles of Incorporation, as amended; and,

WHEREAS, Chris Kiwus, the Chief Facilities Officer, currently serves as the university's representative; and,

WHEREAS, Virginia Tech desires to reappoint the Chief Facilities Officer, currently Chris Kiwus, as the university’s representative for a term of four years in accordance with the Authority’s Articles of Incorporation, as amended;

NOW, THEREFORE, BE IT RESOLVED, that Al Bowman be named as a joint representative and member on the Montgomery Regional Solid Waste Authority for a term beginning on July 1, 2018 and expiring June 30, 2020; and,

BE IT FURTHER RESOLVED, that the Chief Facilities Officer be named the university’s representative and member on the Montgomery Regional Solid Waste Authority for a term beginning on July 1, 2018 and expiring June 30, 2022.

RECOMMENDATION:

That the resolution recommending that Al Bowman be reappointed as joint representative and the Chief Facilities Officer be reappointed as the university’s representative to the Montgomery Regional Solid Waste Authority Board of Directors be approved.

June 4, 2018
The overall instructional mission of Virginia Tech is the “education of the whole person” which recognizes that a significant and important part of student education happens outside of the classroom. Slusher Hall was built in 1972 and is approximately 125,860 gross square feet with housing capacity for about 630 students. The facility has received few improvements since its original construction, does not meet student expectations, carries a significant deferred maintenance backlog, and requires frequent repairs that interrupt services.

Attracting high quality students in higher education is competitive, and the Housing program is often a critical factor for students because of its link to quality of life and academic support. The residential program has a long-range plan for renovations to refurbish its housing stock. Replacing Slusher Hall is the next facility on this plan, and is part of the program for the Residential Renovations of 1000 beds by 2024 included on the university’s 2018-2024 Capital Outlay Plan approved by the Board of Visitors on September 17, 2017.

The university has determined, because of Slusher Hall’s condition, that the facility should be replaced rather than renovated. To support strategic enrollment growth goals, the university has developed a strategy to ensure maximum bed counts as soon as possible. Under this strategy, the university will first build and occupy a new residential facility neighboring the existing Slusher Hall, then demolish and remove Slusher Hall, and, then build a second building on the site. The total bed count of the new facilities will equal or exceed the existing 630 beds with the intention to maximize the number of beds to the extent practical. The actual size and occupancy of each component will be determined as part of planning activities.

At this time, the university is requesting a $3.5 million planning authorization to prepare design documents through the preliminary design phase. As with all self-supporting projects, the university has developed a financing plan to provide assurance regarding the financial feasibility of this planning project. This funding plan calls for the temporary use of internal cash resources from the Residential Program reserves. This use will be a temporary loan that may be reimbursed as part of a permanent financing package at such time as the entire project moves forward.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral fund capital outlay projects. This request is for a $3.5 million planning authorization to complete preliminary design documents for the Slusher Hall Replacement project. A subsequent request for full project funding may be submitted after designs are underway and a firm scope, cost, funding, and schedule for the entire project are determined.
RESOLUTION OF A CAPITAL PROJECT FOR  
PLANNING THE SLUSHER HALL REPLACEMENT

WHEREAS, Slusher Hall was built in 1972 with a scope of about 125,860 gross square feet and housing capacity for about 630 students; and,  

WHEREAS, the facility has received few improvements since its original construction, does not meet student expectations, carries a significant deferred maintenance backlog, and requires frequent repairs that interrupt services; and,  

WHEREAS, the university has determined, because of Slusher Hall’s condition, that the facility should be replaced rather than renovated; and,  

WHEREAS, to support strategic enrollment growth goals, the university has developed a strategy to ensure maximum bed counts as soon as practical; and,  

WHEREAS, the university will first build and occupy a new residential facility neighboring the existing Slusher Hall, then demolish and remove Slusher Hall, and, then build a second building on the site; and,  

WHEREAS, the total bed count of the new facilities will equal or exceed the existing 630 beds with the intention to maximize the number of beds to the extent practical; and,  

WHEREAS, the university is requesting a $3.5 million planning authorization to complete preliminary design documents and to fund the planning project with 100 percent nongeneral fund resources derived from Residential Program auxiliary revenues; and,  

WHEREAS, the university may submit a subsequent request for full project funding after designs are underway and a firm scope, cost, funding, and schedule for the entire project are determined; and,  

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and Virginia Tech, the Board of Visitors has authority to approve the budget, size, scope, and overall funding of nongeneral funded major capital outlay projects.  

NOW, THEREFORE, BE IT RESOLVED, that the university be authorized to move forward with a $3.5 million planning authorization for the Slusher Hall replacement project.  

RECOMMENDATION:  

That the resolution authorizing Virginia Tech to plan the Slusher Hall replacement project be approved. 

June 4, 2018
The Board of Visitors approved the Dietrick First Floor and Plaza renovation project with a $7 million total project cost at its September 11, 2017 meeting. The scope and budget for the project resolution were based on a feasibility study from a consultant and internal reviews. Planning work is underway, and schematic design cost reviews reveal the actual total project costs exceed $7 million for the authorized scope.

The university has reviewed and analyzed each construction cost component of the project at the conclusion of schematic design and determined the total construction costs are $6.8 million. The soft costs for design, project management, inspections, equipment, furnishings, etc. are $1.5 million. Thus, the total project costs inclusive of design, construction, and equipment are $8.3 million. The university has reviewed and analyzed opportunities for cost controls and determined a major scope reduction, either elimination of the plaza improvements or elimination of the enclosure for the seat expansion, would be necessary to remain within the current $7 million project budget.

The full project scope is necessary to meet the needs of the dining program and student expectations. The university has developed a financing plan to support the additional $1.3 million of costs necessary to complete the entire scope of work. The plan calls for the use of supplemental debt that will be serviced from Dining Program auxiliary revenues and will impact dining rates by approximately 0.25 percent.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral fund capital outlay projects. This request is for a $1.3 million supplement to adjust the total authorization for the Dietrick First Floor and Plaza Renovation project to $8.3 million.
RESOLUTION OF A CAPITAL PROJECT FOR THE SUPPLEMENT OF THE DIETRICK FIRST FLOOR AND PLAZA RENOVATION

WHEREAS, Dietrick Hall, built in 1970, is the largest food service facility located in the south residential core of campus; and,

WHEREAS, the Board of Visitors approved the Dietrick First Floor and Plaza renovation project with a $7 million total project cost at its September 11, 2017 meeting; and,

WHEREAS, the scope and budget for the project resolution were based on a feasibility study from a consultant as well as internal reviews and planning work is underway and schematic design cost reviews reveal the actual total project costs exceed $7 million for the authorized scope; and,

WHEREAS, the university has reviewed and analyzed each construction cost component of the project at the conclusion of schematic design and determined the total construction costs are $6.8 million; and,

WHEREAS, the soft costs for design, project management, inspections, equipment, furnishings, etc. are $1.5 million; thus, the total project costs inclusive of design, construction, and equipment are $8.3 million; and,

WHEREAS, the university has reviewed and analyzed opportunities for cost controls and determined a major scope reduction, either elimination of the plaza improvements or elimination of the enclosure for the seat expansion, would be necessary to remain within the current $7 million project budget; and,

WHEREAS, the full project scope is necessary to meet the needs of the dining program and student expectations. The university has developed a financing plan to support the additional $1.3 million of costs which calls for the use of supplemental debt that will be serviced from Dining Program auxiliary revenues and will impact dining rates by approximately 0.25 percent; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral funded major capital outlay projects.

NOW, THEREFORE BE IT RESOLVED, that the university be authorized to move forward with a $1.3 million supplement to adjust the total project authorization for the Dietrick First Floor and Plaza Renovation project to $8.3 million and to secure temporary short-term financing through any borrowing mechanism that prior to such borrowing has been approved by the Board, as applicable, in an aggregate principal amount not to exceed the $8.3 million authorization, plus related issuance costs and financing expenses.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to supplement and complete the Dietrick First Floor and Plaza Renovation project be approved.

June 4, 2018
Closed Session Agenda  
COMPLIANCE, AUDIT, AND RISK COMMITTEE  
110A Classroom Building  
10:00 a.m. – 10:30 a.m.  
June 3, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Motion for Closed Session</td>
<td>Mr. Mills</td>
</tr>
<tr>
<td>2. Update on Fraud, Waste, and Abuse Cases</td>
<td>Ms. Kurek</td>
</tr>
<tr>
<td></td>
<td>Mr. Daniels</td>
</tr>
<tr>
<td>3. Discussion with the Executive Director of Audit, Risk, and Compliance</td>
<td>Ms. Kurek</td>
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</tbody>
</table>
Compliance, Audit, and Risk Closed Session

1. **Motion for Closed Session:** Motion to begin closed session.

2. **Update on Fraud, Waste, and Abuse Cases:** The Committee will receive an update on outstanding fraud, waste, and abuse cases.

3. **Discussion with the Executive Director of Audit, Risk, and Compliance:** The Executive Director will discuss audits of specific departments and units where individual employees were identified.
## Agenda Item

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Motion to Reconvene in Open Session</td>
<td>Ms. Long</td>
</tr>
<tr>
<td>2. Welcome and Introductory Remarks</td>
<td>Mr. Kazmi</td>
</tr>
<tr>
<td>3. Consent Agenda</td>
<td>Mr. Kazmi</td>
</tr>
<tr>
<td>a. Approval of Minutes of the March 25, 2018 Meeting</td>
<td></td>
</tr>
<tr>
<td>b. Update of Responses to Open Internal Audit Comments</td>
<td></td>
</tr>
<tr>
<td>c. Audit Plan Status Report</td>
<td></td>
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<tr>
<td>d. Internal Audit Reports</td>
<td></td>
</tr>
<tr>
<td>i. Biochemistry</td>
<td></td>
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<tr>
<td>ii. Controller's Office – Risk Management</td>
<td></td>
</tr>
<tr>
<td>iii. IT: Mobile Device Security</td>
<td></td>
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<tr>
<td>iv. Telecommunications Operations</td>
<td></td>
</tr>
<tr>
<td>e. Statewide Reviews and Special Reports</td>
<td></td>
</tr>
<tr>
<td>4. Annual External Audit Scope Discussion with the Auditor of Public Accounts</td>
<td>Mr. Reinholtz</td>
</tr>
<tr>
<td>5. Proposed Audit Plan for Fiscal Year 2018-19</td>
<td>Mr. Daniels</td>
</tr>
<tr>
<td>6. Enterprise Risk Management Program</td>
<td>Ms. Kurek</td>
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<tr>
<td>7. Institutional Compliance Program</td>
<td>Ms. Kurek</td>
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<tr>
<td>8. Discussion of Future Topics</td>
<td>Mr. Kazmi</td>
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Compliance, Audit, and Risk Open Session

1. **Motion to Reconvene in Open Session**: Motion to begin open session.

2. **Welcome and Introductory Remarks**: The chair of the Compliance, Audit, and Risk Committee will provide opening remarks.

3. **Consent Agenda**: The Committee will consider for approval and acceptance the items listed on the Consent Agenda.

   a. **Approval of Minutes of the March 25, 2018 Meeting**: The Committee will review and approve the minutes of the March 25, 2018 meeting.

   b. **Update of Responses to Open Internal Audit Comments**: The Committee will review the university’s update of responses to all previously issued internal audit reports. As of December 31, 2017, the university had six open recommendations. Seven audit comments have been issued during the second quarter of the fiscal year. As of March 31, 2018, the university has addressed five comments, leaving eight open recommendations in progress.

   c. **Audit Plan Status Report**: The committee will review the Audit Plan Status Report. The Office of Audit, Risk, and Compliance (OARC) has completed 58 percent of its audit plan in accordance with the fiscal year 2017-18 annual audit plan.

   d. **Internal Audit Reports**: The following internal audit reports were issued by OARC since the March 25, 2018 meeting. Where applicable, management developed action plans to effectively address the issues in the report with a reasonable implementation timeframe. As noted above, OARC conducts follow-up on management’s implementation of agreed upon improvements for previously issued audit recommendations.

      i. **Biochemistry**: The audit received a rating of improvements are recommended. An audit recommendation was issued where
opportunities for further improvement were noted in the area of laboratory safety training records. A low-priority audit recommendation of a less significant nature was issued where opportunities for further improvement were noted in the area of service center administration.

ii. Controller’s Office – Risk Management: The audit received a rating of improvements are recommended. An audit recommendation was issued where opportunities for further improvement were noted in the area of insurance coverage. Additionally, observations for central administration were noted with respect to inaccurate Graduate Assistant (GAs) subsidies and payroll deductions, and to event management systems.

iii. IT: Mobile Device Security: This review began as a risk-based audit in accordance with the fiscal year 2017-18 audit plan; however, this review was truncated commensurate with the audit planning phase after it was determined that the best use of audit resources was to focus on other projects that had not received such a detailed previous review. A recommendation for continuous improvement was noted in the area of training and outreach related to mobile device security.

iv. Telecommunications Operations: The audit received a rating of improvements are recommended. An audit recommendation was issued where an opportunity for improvement was noted in the area of controls pertaining to the billing and work order system. Additionally, low-priority recommendations of a less significant nature were noted where opportunities for improvement were identified with regards to billing and rate discrepancies and safety training for Network Infrastructure & Services (NI&S) field technicians.

e. Statewide Reviews and Special Reports: This report is related to ongoing and forthcoming statewide reviews. Virginia Tech is subject to reviews by a variety of Commonwealth agencies, including the Auditor of Public Accounts, Office of the State Inspector General, and Virginia Department of Veterans Services.

4. Annual External Audit Scope Discussion with the Auditor of Public Accounts: The Committee will meet with the Auditor of Public Accounts (APA) for a discussion of the scope of the audit of the 2018 financial statements and the APA’s plans for conducting and completing the audit.
5. **Proposed Audit Plan for Fiscal Year 2018-19:** The Committee will review the proposed audits included on the fiscal year 2018-19 annual audit plan. OARC conducted the annual risk assessment after reviewing financial and operational data and seeking input from senior management. In addition, a university-wide information technology risk assessment and audit plan were created in accordance with industry standards. For fiscal year 2018-19, more than 20 audit projects are proposed given current staffing levels, with approximately 75 percent of available resources committed to the completion of planned projects.

6. **Enterprise Risk Management Program:** The Committee will receive an update on the Enterprise Risk Management (ERM) program. OARC developed a framework and facilitated its implementation over the previous months resulting in university leadership’s identification of key residual risks across six thematic areas, documented in the enterprise risk landscape. An overview of a tabletop exercise related to enrollment management will be shared with the committee.

7. **Institutional Compliance Program:** The Committee will receive an update on the institutional compliance program, including the establishment of a compliance oversight committee to coordinate best practices regarding risk assessment and monitoring activities. OARC has distributed communication to key university constituents in establishing committee structures to help ensure collaboration and coordination among compliance activities at the university.

8. **Discussion of Future Topics:** The Committee will discuss topics to be covered in future committee meetings.
# Closed Session Agenda

**FINANCE AND RESOURCE MANAGEMENT COMMITTEE**

110B, Classroom Building  
8:00 a.m. – 8:15 a.m.  
June 4, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Motion for Closed Session</td>
<td>Ms. Harris</td>
</tr>
<tr>
<td>* 2. Ratification of Personnel Changes Report</td>
<td>Mr. Shelton</td>
</tr>
<tr>
<td>* 3. 2018-19 Promotion, Tenure, and Continued Appointment Program</td>
<td>Mr. Shelton</td>
</tr>
</tbody>
</table>

* Requires full Board approval.

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Briefing Report

FINANCE AND RESOURCE MANAGEMENT COMMITTEE

June 4, 2018

Closed Session

1. **Motion for Closed Session:** Motion to begin closed session.

* 2. **Ratification of Personnel Changes Report:** The Committee will review and take action on the quarterly personnel changes report.

* 3. **2018-19 Promotion, Tenure, and Continued Appointment Program:** The Committee will review and take action on the 2018-19 Promotion, Tenure, and Continued Appointment Program.

* Requires full Board approval.
Open Session Agenda
FINANCE AND RESOURCE MANAGEMENT COMMITTEE
130B, Classroom Building
8:15 a.m. – 11:15 a.m.
June 4, 2018

**Agenda Item** | **Reporting Responsibility**
--- | ---
1. Motion to Reconvene in Open Session | Ms. James
2. Opening Remarks | Mr. Valeiras
3. Consent Agenda | Mr. Valeiras
   a. Approval of Items Discussed in Closed Session
   b. Approval of Minutes of the March 25, 2018 Meeting
   * c. Approval of 2018-19 Pratt Fund Budgets
   * d. Approval of 2018-19 Hotel Roanoke Conference Center Commission Budget
   * e. Approval of 2018-19 Virginia Tech-Wake Forest University School of Biomedical Engineering and Sciences Budget
   * f. Approval of Resolution to Reappoint University Commissioner to the Hotel Roanoke Conference Center Commission
4. Report on Procurement Opportunities | Mr. Shelton
   Ms. Helmick
5. Discussion on Resource Development | Mr. Shelton
* 6. Report on and Recommendation Regarding Quasi-Endowments | Mr. Shelton
* 7. Resolution on University Lines of Credit | Mr. Cusimano
* 8. Approval of 2018-19 Faculty Compensation Plan | Mr. Shelton
9. Update on the Special Session of the General Assembly | Mr. Shelton
* 10. Approval of 2018-19 University Budgets:
   a. Update on University Tuition and Fees | Mr. Shelton
   Mr. Hodge
   Mr. Broyden
   b. Auxiliary Systems Budgets
      i. Dormitory and Dining Hall System
      ii. Electric Service Utility System
      iii. University Services System
      iv. Athletic Facilities System
   c. Operating Budget and Capital Budget
* 11. Approval of Year-to-Date Financial Performance Report (July 1, 2017 – March 31, 2018) | Mr. Hodge
Mr. Broyden
12. Other Business | Mr. Valeiras

* Requires full Board approval.
Open Session

1. Motion to Reconvene in Open Session

2. Opening Remarks

3. Consent Agenda: The Committee will consider for approval and acceptance the items listed on the Consent Agenda.

   a. Approval of Items Discussed in Closed Session

   b. Approval of Minutes of the March 25, 2018 meeting

   * c. Approval of 2018-19 Pratt Fund Budgets: The Pratt Fund provides funding for programs in both the College of Engineering and Department of Animal Nutrition in the College of Agriculture and Life Sciences. For 2018-19, the College of Engineering proposes expenditures of $999,333 and the Department of Animal Nutrition proposes expenditures of $969,833.

   * d. Approval of 2018-19 Hotel Roanoke Conference Center Commission Budget: The Hotel Roanoke Conference Center Commission was established by resolutions adopted by Virginia Tech and the City of Roanoke, under Commonwealth of Virginia enabling legislation. The enabling legislation provided that the Commission shall annually prepare and submit to both the City of Roanoke and Virginia Tech a proposed operating budget showing its estimated revenues and expenses for the forthcoming fiscal year, and, if the estimated expenses exceed the estimated revenues, the portion of the unfunded balance is to be borne by each participating party for the operation of the conference center. The funds for Virginia Tech total $80,000 for the fiscal year 2018-19 and will come from the Fralin endowment which was established to assist with the project.

   * e. Approval of 2018-19 Virginia Tech-Wake Forest University School of Biomedical Engineering and Sciences Budget: The collaboration agreement, which outlines the relationship and responsibilities of Virginia Tech and Wake Forest University School of Biomedical Sciences, requires the governing boards of each university to approve the annual operating budget for the
School of Biomedical Engineering and Sciences. The Virginia Tech financial commitment for fiscal year 2018-19 is $5.75 million.

* 6. **Report on and Recommendation Regarding Quasi-Endowments:** The Committee will receive a report on and review for approval a recommendation regarding quasi-endowments. Quasi-endowments represent university funds designated by the Board of Visitors rather than by a donor. They carry the intent to provide ongoing income from a long-term investment; however, the governing board retains the authority to repurpose such funds and to remove funds from the quasi-endowment asset category at any time. The university’s Chief Financial Officer plans for the deployment of the quasi-endowment payouts in the university’s budget process to achieve the intended objectives of each quasi-endowment.

The university has completed a comprehensive review of its long-term investments and strategic plans. As a result of this review, the university recommends that certain investments should be designated and/or reaffirmed by the Board of Visitors as quasi-endowments.

* 7. **Resolution on University Lines of Credit:** The Committee will review for approval a resolution on university lines of credit. Consistent with the trend at many major research institutions, the university has developed, and is in the process of implementing, an updated cash management strategy to leverage limited financial resources. This is accomplished through the investing of additional university operating reserves in the Virginia Tech Foundation’s (Foundation) endowment.
program. While this should result in achieving enhanced investment returns over time, it will also result in maintaining a reduced amount of operating reserves.

A representative workgroup comprised of personnel from the Budget Office, Controller’s Office, and Investment and Debt Management identified the appropriate level of cash reserves to invest and concluded that a back-up operating line of credit would be needed to completely implement the new investment strategy. The workgroup examined the current and projected cash flows and determined that $185 million of external liquidity would be needed, based on the university’s FY 2018 annual budget. The plan results in the generation of enhanced investment income that will help advance university strategic needs while reducing the need for tuition and fee increases.

Board approval is needed for the establishment and access to the lines of credit. Upon approval of the lines of credit, the university will be authorized to draw upon the lines of credit as needed. This resolution seeks approval to establish and access the lines of credit up to an aggregate amount of $200 million and the corresponding credit agreement, and promissory note.

* 8. **Approval of 2018-19 Faculty Compensation Plan:** The Committee will review for approval the 2018-19 Faculty Compensation Plan. The report defines the qualification criteria for teaching and research faculty and administrative and professional faculty, provides guidance on the authorized salary average for full-time teaching and research faculty positions, and requires board approval. The key elements of the 2018-19 plan are consistent with the current plan.

For Fall 2016, Virginia Tech’s Actual Salary Average was $100,552. This placed Virginia Tech at the 35th percentile of its peer group, based on the most recent peer salary data available from the Integrated Postsecondary Education Data System (IPEDS). Based on SCHEV’s forecast of salary escalation at peer institutions, the university estimates that the Actual Salary Average will rank in the 33rd percentile of peer institutions for Fall 2017.

Recognizing the critical nature of faculty compensation, the university’s standing relative to the 60th percentile of the university’s peer group average salary, the higher levels of competing offers being received by key faculty, and to minimize the high cost of turnover, the university proposes continuing the traditional annual merit-based faculty salary increase program in 2018-19. This plan authorizes management to plan and budget for the resource allocations necessary to support a merit-based faculty salary increase averaging two percent for faculty for 2018-19. The university may also elect to create a supplemental pool to achieve certain targeted salary compensation or retention needs, such as national distinction.
9. **Update on the Special Session of the General Assembly:** The Committee will receive a verbal update on the Special Legislative Session of the General Assembly.

* 10. **Approval of 2018-19 University Budgets:** The Committee will review for approval the 2018-19 University Budgets. The University Budgets are comprised of the Operating and Capital Budgets.

   a. **Update on University Tuition and Fees:** The 2018 General Assembly adjourned on March 9, 2018 without agreement on a final 2018-20 biennial budget. The State remains undecided about the budget. The Committee will receive a report on the Tuition and Fee activities in the state and discuss the Virginia Tech Tuition and Fee rates relative to its budgets.

   b. **Auxiliary System Budgets:** The auxiliary systems are a component of the overall operating budget. In accordance with the resolutions authorizing and securing the Dormitory and Dining Hall System, Electric Service Utility System, University Services System, and Athletics Facilities System revenue bonds, the Board of Visitors is required to separately adopt an annual budget for each system. All budgets are balanced and designed in accordance with bond covenants including maintenance and reserve requirements. Once approved by the Board of Visitors, the annual budget will be the basis for making payments from the revenue fund to meet the operating costs of the auxiliary systems.

   i. **Dormitory and Dining Hall System Budget:** The 2018-19 budget for the Dormitory and Dining Hall System, including debt service, is $127.1 million for the period July 1, 2018 to June 30, 2019.

   ii. **Electric Service System Budget:** The 2018-19 budget for the Electric Service System, including debt service, is $36.9 million for the period July 1, 2018 to June 30, 2019.

   iii. **University Services System Budget:** The 2018-19 budget for the University Services System, including debt service, is $51.6 million for the period July 1, 2018 to June 30, 2019.

   iv. **Athletics Facilities System Budget:** The 2018-19 budget for the Athletics Facilities System, including debt service, is $74.5 million for the period July 1, 2018 to June 30, 2019.

   c. **Operating Budget and Capital Budget:** The university anticipates an initial state authorization of $1.5 billion during 2018-19 to carry out all of its programs, based on the forecast of direct appropriations to the university. However, the annual internal budget varies from this external expenditure authorization for several reasons, some of which increase the annual expenditure authority while others reduce the expenditure plans.
For 2018-19, the recommended internal budget for all operations is $1.6 billion. This is an increase of $34.5 million, approximately 2.3 percent, over the adjusted 2017-18 budget. For 2018-19, the university’s total General Fund allocation is estimated to be approximately $265.4 million, an increase of $3.3 million from the 2017-18 adjusted budget. The overall change includes an increase of $45.7 million attributable to the Educational and General program and $10.2 million of projected growth in auxiliary enterprises. General Fund revenues will provide $241.4 million in support for the instructional, research, and extension programs, $21.7 million for student financial assistance, and $2.3 million for the Unique Military Activities program.

The university’s Educational and General budget will be $849.2 million in 2018-19. The total 2018-19 auxiliary revenue budget is $351.5 million, a growth of $10.2 million or 3.0 percent over the adjusted 2017-18 budget. The projected annual budget for Financial Assistance for Educational and General Programs is $322.1 million, a decrease of $22.8 million or 6.6 percent less than the adjusted 2017-18 budget. The most significant activity in this category is externally sponsored research.

The capital outlay program for 2018-19 is comprised of 11 Educational and General projects and 11 Auxiliary Enterprise projects for a total of 22 projects. The total capital outlay budget for fiscal year 2018-19 includes total project authorization of approximately $593 million; the annual expenditure budget for those projects is approximately $125 million.

11. Approval of Year-to-Date Financial Performance Report (July 1, 2017 – March 31, 2018): The Committee will review the Year-to-Date Financial Performance Report for July 1, 2017 – March 31, 2018 for approval. For the third quarter, all programs of the university are on target and routine budget adjustments were made to reflect changes in General Fund revenues and expenditure budgets in academic and administrative areas. The tuition and fee budget increased by $3.5 million in the third quarter for stronger than projected spring retention and winter session revenues.

For year-to-date ending March 31, 2018, $28.4 million has been expended for Educational and General capital projects, and $50.2 million has been expended for Auxiliary Enterprises capital projects. Capital outlay expenditures for year-to-date ending March 31, 2018 totaled $78.5 million.

12. Other Business: The Committee will discuss other topics as needed.

*Requires full Board approval.
**Open Joint Session Agenda**

**FINANCE AND RESOURCE MANAGEMENT COMMITTEE**

**AND BUILDINGS AND GROUNDS COMMITTEE**

130 A and B, Classroom Building
11:15 a.m. – 11:45 a.m.

June 4, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>* 1. Approval of Resolution for Planning the Slusher Residence Hall Replacement</td>
<td>Mr. Dwight Shelton Dr. Sherwood Wilson</td>
</tr>
<tr>
<td>* 2. Approval of Resolution for Dietrick First Floor and Plaza Renovation Supplement</td>
<td>Mr. Dwight Shelton Dr. Sherwood Wilson</td>
</tr>
</tbody>
</table>

*Requires full Board approval.*
Briefing Report

JOINT FINANCE AND RESOURCE MANAGEMENT COMMITTEE
AND BUILDINGS AND GROUNDS COMMITTEE

June 4, 2018

Open Session

* 1. Approval of Resolution for Planning the Slusher Residence Hall Replacement: The Committees will review for approval a resolution for planning the capital project for Slusher Residence Hall Replacement.

Slusher Residence Hall was built in 1972 and is approximately 125,860 gross square feet with housing capacity for about 630 students. The facility has received few improvements since its original construction, does not meet student expectations, carries a significant deferred maintenance backlog, and requires frequent repairs that interrupt services.

The university has determined, because of Slusher Hall’s condition, that the facility should be replaced rather than renovated. The university will first build and occupy a new residential facility neighboring the existing Slusher Hall, then demolish and remove Slusher Hall, and, then build a second building on the site. The total bed count of the new facilities will equal or exceed the existing 630 beds with the intention to maximize the number of beds to the extent practical.

This request is for a $3.5 million planning authorization to complete preliminary design documents for the Slusher Hall Replacement project.

* 2. Approval of Resolution for Dietrick First Floor and Plaza Renovation Supplement: The Committees will review for approval a resolution for Dietrick First Floor and Plaza Renovation Supplement.

The Board of Visitors approved the Dietrick First Floor and Plaza renovation project with a $7 million total project cost at its September 11, 2017 meeting. The scope and budget for the project resolution were based on a feasibility study from a consultant and internal reviews. Planning work is underway, and schematic design cost reviews reveal the actual total project costs exceed $7 million for the authorized scope.

The university has reviewed and analyzed each construction cost component of the project at the conclusion of schematic design and determined the total construction costs are $6.8 million. The soft costs for design, project management, inspections,
equipment, furnishings, etc. are $1.5 million. Thus, the total project costs inclusive of design, construction, and equipment are $8.3 million. The university has reviewed and analyzed opportunities for cost controls and determined a major scope reduction, either elimination of the plaza improvements or elimination of the enclosure for the seat expansion, would be necessary to remain within the current $7 million project budget. The full project scope is necessary to meet the needs of the dining program and student expectations. The university has developed a financing plan to support the additional $1.3 million of costs necessary to complete the entire scope of work.

This request is for a $1.3 million supplement to adjust the total authorization for the Dietrick First Floor and Plaza Renovation project to $8.3 million.

* Requires full Board approval.
Report on and Recommendation Regarding Quasi-Endowments

FINANCE AND RESOURCE MANAGEMENT COMMITTEE

May 4, 2018

Background

The university has long had the authority to invest endowments, gifts, and other private funds in a wide array of financial securities. With the expanded authority to invest nongeneral funds provided in Section 23.1-2604 of the Code of Virginia, the university authority was expanded to include investment and management of endowment funds, endowment income, gifts, all other nongeneral fund reserves and balances, and local funds of or held by the university in accordance with this section and the provisions of the Uniform Prudent Management of Institutional Funds Act (§ 64.2-1100 et seq.). While the investments allowed under the expanded authority have the potential for higher returns, they also involve more risk.

While private gifts and endowments are normally received and invested by the Virginia Tech Foundation (Foundation), the focus of this report is on public university funds that, through the authority provided in Section 23.1-2604, are invested by the Foundation under an agency agreement. These investments are made in accordance with the provisions of the Virginia Uniform Prudent Management of Institutional Funds Act and the university’s investment policy.

As of December 31, 2017, the market value of university funds invested in the endowment pool managed by the Foundation was $225.7 million. This includes John Lee Pratt’s 1977 restricted gift of $11 million to support Animal Nutrition and the College of Engineering that has grown to $48.4 million as of December 31, 2017.

Investments are made for the purpose of generating higher investment income to advance university goals and objectives. Investment income currently supports university operations, initiatives, scholarships, and maintenance reserve programs while holding down student fees. Beginning in 2018-19, a portion of the investment income from unrestricted assets will support the university’s share of costs for the Virginia Tech Carilion School of Medicine.

Investment horizon is based on the nature of the funding and strategic plans. University owned long-term investments held in the Foundation endowment investment pool can effectively function as a quasi-endowment, where the purchasing power of the principal over the long term is preserved.
Quasi-Endowment

True endowments are funds received from a donor with the restriction that the principal is not expendable. This allows for the gift to have an impact over a longer period than if it were spent all at once. Endowments may also come with stipulations regarding usage. As a result, an endowment payout may be restricted to a specific purpose such as a scholarship, professorship, or program. Two examples of true endowments, held by the university, are the Rolls Royce Endowments which were created by the Commonwealth as part of the incentive package to recruit the company to Virginia and the Pouring Rights Scholarship from Coca-Cola.

Quasi-endowments represent university funds designated by the Board of Visitors rather than a donor. They carry the same intent to provide ongoing income from a long-term investment; however, the governing board retains the authority to repurpose such funds and to remove funds from the quasi-endowment asset category at any time.

The university has completed a comprehensive review of its long-term investments and strategic plans. As a result of this review, the university recommends that the following funds should be designated and/or reaffirmed by the Board of Visitors as quasi-endowments.

**Pratt Estate**

The Pratt Estate gift was previously designated by the board as a quasi-endowment in the late 1970s. The university recommends the Board of Visitors reaffirm this fund as a quasi-endowment for its restricted purpose of Animal Nutrition and the College of Engineering. The endowment value as of December 31, 2017 was $48.4 million.

**Donaldson Brown Scholarship**

During the 1940s, the late Mr. Donaldson Brown made gifts to the university designated for the President’s Student Loan Fund. Mr. Brown’s stipulations for administration of the fund allowed use of the funds for student loans or scholarship. In 1992, the funds were redirected to provide scholarships. The endowment value as of December 31, 2017 was $0.9 million. Due to the age of the gift, prior board designations are uncertain; as a result, the university seeks for the Board of Visitors to designate this fund as a quasi-endowment for scholarships consistent with the terms of the gift.

**Nationwide Scholarship**

A 2014 settlement agreement with Nationwide Life Insurance Company related to student medical insurance premiums included the establishment of a scholarship fund in their name from any residual or unclaimed funds. The university has invested these funds to create ongoing income for scholarships. The value as of December 31, 2017 was $6.2 million, and additional funds in the range of $2 to $3 million may be available...
for investment within the next year. The university seeks for the Board of Visitors to designate this fund and any future funds received as a quasi-endowment restricted for scholarships.

**Student Health Insurance Fund**

In 1997, the university received a stock conversion settlement from Trigon when the company went public. The university invested these funds to support the health care insurance program. The value as of December 31, 2017 was $0.4 million. The university recommends the Board of Visitors designate this fund as a quasi-endowment designated in support of the student health insurance program. This may include the administration of student insurance programs.

**Gloria Smith Professorship**

In August 2000, the university approved an allocation from the Athletic Department’s Sugar Bowl proceeds to serve as a base that would provide ongoing support for the Gloria Smith professorship. The professorship, named in honor of the late Gloria D. Smith, a counselor and advocate of minority students on campus before her retirement, is awarded for a period of two years to an outstanding faculty member who contributes significantly to the growth and development of minority students, student athletes, and scholarly pursuits. The value as of December 31, 2017 was $0.4 million. The university recommends the Board of Visitors authorize this fund as a quasi-endowment designated for the professorship.

**Multicultural Affairs Scholarship**

In August 2000, the university approved an allocation from the Athletic Department’s Sugar Bowl proceeds to serve as a base that would provide ongoing support for scholarships for Multicultural Affairs. These resources are held by the Foundation and generate annual payout that are available for scholarship expenditure. The value as of December 31, 2017 was $0.1 million. The university recommends the Board of Visitors authorize this fund as a quasi-endowment designated for scholarships.

**Chinese Endowed Geosciences Scholarship**

In 2002, the Department of Geological Sciences established a scholarship fund to support Chinese graduate students from funds provided by the People’s Republic of China. The value as of December 31, 2017 was $0.1 million. The university recommends the Board of Visitors authorize this fund as a quasi-endowment designated for scholarships to support scholarships for Chinese graduate students studying Geosciences.
Licensing & Trademark Scholarship

Over the last two decades, the University’s Licensing & Trademark agreements have created one-time resources that have been invested to create ongoing income for scholarships. The value as of December 31, 2017 was $13.0 million. The university requests the Board of Visitors to designate this fund as a quasi-endowment for scholarships.

Management of Quasi-Endowments

The university has or will transfer these funds to the Virginia Tech Foundation to be invested in accordance with the university’s agreement with the Foundation regarding the management of all such university funds.

The investment of university resources and designation as a quasi-endowment creates an ongoing revenue stream for the university. The university's Chief Financial Officer is responsible for the periodic monitoring of these quasi-endowments and for the deployment of the quasi-endowment payouts in the university’s budget process to achieve the intended objectives of the quasi-endowment.

RECOMMENDATION:

That the funds listed on Attachment A be reaffirmed and/or designated as quasi-endowments.

June 4, 2018
## Attachment A

**University Funds Recommended for Quasi-Endowment Reaffirmation and/or Designation**

<table>
<thead>
<tr>
<th>Fund Title</th>
<th>Source of Funding</th>
<th>Use of Funds</th>
<th>Fund Purpose</th>
<th>Market Value*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reaffirm</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pratt Fund</td>
<td>Estate of John L. Pratt</td>
<td>Restricted</td>
<td>Animal Nutrition &amp; Engineering</td>
<td>$48.4M</td>
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<tr>
<td>Designate</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Donaldson Brown</td>
<td>Donaldson Brown Gift</td>
<td>Restricted</td>
<td>Scholarships</td>
<td>$0.9M</td>
</tr>
<tr>
<td>Nationwide</td>
<td>Medical Insurance Settlement from Nationwide</td>
<td>Restricted</td>
<td>Scholarships</td>
<td>$6.2M</td>
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<tr>
<td>Student Health Insurance</td>
<td>Trigon Stock Conversion Settlement</td>
<td>Unrestricted</td>
<td>Student Health Insurance</td>
<td>$0.4M</td>
</tr>
<tr>
<td>Gloria Smith Professorship</td>
<td>Athletics Sugar Bowl Proceeds</td>
<td>Unrestricted</td>
<td>Professorship</td>
<td>$0.4M</td>
</tr>
<tr>
<td>Multicultural Affairs</td>
<td>Athletics Sugar Bowl Proceeds</td>
<td>Unrestricted</td>
<td>Scholarships</td>
<td>$0.1M</td>
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<tr>
<td>Chinese Geosciences</td>
<td>People's Republic of China</td>
<td>Unrestricted</td>
<td>Scholarships</td>
<td>$0.1M</td>
</tr>
<tr>
<td>Licensing and Trademark</td>
<td>University Licensing &amp; Trademark Agreements</td>
<td>Unrestricted</td>
<td>Scholarships</td>
<td>$13.0M</td>
</tr>
</tbody>
</table>

* As of December 31, 2017
Consistent with the trend at many major research institutions, the university has developed, and is in the process of implementing, an updated cash management strategy to leverage limited resources. This is accomplished through the investing of additional university operating reserves in the Virginia Tech Foundation’s (Foundation) endowment program. While this should result in achieving enhanced investment returns over time, it will also result in maintaining a reduced amount of operating reserves. A representative workgroup comprising of personnel from the Budget Office, Controller’s Office, and Investment and Debt Management identified the appropriate level of cash reserves to invest and concluded that a back-up operating line of credit would be needed to completely implement the new investment strategy. A line of credit is a common cash management tool utilized in many corporate operations. The workgroup examined the current and projected cash flows and determined that $185 million of external liquidity would be needed, based on the university’s FY 2018 annual budget. The plan results in the generation of enhanced investment income that will help advance university strategic needs, while reducing the need for tuition and fee increases.

While the university believes that it will be able to operate throughout the year with its planned internal reserves, it recognizes the possibility that a major demand on cash could occur unexpectedly and rapidly. If such an event did occur, this line of credit will provide time for the university to access its longer-term investments at the Foundation. Once the cash management strategy is fully implemented, the annual low point of the university’s seasonal cash flow cycles is anticipated to be approximately $185 million, which equates to roughly 45 days of highly liquid operating reserves. Management determined that it would be in its best interest to target approximately 90 days of reserve liquidity through a combination of internal operating reserves and two or more external bank lines of credit. Accordingly, three bank line of credit providers have been identified to provide loans for up to $200 million of liquidity in aggregate, which should provide enough flexibility to obtain approximately 45 days of liquidity based on the university’s estimated FY 2019 budget. The external liquidity, when combined with the university’s operating reserves, will provide approximately 90 days of highly liquid cash reserves.

Board approval is needed for the establishment and access to the lines of credit. Upon approval of the lines of credit, the university will be authorized to draw upon the lines of credit, as needed. The lines will be (a) revolving lines of credit, the principal amount of which may be borrowed, repaid, and re-borrowed, and (b) secured by the university's
general revenue pledge, and not considered debt of the Commonwealth of Virginia, either legal, moral, or otherwise. McGuireWoods serves as university bond counsel.

Under the terms of the resolution, the university will enter into one or more credit agreements that set forth the terms and conditions of the applicable line of credit, in substantially the form provided to the Board. The Board’s approval will (a) authorize the lines of credit for an aggregate amount of up to $200 million, (b) approve the terms of the bank proposals and the form of the credit agreement, which includes a form promissory note, (c) identify the President, Chief Financial Officer, and University Treasurer as authorized officers to negotiate, execute and deliver all necessary documents related to the credit lines, and (d) authorize the authorized officers to enter into extensions of and amendments to the lines of credit and new lines of credit with other financial institutions from time to time, so long as such extensions and amendments and new lines of credit are not inconsistent with the intent of this resolution and the aggregate principal amount of the lines of credit does not exceed the greater of $200 million or 45 days of university operating expenditures based on the then Board-approved operating budget.

The university will review its liquidity profile at least annually to determine if its liquidity target and/or bank allocations require rebalancing.
Resolution on University Lines of Credit  

FINANCE AND RESOURCE MANAGEMENT COMMITTEE  

May 5, 2018  

WHEREAS, Chapter 26, Title 23.1 of the Code of Virginia of 1950, as amended (the "Virginia Code"), establishes a public corporation under the name and style of Virginia Polytechnic Institute and State University (the "University") which is governed by a Board of Visitors (the "Board"); and  

WHEREAS, by Chapter 10, Title 23.1 of the Virginia Code (the "Act"), the University entered into a management agreement with the Commonwealth of Virginia, which was enacted as Chapter 1 of Chapter 933 of the 2006 Virginia Acts of Assembly, as amended, pursuant to which the University is (a) classified as a public institution of higher education and (b) granted the authority, pursuant to the Act, to issue bonds, notes, or other obligations that are consistent with debt capacity and management policies and guidelines established by the Board and without (i) obtaining the consent of any legislative body, elected official, commission, board, bureau, political subdivision, or agency of the Commonwealth, (ii) the approval required by the provisions of Article 8 of Chapter 24 of Title 2.2 of the Virginia Code, or (iii) any regulation or procedure, including a review or approval procedure, adopted pursuant to Chapter 11 of Title 23.1 of the Virginia Code; and  

WHEREAS, the Act further authorizes the University to provide for the payment of the principal of and the interest on such bonds, notes, or other obligations from any one or more of the following sources: (a) its revenues generally; (b) income and revenues derived from the operation, sale, or lease of a particular project or projects, whether or not they are financed or refinanced from the proceeds of such bonds, notes, or other obligations; (c) funds realized from the enforcement of security interests or other liens or obligations securing such bonds, notes, or other obligations; (d) proceeds from the sale of bonds, notes, or other obligations; (e) payments under letters of credit, policies of municipal bond insurance, guarantees, or other credit enhancements; (f) any reserve or sinking funds created to secure such payment; (g) accounts receivable of the University; or (h) other available funds of the University; and  

WHEREAS, the University has determined that it would be in the best interest of the University to enter into one or more lines of credit (the "Lines of Credit") as a source of liquidity to support the general operations of the University; and  

WHEREAS, it is anticipated that the Lines of Credit will (a) be revolving lines of credit, the principal amount of which may be borrowed, repaid, and re-borrowed and (b) be secured by the University's general revenue pledge and not be in any way a debt of the Commonwealth of Virginia (the "Commonwealth") and shall not create or constitute any indebtedness or obligation of the Commonwealth, either legal, moral, or otherwise; and
WHEREAS, the University has solicited proposals from various financial institutions to provide the Lines of Credit, including proposals from Branch Banking and Trust Company, The First Bank and Trust Company, and Wells Fargo Bank, National Association (collectively, the “Proposals”), the terms of which Proposals were presented to the Board; and

WHEREAS, under the terms of the Proposals, the University will enter into one or more credit agreements or similar agreements that set forth the terms and conditions of the applicable Line of Credit, in substantially the form presented to the Board (each a "Credit Agreement"); and

WHEREAS, to evidence its obligations under a Credit Agreement, the University will execute a promissory note in favor of the applicable financial institution, in substantially the form attached as an exhibit to the applicable Credit Agreement (each a "Note"); and

WHEREAS, the Board intends (a) to authorize the Lines of Credit, (b) approve the terms of the Proposals, the form of the Credit Agreement, which includes a form of the Note, and (c) take such other actions as are authorized in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF VISITORS OF VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY:

1. Authorization of Credit. For the purpose of providing a source of back-up liquidity to support the general operations of the University, the Board authorizes the Lines of Credit in an aggregate principal amount of up to $200,000,000. The Lines of Credit shall bear interest on a taxable basis, and the payment of principal of and interest on the Lines of Credit shall be from one or more of the sources authorized by the Act, all as more particularly described in the applicable Proposal and Credit Agreement. The Board hereby approves the terms of the Proposals, the form of the Credit Agreement and the form of the Note.

2. Delegation and Execution. The Board authorizes the President of the University, the Chief Financial Officer of the University, or the University Treasurer (collectively, the "Authorized Officers") to negotiate, execute, and deliver all certificates, documents, and instruments related to the Lines of Credit with one or more financial institutions; provided that the initial closing of all such Lines of Credit must occur on or before January 31, 2019. The final approval of the terms and conditions of the Lines of Credit and the final selection of the financial institutions shall be evidenced by the execution and delivery of the Credit Agreements by one or more Authorized Officers. The Board authorizes all University officers and staff to take such other actions as may be necessary or desirable in connection with entering into and maintaining the Lines of Credit. The Board authorizes the Authorized Officers to enter into extensions of and amendments to the Lines of Credit and new Lines of Credit with other financial institutions from time to time (including to increase the aggregate principal amount thereof), so long as such extensions and amendments and new Lines of Credit are not inconsistent with the intent of this Resolution and the aggregate principal amount of the Lines of Credit does not exceed the greater of
(1) the amount authorized in paragraph (1) and (2) 45 days of operating expenditures of the University, based on the then Board-approved operating budget.

3. **Other Acts.** All other acts of the Authorized Officers and other officers and staff of the University that are in conformity with the purpose and intent of this Resolution are hereby approved, ratified and confirmed.

4. **Not a Debt of the Commonwealth.** The Lines of Credit shall not be in any way a debt of the Commonwealth and shall not create or constitute any indebtedness or obligation of the Commonwealth, either legal, moral, or otherwise.

5. **Effective Date.** This Resolution shall take effect immediately upon adoption.

**RECOMMENDATION:**

That the resolution identifying the authorized officers; approving the terms of the proposals and the form of the credit agreement; authorizing the authorized officers to enter into extensions of, and amendments to, the lines of credit and new lines of credit so long as such extensions and amendments and new lines of credit are consistent with the intent of this resolution and do not exceed the greater of $200 million or 45 days of operating expenditures, be approved.

June 4, 2018
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<tr>
<th>Bank Name:</th>
<th>Wells Fargo</th>
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<tbody>
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<td>Term:</td>
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<td>1 year term</td>
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<th>Interest Rate (spread in basis points to 1-month LIBOR):</th>
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<tr>
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<td>Terms:</td>
<td>Six months interest only and a 2.5 year term loan</td>
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<td>Rates:</td>
<td>1. Base Rate for 6 month interest only is the greater of:</td>
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<td>- The Bank's prime rate plus 1%,</td>
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<td>- 7%</td>
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<td>2. Amortized 2.5 year term loan rate:</td>
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<td>- Base Rate plus 1.00%</td>
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<td>3. Default Rate:</td>
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| Term-Out Period: | None |
REVOLVING CREDIT AGREEMENT

Dated as of __________, 2018

By and Between

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

and

[LENDER NAME]
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>ARTICLE I</th>
<th>DEFINITIONS</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 1.1.</td>
<td>Definitions</td>
<td>1</td>
</tr>
<tr>
<td>Section 1.2.</td>
<td>Accounting Terms and Determinations</td>
<td>5</td>
</tr>
<tr>
<td>Section 1.3.</td>
<td>Rules of Construction</td>
<td>5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ARTICLE II</th>
<th>THE FACILITY</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 2.1.</td>
<td>General</td>
<td>6</td>
</tr>
<tr>
<td>Section 2.2.</td>
<td>Advances by the Bank</td>
<td>6</td>
</tr>
<tr>
<td>Section 2.3.</td>
<td>Procedure for Requesting Advances</td>
<td>6</td>
</tr>
<tr>
<td>Section 2.4.</td>
<td>Interest on Advances</td>
<td>6</td>
</tr>
<tr>
<td>Section 2.5.</td>
<td>Optional Prepayments</td>
<td>7</td>
</tr>
<tr>
<td>Section 2.6.</td>
<td>The Note</td>
<td>8</td>
</tr>
<tr>
<td>Section 2.7.</td>
<td>Obligations Absolute</td>
<td>8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ARTICLE III</th>
<th>TERMS</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 3.1.</td>
<td>Fees</td>
<td>9</td>
</tr>
<tr>
<td>Section 3.2.</td>
<td>Payment of Interest after Event of Default</td>
<td>9</td>
</tr>
<tr>
<td>Section 3.3.</td>
<td>Taxes</td>
<td>9</td>
</tr>
<tr>
<td>Section 3.4.</td>
<td>Reduction of Available Commitment; Termination of Agreement</td>
<td>10</td>
</tr>
<tr>
<td>Section 3.5.</td>
<td>Extension of Scheduled Expiration Date</td>
<td>10</td>
</tr>
<tr>
<td>Section 3.6.</td>
<td>Payments and Computations</td>
<td>10</td>
</tr>
<tr>
<td>Section 3.7.</td>
<td>Source of Payment; Pledge of General Revenues</td>
<td>11</td>
</tr>
<tr>
<td>Section 3.8.</td>
<td>Purpose of Advances</td>
<td>11</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ARTICLE IV</th>
<th>CONDITIONS PRECEDENT</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 4.1.</td>
<td>Conditions Precedent to Effectiveness</td>
<td>11</td>
</tr>
<tr>
<td>Section 4.2.</td>
<td>Conditions Precedent to Each Advance</td>
<td>12</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ARTICLE V</th>
<th>REPRESENTATIONS AND WARRANTIES</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 5.1.</td>
<td>Representations and Warranties of the University</td>
<td>12</td>
</tr>
<tr>
<td>Section 5.2.</td>
<td>Representations and Warranties of the Bank</td>
<td>14</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ARTICLE VI</th>
<th>COVENANTS</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 6.1.</td>
<td>Affirmative Covenants</td>
<td>14</td>
</tr>
<tr>
<td>Section 6.2.</td>
<td>Negative Covenants</td>
<td>16</td>
</tr>
</tbody>
</table>
ARTICLE VII EVENTS OF DEFAULT AND REMEDIES......................................................... 17
  Section 7.1. Events of Default .............................................................................. 17
  Section 7.2. Remedies......................................................................................... 18
ARTICLE VIII MISCELLANEOUS............................................................................... 18
  Section 8.1. Notices ............................................................................................ 18
  Section 8.2. Liability of the Bank........................................................................ 19
  Section 8.3. Costs and Expenses......................................................................... 19
  Section 8.4. Participants...................................................................................... 20
  Section 8.5. Successors and Assigns................................................................. 20
  Section 8.6. Final Agreement; Modification or Waiver of this Agreement ............. 20
  Section 8.7. No Waiver of Rights by the Bank; Cumulative Rights............... 21
  Section 8.8. Governing Law............................................................................... 21
  Section 8.9. Severability .................................................................................... 21
  Section 8.10. Counterparts.................................................................................. 21
  Section 8.11. Captions ....................................................................................... 21
  Section 8.12. Patriot Act..................................................................................... 21

Exhibit A – Form of Promissory Note
Exhibit B – Form of Request for Advances
Exhibit C – Form of Request for Termination or Reduction
Exhibit D – Form of Request for Extension of Scheduled Expiration Date
Exhibit E – Form of Notice of Extension of Scheduled Expiration Date
REVOLVING CREDIT AGREEMENT

THIS REVOLVING CREDIT AGREEMENT (this "Agreement") is dated as of __________, 2018, by and between VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY, an educational institution established by the Commonwealth of Virginia as a public body and governmental instrumentality for the dissemination of education (the "University"), and [LENDER NAME], a national banking association (together with its successors or assigns the "Bank").

WHEREAS, the University has applied to the Bank for a revolving line of credit in the maximum principal amount of $__________ (as more particularly described herein, the "Facility"), advances under which will be used by the University for working capital, for general corporate and operating purposes, and for any other lawful purpose; and

WHEREAS, the University and the Bank intend that the Facility will be governed by the terms and subject to the conditions contained herein.

NOW, THEREFORE, in consideration of the covenants herein, the University and the Bank hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1. Definitions.

In addition to terms defined above or elsewhere in this Agreement, the following terms shall have the following meanings unless otherwise expressly indicated, or unless the context clearly requires otherwise:

"Act" means Chapter 10, Title 23.1 of the Code of Virginia of 1950, as amended.

"Advance" means an advance under the Facility made pursuant to the terms of Section 2.2, and shall include the Liquidity Draw made pursuant to the terms of Section 2.5(b).

"Advance Date" means any date on which the Bank makes an Advance as described in Section 2.3.

"Applicable Interest Rate" means (a) with respect to each Advance (other than the Liquidity Draw), a per annum rate equal to LIBOR plus the Applicable Margin, with such rate to change (i) on the first day of each LIBOR Period with each change in LIBOR, and (ii) with each change in the Applicable Margin, and (b) with respect to the Liquidity Draw, the Liquidity Rate.

"Applicable Margin" means, initially, _____ basis points per annum.
"Authorized Officer" means the University Treasurer, the Assistant Treasurer, the Assistant Vice President for Finance and University Controller, or any functionally equivalent successor position to any of the aforementioned University positions but which bears a different title, or any other person authorized by resolution of the University to act as an Authorized Officer hereunder and for which a written certificate has been furnished to the Bank containing the specimen signature of such person.

"Available Commitment" means initially $__________, and thereafter shall mean such amount adjusted from time to time as follows: (i) downward by the amount of any reduction of the Available Commitment pursuant to Section 3.4; (ii) downward by the principal amount of any Advance made by the Bank pursuant to Section 2.2; and (iii) upward by the principal amount of any Advance repaid to the Bank pursuant to Section 2.5; provided, that in no event shall the Available Commitment exceed $__________. Any adjustment pursuant to clause (i), (ii) or (iii) above shall occur simultaneously with the event requiring such adjustment.

"Bond Ratings" means the long-term credit ratings assigned from time to time to the University's unenhanced General Revenue Obligations by each of the Rating Agencies. The Bond Ratings will change as of the date of any change in such long-term credit ratings.

"Business Day" means any day other than a Saturday, Sunday or a day on which banking institutions in the Commonwealth or the State of New York are closed.

"Claw Back Amount" means, for any period during which a payment obligation hereunder or under the Note bears interest at a rate in excess of the Maximum Rate, an amount equal to the difference between the amount of interest the Bank would have received hereunder or under the Note during such period, without regard to the limitations imposed by the Maximum Rate, and the amount of interest actually payable to the Bank at the Maximum Rate during such period.

"Commitment Period" means the period from and including the Effective Date to and including the Expiration Date.

"Commonwealth" means the Commonwealth of Virginia.

"Debt" means, with respect to any Person, without duplication, (i) all general obligations of such Person for borrowed money and reimbursement general obligations which are not contingent, (ii) all general obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services which purchase price is due twelve months or more from the date of incurrence of the obligation in respect thereof, (iv) all obligations of such Person as lessee under capital leases, (v) all payment obligations of such Person, in addition to any obligations set forth in clauses (i) through (iv) above, arising under any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate futures contract, interest rate option contract or other similar arrangement and under any foreign exchange contract, currency swap agreement,
foreign exchange futures contract, foreign exchange option contract, synthetic cap or other similar agreement, and (vi) all payment obligations set forth in clauses (i) through (v) above of any third party which are Guaranteed by such Person; provided, however, that the term "Debt" shall not include contingent obligations of any Person to reimburse the provider of any surety bonds or letters of credit to the extent that such surety bonds or letters of credit support obligations of such Person that would otherwise be included in the term "Debt" under clauses (i) through (v) above.

"Debt Instrument" and "Debt Instruments" have the meanings assigned to such terms in Section 5.1(d).

"Default" means any event or condition which constitutes an Event of Default or which with the giving of notice or the lapse of time, or both, would, unless cured or waived, become an Event of Default.

"Default Rate" means a per annum rate equal to the rate of interest otherwise applicable to Advances hereunder plus _____ basis points.

"Dollars" or the sign "$" means dollars in the lawful currency of the United States of America.

"Effective Date" has the meaning set forth in Section 4.1.

"Event of Default" has the meaning set forth in Section 7.1.

"Expiration Date" means the earliest to occur of (i) the Scheduled Expiration Date, (ii) the date on which the University terminates this Agreement pursuant to Section 3.4(b), and (iii) the date on which the Bank terminates its obligation to make Advances under the Facility pursuant to Section 7.2(a).

"Facility" means the obligation of the Bank to make Advances which in the aggregate at any one time will not exceed the Available Commitment.

"Fee Letter" means the Fee Letter dated of even date herewith between the Bank and the University regarding the payment of certain fees in connection with the Facility, as the same may be amended, restated, replaced or otherwise modified from time to time.

"Fitch" means Fitch, Inc. and its successors.

"GAAP" means generally accepted accounting principles applicable to governmental colleges and universities, as promulgated by the Governmental Accounting Standards Board from time to time.

"General Revenue Obligations" means Debt of the University to which the General Revenues of the University are pledged.

"General Revenues" has the meaning set forth in Section 3.6.
"Guarantee" means, with respect to any Person, any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise), (ii) entered into for the purpose of assuring in any other manner the obligee of such Debt of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part) or (iii) with respect to any letter of credit issued for the account of such other Person or as to which such other Person is otherwise liable for reimbursement of drawings; provided, that the term "Guarantee" shall not include (1) endorsements for collection or deposit in the ordinary course of business, or (2) performance or completion guarantees. The term "Guarantee" used as a verb has a corresponding meaning.

"LIBOR" means [Lender specific definition to be included].

"LIBOR Period" [Lender specific definition to be included].

"Lien" means, with respect to any asset, (i) any lien, charge, claim, mortgage, security interest, pledge or assignment of revenues of any kind in respect of such asset or (ii) the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such asset.

"Liquidity Draw" has the meaning given to it in Section 2.5(b).

"Liquidity Rate" means [Lender specific definition to be included].

"London Business Day" means any day that is a day for trading by and between banks in Dollar deposits in the London interbank market.

"Material Adverse Effect" means any material adverse effect on (i) the properties, assets, condition (financial or otherwise), results of operations or prospects of the University taken as a whole, or (ii) the ability of the University to perform its obligations under this Agreement or the Note.

"Maximum Rate" means the maximum rate of interest payable by the University on any repayment obligation pursuant to the laws of the Commonwealth.


"Note" means the promissory note of the University issued pursuant to this Agreement, substantially in the form of Exhibit A hereto, which evidences the obligation of the University to repay Advances made under the Facility, as the same may be amended, restated, replaced or otherwise modified from time to time.
"Participant" means any bank or other financial institution to which the Bank has granted a participation in the Bank's commitment to make Advances, pursuant to a Participation Agreement; provided, however, any such Participant shall take such participation subject to the terms of this Agreement.

"Participation Agreement" means any Participation Agreement between the Bank and a Participant, as described in accordance with Section 8.5 of this Agreement.

"Patriot Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107 56 (signed into law October 26, 2001), as amended, or any successor statute.

"Person" means an individual, a corporation, a partnership, a limited liability company, an association, a trust, a government, a political subdivision, a governmental agency or instrumentality or any other entity or organization.

"Rating Agencies" means, collectively, Moody's, S&P and Fitch.

"Request for Advance" means a written request for an Advance in substantially the form of Exhibit B.

"Sanctions" has the meaning set forth in Section 5.1(m).

"Scheduled Expiration Date" means __________, 20__, as such date may be extended pursuant to Section 3.5.


"Taxes" has the meaning set forth in Section 3.3.

Section 1.2. **Accounting Terms and Determinations.**

Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with GAAP as in effect from time to time, applied on a basis consistent (except for changes approved by the Auditor of Public Accounts of the Commonwealth) with the most recent financial statements of the University delivered to the Bank.

Section 1.3. **Rules of Construction.**

When used in this Agreement:

(i) the singular includes the plural and the plural includes the singular;

(ii) the use of the word "or" is not exclusive;

(iii) a reference to a law includes any amendment or modification of such law;
(iv) a reference to a person includes its permitted successors and permitted assigns;

(v) a reference to an agreement, instrument or document shall include such agreement, instrument or document as the same may have been and may from time to time be amended, modified or supplemented in accordance with its terms and as permitted hereby;

(vi) a reference to an Article, Section, paragraph or Exhibit shall mean a reference to an Article, Section or paragraph hereof or Exhibit hereto, unless the context expressly requires otherwise; and

(vii) a reference to "herein" or "hereof" shall mean in or of this Agreement.

ARTICLE II
THE FACILITY

Section 2.1. General.

Upon the terms and subject to the conditions of this Agreement, the Bank agrees to make the Facility available to the University during the Commitment Period.

Section 2.2. Advances by the Bank.

The Bank agrees to make one or more advances (each an "Advance") to the University on any Business Day during the Commitment Period; provided, however, that the principal amount to be advanced at any time does not exceed the Available Commitment at such time. Within the limits specified above, the University may request Advances, repay Advances and request further Advances under the Facility. Subject to Section 2.5(b), each Advance shall be due and payable in full on the Expiration Date.

Section 2.3. Procedure for Requesting Advances.

The University shall give written notice (in the form of a Request for Advance), which may be delivered by facsimile, and telephonic notice to the Bank not later than 11:00 a.m. (New York, New York time) on the proposed date an Advance is to be made (each such date, an "Advance Date"), specifying the principal amount of the proposed Advance and the proposed Advance Date. Upon receipt of a timely Request for Advance by the Bank from the University, the Bank, subject to the terms and conditions of Section 4.2, shall advance to the University or its designee by 3:00 p.m. (New York, New York time) on the Advance Date the amount requested in such Request for Advance, which amount shall not exceed the Available Commitment on such date, after taking into consideration (a) any reduction in the Available Commitment, including any other Advances by the Bank on such Advance Date and (b) any increase in the Available Commitment as a result of any payments of principal made by the University on such Advance Date. Advances may be in any amount. With respect to any Request for Advance received by the Bank after the time required by this Section 2.3, the Bank shall be required to make such Advance by 2:00 p.m. (New York, New York time) on the
Business Day following the Business Day on which the Bank would otherwise be required to make such Advance had such Request for Advance been timely presented. An Authorized Officer of the University shall sign each Request for Advance. Each Advance shall be made by the Bank by wire transfer of immediately available funds to the University or its designee in accordance with written instructions provided by the University.

Section 2.4.  **Interest on Advances.**

(a) Except following the occurrence of an Event of Default hereunder, each Advance shall bear interest at the Applicable Interest Rate. Interest on each Advance shall be due and payable [monthly / quarterly] in arrears on the first (1st) Business Day of each [month / _______ 1, _____ 1, _____ 1, and _____ 1], and upon the maturity of such Advance in accordance with Section 2.2 above, in each case calculated on the basis of the actual number of days elapsed over a year of [360 / 365 or 366] days[, as applicable].

(b) After the occurrence of an Event of Default, all Advances shall bear interest at the Default Rate unless the Bank shall agree otherwise in writing.

(c) In addition to the foregoing, for any period during which any obligation hereunder or under the Note bears interest at a rate in excess of the Maximum Rate, and if, for any subsequent period, the Applicable Interest Rate or the Default Rate, as applicable, is less than the Maximum Rate, the interest payable for such subsequent period on said obligation remaining unpaid shall be increased by the Claw Back Amount, but only to the extent that the interest payable on said obligation remaining unpaid, taking into consideration the Claw Back Amount, would not for such subsequent period exceed the Maximum Rate. The Claw Back Amount which accrues to the extent the Applicable Interest Rate or the Default Rate, as applicable, exceeds the Maximum Rate shall bear interest at the Applicable Interest Rate plus _____ basis points per annum. Any Claw Back Amount not paid in full to the Bank on or prior to the Expiration Date shall, on said Expiration Date but subject to applicable law, become due and payable on such Expiration Date as an additional fee.

Section 2.5.  **Optional Prepayments.**

(a) The University may prepay any Advance in whole or in part, without premium or penalty except as provided below, provided that on the date of each such prepayment, the University shall pay to the Bank the principal amount of the Advance or portion thereof to be prepaid, plus accrued interest thereon to the date of prepayment. In consideration of the Bank providing this prepayment option to the Borrower, or if any Advance shall become due and payable at any time prior to the last day of the LIBOR Period applicable thereto by acceleration or otherwise, the Borrower shall pay to the Bank immediately upon demand a fee which is the sum of the discounted monthly differences for each month from the month of prepayment through the month in which such LIBOR Period matures, calculated as follows for each such month:
(i) Determine the amount of interest which would have accrued on the amount prepaid at the interest rate applicable to such amount had it remained outstanding until the last day of the LIBOR Period applicable thereto.

(ii) Subtract from the amount determined in paragraph (i) above the amount of interest which would have accrued for the same month on the amount prepaid for the remaining term of such LIBOR Period at LIBOR in effect on the date of prepayment for new loans made for such term and in a principal amount equal to the amount prepaid.

(iii) If the result obtained in paragraph (ii) above for any month is greater than zero, discount that difference by LIBOR used in paragraph (ii) above.

The University acknowledges that prepayment of such amount may result in the Bank incurring additional costs, expenses and/or liabilities, and that it is difficult to ascertain the full extent of such costs, expenses and/or liabilities. The University, therefore, agrees to pay the above-described prepayment fee and agrees that said amount represents a reasonable estimate of the prepayment costs, expenses and/or liabilities of the Bank.

(b) On the Expiration Date, if no Event of Default has occurred and is continuing, and if all representations and warranties of the University hereunder are true and correct, the aggregate principal balance of all Advances outstanding under this Agreement shall be repaid with a final Advance referred to as the "Liquidity Draw." Interest on the Liquidity Draw shall continue as provided in Section 2.4. The principal portion of the Liquidity Draw shall be payable on or before the 180th day following the Expiration Date, except as provided in the following sentence. On the 180th day following the Expiration Date, if no Event of Default has occurred and is continuing, and all representations and warranties of the University hereunder are true and correct, any outstanding principal portion of the Liquidity Draw will be repaid semi-annually, in six equal payments, commencing 180 days after the Expiration Date, in an amount sufficient to fully-amortize such outstanding amount over a period of 36 months from the Expiration Date. The unpaid balance of any Liquidity Draw shall be due and payable in full on the third anniversary of the Expiration Date.

Section 2.6. The Note.

The University's obligation to repay outstanding Advances hereunder (and interest in connection therewith) shall be evidenced by the Note. The Note shall (i) be duly completed and payable to the Bank or its assigns, (ii) be dated the Effective Date (or such other date as may be agreed upon between the Bank and the University), (iii) be in a stated principal amount equal to the amount of the initial Available Commitment, and (iv) mature on the Expiration Date. The Bank is hereby authorized by the University to endorse on the Note (or on any schedule attached thereto, or on a continuation of such schedule attached thereto) or otherwise make in the Bank's records an appropriate notation of the date and amount of each Advance and each payment of principal made by the University. Such endorsements or other notations shall, in the absence of manifest
Section 2.7. Obligations Absolute.

(a) The obligations of the University under this Agreement and the Note shall be absolute, unconditional and irrevocable and shall be paid and performed strictly in accordance with the terms hereof and thereof, under all circumstances whatsoever, including, without limitation, the following circumstances:

(i) any lack of validity or enforceability of this Agreement or the Note;

(ii) any amendment or waiver of or any consent to departure from the terms of this Agreement or the Note, if not effected in accordance with Section 8.7 hereof;

(iii) the existence of any claim, setoff, defense or other right which the University may have at any time against the Bank or any other Person, whether in connection with this Agreement, the Note or any unrelated transaction;

(iv) any voluntary or involuntary liquidation, dissolution, receivership, insolvency, bankruptcy, proceeding for relief, assignment for benefit of creditors, reorganization, composition or readjustment of, or sale or other disposition of all or substantially all of the assets of, or the marshalling of the assets and liabilities of, or any proceeding for accounting of, the University;

(v) any statement or any other document presented pursuant hereto that proves to be forged, fraudulent, invalid or insufficient in any respect or untrue or inaccurate in any respect whatsoever;

(vi) payment by the Bank hereunder against presentation of a Request for Advance which does not comply with the terms of this Agreement; provided, that such payment shall not constitute gross negligence of the Bank; and

(vii) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing; provided, that such other circumstance or happening shall not have been the result of gross negligence or willful misconduct of the Bank.

(b) Notwithstanding the foregoing, the Bank acknowledges the sovereign status of the University as a public body and governmental instrumentality of the Commonwealth.
ARTICLE III
TERMS

Section 3.1. Fees.

In consideration of the Bank’s agreement to make the Facility available to the University hereunder, the University agrees to pay to the Bank the [undrawn / unused] fees (if any), and other fees as set forth in the Fee Letter. Any amounts due and payable under the Fee Letter shall be considered due and payable hereunder for all purposes of this Agreement as if the Fee Letter were set forth herein in full.

Section 3.2. Payment of Interest after Event of Default.

Upon the occurrence and during the continuance of any Event of Default, the Bank may from time to time demand from the University, and the University hereby agrees to pay upon such demand, accrued interest on any or all Advances outstanding at the time of the occurrence or continuance of such Event of Default.

Section 3.3. Taxes.

To the extent permitted by law, any and all payments by the University hereunder shall be made free and clear of and without deduction for any and all taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding taxes imposed on the overall net income of the Bank (and franchise taxes imposed in lieu of net income taxes) by the jurisdiction of the Bank’s applicable lending office or any political subdivision thereof (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "Taxes"). If the University shall be required by law to withhold or deduct any Taxes from or in respect of any sum payable hereunder then, to the extent permitted by law, (i) the sum payable shall be increased as may be necessary so that after making all required withholdings or deductions (including those Taxes payable solely by reason of additional sums payable under this Section 3.4), the Bank receives an amount equal to the sum it would have received had no such withholdings or deductions been made, (ii) the University shall make such withholdings or deductions, and (iii) the University shall pay the full amount withheld or deducted to the relevant taxation authority or other authority in accordance with applicable law.

Section 3.4. Reduction of Available Commitment; Termination of Agreement.

(a) The University may permanently reduce the amount of the Available Commitment, at any time and from time to time, in any integral multiple of $1,000,000, by delivering to the Bank a certificate in substantially the form of Exhibit C at least thirty (30) days' prior to the proposed effective date of such reduction. In connection with any such reduction, the University shall prepay any Advances outstanding under the Facility in excess of the proposed reduced Available Commitment, together with all interest accrued or to accrue through the date of prepayment.
Subject to the payment to the Bank of all amounts due hereunder, including amounts due under Section 3.1 and Section 3.2, the University may terminate this Agreement at any time by delivering to the Bank a certificate in substantially the form of Exhibit C at least thirty (30) days prior to the proposed effective date of such termination.

Section 3.5. **Extension of Scheduled Expiration Date.**

The Scheduled Expiration Date may be extended by the Bank, in its sole and absolute discretion, upon the written request of the University in the form of Exhibit D given to the Bank at least ninety (90) days prior to the Scheduled Expiration Date. Within thirty (30) days of receipt of a request for extension, the Bank shall either notify the University that the Scheduled Expiration Date will be extended to the new Scheduled Expiration Date set forth in a notice in the form of Exhibit E to the University or notify the University that the Scheduled Expiration Date will not be so extended. Failure of the Bank to so respond to any such request shall constitute a denial of such request. Upon any extension of the Scheduled Expiration Date pursuant to this Section, the Bank and the University reserve the right to renegotiate any provision hereof.

Section 3.6. **Payments and Computations.**

(a) All payments by the University under this Agreement and the Note shall be made to the Bank in Dollars and in immediately available funds to the account designated by the Bank.

(b) All payments by the University under this Agreement and the Note shall be made to the Bank not later than 1:00 p.m., New York, New York time on the payment date. If any payment hereunder becomes due and payable on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

(c) All interest and fees payable hereunder and under the Note shall be calculated on the basis of the actual number of days elapsed or to elapse over a year of 360 days. Any change in the Applicable Interest Rate or the Default Rate shall become effective as of the opening of business on the day on which such change shall become effective.

(d) Whenever a payment is due to the Bank under this Agreement, the University shall be deemed to have made such payment at the time such payment is made available to the Bank.
Section 3.7. **Source of Payment; Pledge of General Revenues.**

The obligations of the University hereunder and under the Note are payable from any or all of the revenues now or hereafter available to the University, including, but not limited to, and subject to guidelines promulgated by the Secretary of Finance of the Commonwealth, moneys appropriated to the University from the general fund of the Commonwealth or from nongeneral funds, without regard to the source of such moneys, and which are not required by law or by binding contract entered into prior to the date of this Agreement to be devoted to some other purpose ("General Revenues"), which General Revenues are hereby pledged to the payment of all obligations of the University hereunder and under the Note on a parity basis with all other General Revenue Obligations.

Section 3.8. **Purpose of Advances.**

The proceeds of each Advance made under the Facility shall be used by the University for working capital, for general corporate and operating purposes, and for any other lawful purpose.

**ARTICLE IV**

**CONDITIONS PRECEDENT**

Section 4.1. **Conditions Precedent to Effectiveness.**

The Commitment Period shall commence on the date (the "Effective Date") on which each of the following conditions precedent shall have been fulfilled to the satisfaction of the Bank; provided, however, that the Effective Date shall occur no later than __________, 2018:

(a) The Bank shall have received an original counterpart of this Agreement and the original Note, each duly completed and executed by an Authorized Officer on behalf of the University.

(b) The Bank shall have received certified copies of all resolutions and other required approvals authorizing this Agreement and the transactions contemplated hereby (the "Authorizing Resolution").

(c) The Bank shall have received a certificate setting forth the names, titles and specimen signatures of all Authorized Officers expected to effect transactions hereunder, upon which certification the Bank may conclusively rely.

(d) If the Effective Date is later than the date of this Agreement, the Bank shall have received a certificate of the University to the effect that each of the representations and warranties contained in Article V shall, except to the extent that they relate specifically to an earlier date, be true with the same effect as though such representations and warranties had been made on the Effective Date.
The Bank shall have received an opinion of the University’s general counsel, dated the Effective Date, in form and substance satisfactory to the Bank and covering such matters as the Bank may reasonably request including, without limitation, the matters described in paragraphs (a) through (e) (other than clause (ii) thereof) and paragraph (h) of Section 5.1.

The Bank shall have received an opinion of McGuireWoods LLP, as bond counsel to the University, dated the Effective Date, in form and substance satisfactory to the Bank and covering such matters as the Bank may reasonably request including, without limitation, the matters described in paragraphs (f) and (g) of Section 5.1.

All fees and expenses due and payable in accordance with the Fee Letter and the provisions of Section 8.3 shall have been paid.

All other legal matters pertaining to the execution and delivery of this Agreement and the Note shall be satisfactory to the Bank, and the Bank shall have received such other statements, certificates, agreements, documents and information with respect to the University and matters contemplated by this Agreement as the Bank shall have requested.

Section 4.2. Conditions Precedent to Each Advance.

The obligation of the Bank to make an Advance on any Advance Date is subject to the conditions precedent that: (a) the Bank shall have received a timely, complete and duly executed Request for Advance, (b) no Event of Default has occurred and is continuing, and (c) the Expiration Date shall not have occurred. Unless the University shall have otherwise previously advised the Bank in writing, delivery to the Bank of a Request for Advance shall be deemed to constitute a representation and warranty by the University that on the Advance Date all of such conditions have been satisfied.

ARTICLE V
REPRESENTATIONS AND WARRANTIES

Section 5.1. Representations and Warranties of the University.

The University hereby represents and warrants to the Bank, which representations and warranties shall survive the execution and delivery of this Agreement and the Note and the making of each Advance, as follows:

(a) Organization and Authorization. The University is an educational institution established by the Commonwealth as a public body and governmental instrumentality for the dissemination of education, duly organized and validly existing under laws of the Commonwealth.

(b) Authorization to Execute Documents. The University has full power and authority to execute and deliver this Agreement and the Note, and to perform its obligations under each of the foregoing.
(c) **Obligations Legal, Valid and Binding.** This Agreement has been, and the Note once executed and delivered will have been, duly and validly authorized, executed and delivered by the University, and each of this Agreement and the Note constitutes or will constitute the legal, valid and binding obligation of the University enforceable against the University in accordance with its terms, except insofar as the enforceability thereof may be limited by sovereign immunity, by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors’ rights and remedies generally, and by general principles of equity, whether applied by a court of law or equity.

(d) **University Not in Default.** (i) No Default or Event of Default has occurred and is continuing hereunder, and (ii) the University is not in default under any other mortgage, indenture, contract, agreement, bond resolution, instrument or other undertaking evidencing Debt of the University or which purports to be binding on the University or on any of its assets (each such mortgage, indenture, contract, agreement, bond resolution, instrument or other undertaking being referred to individually as a "Debt Instrument" and, collectively, as "Debt Instruments"), which default could reasonably be expected to have a Material Adverse Effect.

(e) **No Violation.** The execution, delivery and performance by the University of this Agreement and the Note do not (i) violate any provision of the Act, any other laws of the Commonwealth or the United States of America or any other applicable law, regulation, order, writ, judgment or decree of any court, arbitrator or governmental authority, or (ii) violate any provision of, constitute a default under, or result in the creation or imposition of any Lien on any of the assets of the University pursuant to the provisions of, any Debt Instrument. The University is not a party to, or otherwise subject to, any provision contained in any Debt Instrument, or any other contract or agreement which limits the amount of, or otherwise imposes restrictions on the incurring of, obligations of the University that could reasonably be expected to result in a Material Adverse Effect.

(f) **Consents.** The University has obtained all consents and approvals of, and has made all filings, registrations and declarations with, all governmental authorities required under the Act or other applicable law for the execution, delivery and performance by the University of this Agreement and the Note and the pledge of General Revenues hereunder, and all such consents, approvals, filings, registrations and declarations remain in full force and effect.

(g) **Obligations of the University.** The obligations of the University hereunder and under the Note are payable from General Revenues of the University, and the pledge of such General Revenues hereunder is a valid and legally binding pledge thereof on a parity basis with all other General Revenue Obligations.

(h) **Litigation.** There is no action, suit, investigation or proceeding pending or, to the best of the University's knowledge after due inquiry, threatened against or affecting the University, in which an adverse determination could reasonably be expected to have a Material Adverse Effect.
(i) **Disclosure.** The representations and statements made by the University herein, in the Note, and in any other document furnished to the Bank by the University in connection herewith or therewith, are accurate in all material respects. No information, exhibit or report, including, without limitation, the financial statements furnished by or on behalf of the University to the Bank, contains any untrue statement of a material fact or omits any statement of a material fact necessary to make the statements contained herein, in light of the circumstances under which they were made, not misleading, and there are no facts that the University has not disclosed to the Bank that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

(j) **Financial Condition.** The balance sheet of the University for the fiscal year of the University ended June 30, 2018 (or any subsequent fiscal year if annual financial statements for such fiscal year have been delivered to the Bank as required by Section 6.1(a)), and the related statements of revenues, expenses and changes in fund balances, present fairly the University's financial position as of the end of such fiscal year and the results of its operations and its income, fund balances and changes in financial position for the end of such fiscal year, in conformity with GAAP. No change has occurred relating to such balance sheet and related statements of revenues, expenses and changes (other than as are disclosed by the University to the Bank) that could reasonably be expected to have a Material Adverse Effect.

(k) **Incorporation of Representations and Warranties by Reference.** The representations and warranties of the University set forth in the Debt Instruments are true and accurate in all material respects.

(l) **No Proposed Legal Changes.** There is (i) no amendment or, to the knowledge of the University, proposed amendment to the Constitution of the Commonwealth, (ii) no published administrative interpretation of the Constitution or any other law of the Commonwealth, (iii) no legislation that has passed either house of the General Assembly of the Commonwealth, and (iv) no published judicial decision interpreting any of the foregoing, in any case which could reasonably be expected to have a Material Adverse Effect.

(m) **Patriot Act Compliance.** The University is not the target of any trade or economic sanctions promulgated by the United Nations or the governments of the United States, the United Kingdom, the European Union, or any other jurisdiction in which the University is located or operates (collectively, "Sanctions").

Section 5.2. **Representations and Warranties of the Bank.**

The Bank hereby represents and warrants to the University that this Agreement has been duly authorized by the Bank and, upon its execution and delivery by the Bank, will constitute the legal, valid and binding obligation of the Bank enforceable against the Bank in accordance with its terms except insofar as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights and remedies generally, and by general principles of equity, whether applied by a court of law or equity.
ARTICLE VI
COVENANTS

Section 6.1. Affirmative Covenants.

As long as this Agreement is in effect, and until all Advances and other amounts payable hereunder and under the Note are indefeasibly paid in full, the University will perform and observe the covenants set forth below:

(a) Financial Records; Other Reports. (i) The University shall at all times maintain financial records and furnish to the Bank, as soon as available but no later than 270 days after the end of each fiscal year of the University, financial statements prepared in accordance with GAAP including (i) a balance sheet as of the end of such fiscal year, (ii) the related statements of revenues, expenses and changes in fund balances for such fiscal year, and (iii) statements of cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year of the University, audited by the Auditor of Public Accounts of the Commonwealth and accompanied by a certificate of an Authorized Officer of the University to the effect that no Default or Event of Default has occurred and is continuing. The University shall also provide the Bank promptly upon their becoming available, copies of any non-routine periodic or special reports filed by the University with any governmental authority, if such reports indicate that any event has occurred or condition exists which could reasonably be expected to have a Material Adverse Effect.

(ii) If the University delivers any of the information described in Section 6.1(a)(i) to the Electronic Municipal Market Access established by the Municipal Securities Rulemaking Board ("EMMA") within the timeframe required under Section 6.1(a)(i), the University shall not be obligated to furnish such information to the Bank.

(b) Notice of Certain Events. The University shall notify the Bank in writing as soon as possible after the University acquires knowledge of (i) the occurrence of any Default, (ii) any change in any Bond Rating, (iii) the occurrence of any default or other event under any Debt Instrument which could reasonably be expected to have a Material Adverse Effect, and (iv) the filing of any action or the occurrence of any activity which could lead to an initiative or referendum or any other similar event which could reasonably be expected to have a Material Adverse Effect.

(c) Other Information. The University shall furnish to the Bank, as the Bank may reasonably request, such additional financial information concerning the University in order to enable the Bank to determine whether the covenants, terms and provisions of this Agreement and the Note have been complied with by the University, and for that purpose, all pertinent books, documents and vouchers relating to the University's business, affairs and properties shall at all reasonable times during regular business hours and upon reasonable prior notice be open to the inspection of such accountants or other agents (who may make copies of all or any part thereof at their own cost and expense) as shall from time to time be designated by the Bank. Without limiting the
foregoing, upon reasonable prior notice, the University will permit the Bank to visit and inspect any of the properties of the University during regular business hours and to discuss the affairs, finances and accounts of the University with its officials and any accounting firm performing services for the University, as often as the Bank may reasonably request.

(d) Compliance with Obligations and Laws. The University shall observe and comply with all of its obligations arising in connection with this Agreement, the Note and the Debt Instruments and all laws of the Commonwealth and the United States of America, including any rules and regulations thereunder, applicable to the University.

(e) Litigation. The University shall forthwith notify the Bank in writing with respect to any pending or threatened litigation with respect to the University the existence of which causes the representation set forth in Section 5.1(h) to be untrue or inaccurate in any material respect.

(f) Licenses, Permits, Etc. The University will take all necessary and appropriate action to ensure the continuance in force of all material consents, licenses, permits, orders, decrees, approvals, authorizations, registrations and filings obtained or made in connection with this Agreement and the Note or necessary to maintain the enforceability against the University of this Agreement or the Note.

(g) Books and Records. The University shall keep or cause to be kept adequate and proper records and books of account with respect to its revenues, expenses and assets in which complete and correct entries shall be made.

(h) Maintenance of Existence. The University shall use its best efforts to preserve and maintain (i) its existence as an educational institution and a public body and governmental instrumentality of the Commonwealth, and (ii) its rights, franchises and privileges material to its ability to repay the obligations hereunder and under the Note.

(i) Other Matters. The University shall execute and deliver to the Bank all such documents and instruments, and do all such acts and things, as may be necessary or reasonably required by the Bank to enable the Bank to exercise and enforce its rights under this Agreement and the Note and to realize thereon, and record and file and re-record and re-file all such documents and instruments, at such time or times, in such manner and at such place or places, all as may be necessary or reasonably required by the Bank to validate, preserve and protect its rights under this Agreement and the Note.

(j) Patriot Act Compliance. The University shall observe and comply with (a) all Sanctions, (b) all laws and regulations that relate to money laundering, any predicate crime to money laundering, or any financial record keeping and reporting requirements related thereto, (c) the U.S. Foreign Corrupt Practices Act of 1977, as amended, (d) the U.K. Bribery Act of 2010, as amended, and (e) any other applicable anti-bribery or anti-corruption laws and regulations.

Section 6.2. Negative Covenants.
As long as this Agreement is in effect, and until all Advances and other amounts payable hereunder and under the Note are indefeasibly paid in full, the University shall not, unless the Bank shall otherwise consent in writing:

(a) amend, supplement, extend, modify, waive, revise or otherwise alter or terminate any Debt Instrument if such amendment, supplement, extension, modification, waiver, revision, alteration or termination could reasonably be expected to result in a Material Adverse Effect;

(b) violate any law, rule, regulation, or governmental order to which it is subject, which violation could reasonably be expected to result in a Material Adverse Effect; or

(c) merge, consolidate, sell, transfer, lease or otherwise dispose of all or any substantial part of its property, other than a merger with or consolidation into any other governmental entity that assumes all obligations of the University under this Agreement and the Note.

ARTICLE VII
EVENTS OF DEFAULT AND REMEDIES

Section 7.1. Events of Default.

Each of the following events shall constitute an event of default (an "Event of Default") hereunder:

(a) Certain Payments. The University shall fail to pay the principal of or interest on any Advance (other than accelerated Advances) when the same shall become due and payable, whether at maturity or as otherwise scheduled, and such failure shall continue unremedied for a period of five (5) calendar days or more.

(b) Default under General Revenue Obligations. The University shall default in the payment of principal or interest on any General Revenue Obligations; provided that, for purposes of this Section 7.1(b) only, "General Revenue Obligations" shall only include Debt of the University described in clauses (ii) and (iv) of the definition of "Debt" in Section 1.1.

(c) Invalidity. The University challenges the validity or enforceability of any material provision of this Agreement or the Note concerning the payment of principal or interest, or any court or governmental authority having jurisdiction over this Agreement or the Note finds or rules that any material provision of this Agreement or Note concerning the payment of principal or interest is not valid and binding on the University.

(d) Appointment of Receiver, Etc. (i) An order or decree is entered, with the consent or acquiescence of the University, appointing a receiver or receivers of the University or of the revenues thereof, or if such order or decree, having been entered without the consent or acquiescence of the University, is not vacated or discharged or stayed on appeal within sixty (60) days after the entry thereof; or (ii) any proceeding is instituted, with the consent or acquiescence of the University, for the purpose of effecting
a composition between the University and its creditors or for the purpose of adjusting the
claims of such creditors pursuant to any federal or state statute now or hereafter enacted.

(c) **Certain Other Payments.** The University shall fail to pay accelerated
principal of or interest on any Advance, or shall fail to pay any fee or other amount payable
hereunder, when the same shall become due and payable.

(f) **Representations Untrue.** Any representation, warranty, certification or
statement made by the University in or pursuant to this Agreement or in any certificate,
financial statement or other document delivered pursuant to this Agreement or
incorporated herein, shall (in any such case) have been incorrect or untrue in any material
respect when made or deemed to have been made.

(g) **Covenant Defaults.** The University shall default in the due performance or
observance of any term, covenant or agreement contained herein (other than those
covered by paragraph (a) or (e) above).

(h) **Invalidity.** Any material provision of this Agreement or the Note concerning
the payment of principal or interest shall, for any reason, cease to be valid and binding
on the University.

Section 7.2. **Remedies.**

(a) Upon the occurrence and during the continuance of an Event of Default, the
Bank may:

(i) immediately terminate its obligation to make Advances under the
Facility; and

(ii) immediately, without presentment, demand, protest, notice of
dishonor or any other notice of any kind, all of which are hereby expressly waived,
anything contained herein or in the Note to the contrary notwithstanding, declare
all outstanding Advances, all interest thereon and all other amounts payable under
this Agreement and the Note to be immediately due and payable (and in the case
of an Event of Default under Section 7.1(d), such amounts shall automatically
become due and payable).

(b) In addition to the rights and remedies set forth in paragraph (a) above, in
the case of any Event of Default, the Bank may exercise any or all other rights and
remedies existing at law or in equity (including, without limitation, the right to proceed by
appropriate court action, either at law or in equity, to enforce performance by the
University of the applicable representations and warranties and covenants of this
Agreement and the Note or to recover damages for the breach thereof).

(c) The Bank acknowledges that, if at any time there are insufficient funds to
pay debt service on the University's General Revenue Obligations, as described in
Section 7.3 of the University's bond resolution adopted August 31, 2015 (the "Bond
Resolution"), a trustee may be appointed to represent the holders of Parity Credit
Obligations (as defined in the Bond Resolution) and to provide for a pro-rata distribution of available funds among all Parity Credit Obligations, including the obligations of the University to the Bank under this Agreement. The provisions of such Section 7.3 (which are referred to herein as the "Bond Provisions") are included in substantially similar form in the University's prior bond resolutions, are required to be included in its future bond resolutions, and are hereby incorporated into this Agreement by reference. The Bank, as the holder of a Parity Credit Obligation, agrees to the appointment of such trustee and covenants to cooperate with such trustee in the pro-rata distribution of funds among Parity Credit Obligations as provided in the Bond Provisions.

ARTICLE VIII
MISCELLANEOUS

Section 8.1. Notices.

Unless otherwise specifically provided herein, all notices and other communications hereunder shall be in writing and shall be given by courier, United States certified or registered mail, or facsimile transmission. Notices and communications hereunder shall be effective when received and shall be sent to the following addresses (or to such other address(es) of which either party hereto shall notify the other party in accordance herewith):

If to the Bank, to:

[Lender Name]
[Lender Address]
Attention: 
Telephone:

If to the University, to:

Virginia Polytechnic Institute and State University
210 Burrus Hall
800 Drillfield Drive
Blacksburg, Virginia 24061
Attention: John J. Cusimano, University Treasurer
Telephone: (540) 231-7094

Section 8.2. Liability of the Bank.

The University assumes all risks with respect to the use of the proceeds of each Advance. Neither the Bank nor any of its officers, directors, employees or agents shall be liable or responsible for (i) the use which may be made of the proceeds of any Advance, (ii) the form, validity, sufficiency or genuineness of documents, or of any endorsement(s) thereon (other than the validity as against the Bank of any agreement to which the Bank is a party), even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged, (iii) the lack of validity or enforceability
of this Agreement (other than the validity or enforceability as against the Bank), or (iv) any other circumstances whatsoever in making or failing to make payment under this Agreement or the Note; provided, however, that the University shall have a claim against the Bank, and the Bank shall be liable to the University, to the extent of any direct, as opposed to consequential, damages suffered by the University which the University proves were caused by (a) the Bank's willful misconduct or negligence in determining whether a Request for Advance presented hereunder complied with the terms hereof, or (b) the Bank's willful failure to make an Advance required to be made by it hereunder after receipt by it of a Request for Advance. In furtherance and not in limitation of the foregoing, the Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

Section 8.3. Costs and Expenses.

The University agrees to pay (a) on or prior to the Effective Date, all reasonable costs and expenses paid or incurred by the Bank, including the reasonable fees and out-of-pocket expenses of counsel for the Bank, in connection with the preparation, review, execution and delivery of this Agreement and the Note, and (b) upon demand and to the extent allowable by law, all other reasonable costs and expenses paid or incurred by the Bank, including the reasonable fees and out-of-pocket expenses of counsel for the Bank, or otherwise arising in connection with this Agreement or the Note, including without limitation, in connection with any transfer, amendment, supplement, modification or waiver with respect to this Agreement or the Note, the enforcement hereof or thereof or the protection of the rights of the Bank hereunder or thereunder.

Section 8.4. Participants.

The Bank shall have the right to grant participations from time to time (to be evidenced by one or more participation agreements or certificates of participation (each a "Participation Agreement")) in this Agreement and the Facility to one or more other persons or entities (each a "Participant"); provided, that the grant of any such participation shall not terminate or otherwise affect any obligation of the Bank hereunder. Each Participant purchasing such a participation shall, in the discretion of the Bank, have all rights of the Bank hereunder to the extent of the participation purchased; provided that the grant of any such participation (1) shall not require the University to deal with any Participant for matters related to this Agreement and the Facility, and (2) shall require the University to deal only with the Bank for matters related to this Agreement and the Facility. In connection with the granting of participations, the Bank may disclose to any proposed Participant any information that the University delivers or discloses, or causes to be delivered or disclosed, pursuant to this Agreement. The Bank shall give notice to the University of each Participant that is granted a participation pursuant to this Section 8.4; provided that the failure to give such notice shall not affect the validity of such participation.

Section 8.5. Successors and Assigns.
This Agreement shall be binding upon and inure to the benefit of the University and the Bank and their respective successors and assigns, except that (a) the University shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Bank, and (b) the Bank shall not have the right to assign its rights hereunder or any interest herein except (i) in connection with a participation as provided in Section 8.4, (ii) after the occurrence and during the continuance of an Event of Default, and (iii) otherwise with the prior written consent of the University (such consent not to be unreasonably withheld, conditioned or delayed). If the Bank requests the University's consent to such an assignment under clause (b)(iii) above and (1) the University fails to respond within 120 days of the University's receipt of the request, or (2) the University unreasonably withholds, conditions or delays its consent to such assignment for 120 days after its receipt of the request, then the University shall be deemed to have consented to such assignment.

Section 8.6. Final Agreement; Modification or Waiver of this Agreement.

This Agreement and the Note are intended by the parties hereto as final expressions of their agreement with respect to the subject matter hereof and thereof, are intended as complete and exclusive statements of the terms and conditions of that agreement, and may not be contradicted, modified or supplemented in any way by evidence of any prior or contemporaneous written or oral agreements of the University and the Bank. No modification or waiver of any provision of this Agreement (including this Section 8.6) shall be effective unless the same shall be in writing and signed by the Bank and the University. Any modification or waiver referred to in this Section 8.6 shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on the University in any case shall entitle the University to any other or further notice or demand in the same, similar or other circumstances.

Section 8.7. No Waiver of Rights by the Bank; Cumulative Rights.

No course of dealing or failure or delay on the part of the Bank or the University in exercising any right, power or privilege hereunder shall preclude any other or further exercise of any right, power or privilege. The rights of the Bank and the University under this Agreement and the Note are cumulative and not exclusive of any rights or remedies which the Bank or the University would otherwise have.

Section 8.8. Governing Law.

The obligations of the Bank and the University hereunder and under the Note shall be construed in accordance with and governed by the laws of the Commonwealth. Any suits and actions arising out of this Agreement or the Note shall be instituted in a court of competent jurisdiction in the Commonwealth.

Section 8.9. Severability.

In case any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired.
thereby. The parties shall negotiate in good faith to replace any invalid, illegal or unenforceable provision with a valid provision, which, to the extent possible, will preserve the economic effect of the invalid, illegal or unenforceable provisions.

Section 8.10. Counterparts.

This Agreement may be executed in two counterparts, each of which shall constitute an original but both of which, when taken together, shall constitute but one document, and shall become effective when copies hereof, when taken together, bear the signatures of each of the parties hereto.

Section 8.11. Captions.

The captions in this Agreement are for convenience only and do not define or limit the scope or intent of any provisions of this Agreement.


The Bank hereby notifies the University that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies the Issuer, which information includes the name and address of the Issuer and other information that will allow the Bank to identify the University in accordance with the Patriot Act. The University shall promptly provide such information upon request by the Bank.

[Signatures begin on following page]
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective representatives thereunto authorized as of the date first above written.

UNIVERSITY:

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

By: __________________________
Name: _________________________
Title: __________________________

[Signatures continue on following page]
EXHIBIT A

FORM OF PROMISSORY NOTE

$__________.00 __________, 2018

Blacksburg, Virginia

FOR VALUE RECEIVED, VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY, an educational institution established by the Commonwealth of Virginia as a public body and governmental instrumentality for the dissemination of education (the "University"), promises to pay to the order of [LENDER NAME], a national banking association, or its registered assigns (the "Bank"), the lesser of the unpaid principal amounts advanced by the Bank to the University hereunder (the "Advances") and the principal sum of _____ MILLION AND NO/100 DOLLARS ($__________.00) on the Expiration Date (as defined in the Credit Agreement, as hereinafter defined) or in the case of a Liquidity Draw (as defined in the Credit Agreement) in accordance with the terms of the Credit Agreement. The University promises to pay the unpaid principal amount of the Advances and interest thereon on the dates and at the rate or rates provided for in the Credit Agreement. All such payments of principal and interest shall be made in lawful money of the United States of America, in immediately available funds, to such account which the Bank may designate in accordance with the Credit Agreement.

This note is the "Note" referred to in the Revolving Credit Agreement dated as of even date herewith by and between the University and the Bank (as the same may be amended from time to time, the "Credit Agreement"). Terms defined in the Credit Agreement are used herein with the same meanings.

All Advances and repayments of the principal of the Advances may be recorded by the Bank and appropriate notations to evidence the foregoing information with respect to the Advances may be endorsed by the Bank on the schedule attached hereto, or on a continuation of such schedule attached to and made a part hereof; provided, that the failure of the Bank to make any such recordation or endorsement shall not affect the obligations of the University hereunder or under the Credit Agreement.

As provided in the Credit Agreement, this note is payable from General Revenues of the University, which General Revenues have been pledged to the Bank by the University on a parity basis with all other General Revenue Obligations. This note and the interest hereon shall not be deemed to constitute a debt or liability of the Commonwealth of Virginia, legal, moral or otherwise. Neither the Commonwealth of Virginia nor the University shall be obligated to pay the principal of or interest on this note or other costs incident hereto except from the sources noted above, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia are pledged to the payment of the principal of or interest on this note or other costs incident hereto.
IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all conditions, acts and things required by the Constitution and laws of the Commonwealth of Virginia to exist, to have happened and to have been performed precedent to and in the issuance of this note do exist, have happened and have been performed in due time, form and manner as required by law and that the issuance of this note does not violate any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the University has caused this note to be executed in the name of and for the University, and has caused this note to be dated as of the date set forth above.

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

By: _______________________
Name: _______________________
Title: ________________________
**SCHEDULE TO PROMISSORY NOTE**

**ADVANCES AND PAYMENTS OF PRINCIPAL**

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount of Advance</th>
<th>Amount of Principal Repaid</th>
<th>Notation Made By</th>
</tr>
</thead>
</table>


EXHIBIT B

FORM OF REQUEST FOR ADVANCE

[Date]

[Lender Name]
[Lender Address]
Attention:

Ladies and Gentlemen:

Reference is made to the Revolving Credit Agreement dated as of __________, 2018 (the "Credit Agreement"), by and between Virginia Polytechnic Institute and State University (the "University") and [Lender Name] (the terms defined therein being used herein as therein defined). The University hereby requests, pursuant to Section 2.3 of the Credit Agreement, that you make an Advance under the Credit Agreement, and in that connection sets forth below the following information relating to such Advance:

(a) The amount of the Advance requested is $____________________.

(b) The Advance Date requested is ____________________.

The University hereby certifies that the proceeds of the Advance will be used by the University for working capital, for general corporate and operating purposes or for another lawful purpose.

This Advance should be made by wire transfer of immediately available funds to the undersigned in accordance with the instructions set forth below:

[Insert wire instructions]

Very truly yours,

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

By:____________________________________
Authorized Officer
EXHIBIT C
FORM OF REQUEST FOR TERMINATION OR REDUCTION

[Date]

[Lender Name]
[Lender Address]
Attention:

Ladies and Gentlemen:

Reference is made to the Revolving Credit Agreement dated as of __________, 2018 (the "Credit Agreement"), by and between Virginia Polytechnic Institute and State University (the "University") and [Lender Name] (the terms defined therein being used herein as therein defined).

[The University hereby requests that the Credit Agreement be terminated in accordance with, and subject to, the terms thereof.]

OR

[The University hereby requests that the Available Commitment be permanently reduced from [insert amount as of the date of Certificate] to [insert new amount], such reduction to be effective on ________.] The reduction in the Available Commitment is an integral multiple of $1,000,000.

Very truly yours,

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

By: ______________________________
Authorized Officer
EXHIBIT D

FORM OF REQUEST FOR EXTENSION OF SCHEDULED EXPIRATION DATE

[Date]

[Lender Name]
[Lender Address]
Attention:

Ladies and Gentlemen:

Reference is made to the Revolving Credit Agreement dated as of __________, 2018 (the "Credit Agreement"), by and between Virginia Polytechnic Institute and State University (the "University") and [Lender Name] (the terms defined therein being used herein as therein defined). Pursuant to Section 3.5 of the Credit Agreement, the University hereby requests an extension of the Scheduled Expiration Date to __________, 20____.

The University hereby represents and warrants that, except as noted below, no Default or Event of Default has occurred and is continuing and all representations and warranties of the University in the Credit Agreement are true and correct on the date hereof.

[IDENTIFY PENDING DEFAULT OR EVENT OF DEFAULT]

IN WITNESS WHEREOF, the undersigned has executed and delivered this Request for Extension of Scheduled Expiration Date as of the ____ day of __________, 20____.

Very truly yours,

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

By: ______________________________
Authorized Officer
[Date]

Virginia Polytechnic Institute and State University
220 Burrus Hall
800 Drillfield Drive
Blacksburg, Virginia 24061
Attention: University Treasurer

Ladies and Gentlemen:

Reference is made to the Revolving Credit Agreement dated as of __________, 2018 (the "Credit Agreement"), by and between Virginia Polytechnic Institute and State University (the "University") and [Lender Name] (the terms defined therein being used herein as therein defined). Pursuant to Section 3.5 of the Credit Agreement, the University has requested an extension of the Scheduled Expiration Date to __________, 20___.

Please be advised that:

[COMPLETE AS APPROPRIATE.]

1. At the request and for the account of the University, the Bank hereby extends the Scheduled Expiration Date to __________, 20___ [INCLUDE ADDITIONAL TERMS IF APPLICABLE].

2. Except as specifically provided in the paragraph 1 above, all of the terms and conditions of the Credit Agreement remain unchanged and in full force and effect.

3. This Notice of Extension of Scheduled Expiration Date is an integral part of the Credit Agreement.

[OR]

The Bank hereby elects not to extend the Scheduled Expiration Date.
IN WITNESS WHEREOF, the undersigned has executed and delivered this Notice of Extension of Scheduled Expiration Date as of the ____ day of __________, 20__.

Very truly yours,

[LENDER NAME]

By:________________________
Name:________________________
Title:________________________
The university continues to use the parameters provided in the “Consolidated Salary Authorization for Faculty Positions in Institutions of Higher Education” document from the Secretary of Education to develop the annual Faculty Compensation Plan. This document defines the qualification criteria for teaching and research faculty and administrative and professional faculty, provides guidance on the authorized salary average for full-time teaching and research faculty positions, and requires board approval.

In accordance with the most recent Consolidated Salary Authorization, the 2018-19 Faculty Compensation Plan provides information about (1) the 2018-19 pay structure, (2) the promotion and tenure process, (3) the annual evaluation and salary adjustment process for teaching and research faculty and administrative and professional faculty, and (4) salary adjustments within the evaluation period.

This faculty compensation plan covers only faculty positions. The compensation plan for staff is administered separately by the university administration in accordance with the Board of Visitors’ approval of the university’s Management Agreement, effective July 1, 2006, as well as guidance from the commonwealth and the state Department of Human Resource Management.

**Authorized Salary Average**

The Authorized Salary Average applies to all full-time teaching and research positions with the rank of professor, associate professor, assistant professor, instructor, or lecturer that are engaged in teaching and research for 50 percent or more of the time. As noted in the Consolidated Salary Authorization document, “Institutions are expected to award differential salary increases to their faculty based on performance and other circumstances such as promotions, tenure, and changes in responsibility. The net effect of all salary actions should be an average salary that approximates the state authorized salary average.”

The commonwealth measures the adequacy of faculty salaries by comparing the institutional average with the average of a unique benchmark group for each public college and university. The benchmark groups are constructed by matching characteristics of colleges and universities, such as size of the student body, percentage of degrees granted in various disciplines, percentage of graduate degrees conferred, and research activity levels. The General Assembly established an objective in the late 1980s to fund a faculty salary average at all institutions that would approximate the salary average at the 60th percentile in the ranking of salary averages in individual benchmark groups. The State Council of Higher Education for Virginia (SCHEV) last reviewed and
updated each institution’s Faculty Salary Peer Group in 2007. The current benchmarking of Virginia Tech’s Faculty Salary Average is made using the peer group established in 2007.

The Authorized Salary Average is updated from time to time by SCHEV. However, given that the University’s Actual Salary Average currently exceeds the Authorized Salary Average, the university’s current focus is the comparison of the Actual Salary Average to peer averages to determine the university’s competitive position. This is consistent with Joint Legislative Audit and Review Commission’s recent review and recommendations.

**Actual Salary Average**

For Fall 2016, Virginia Tech's Actual Salary was $100,552. This placed Virginia Tech at the 35th percentile of its peer group for Fall 2016, based on the most recent peer salary data available data from the Integrated Postsecondary Education Data System (IPEDS). Fall 2017 peer salary data is not yet available; however, based upon SCHEV’s forecast of salary escalation at peer institutions, the university estimates that the Actual Salary Average will rank at the 33rd percentile of peer institutions for Fall 2017. Summary statistics are provided in the table below. The university’s competitive positioning among peers for Fall 2017 will be recomputed once IPEDS data becomes available.

<table>
<thead>
<tr>
<th>Metric</th>
<th>Fall 2016</th>
<th>Fall 2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>60th Percentile</td>
<td>$109,878</td>
<td>$112,955*</td>
<td>2.8%</td>
</tr>
<tr>
<td>Actual Average Salary</td>
<td>$100,552</td>
<td>$102,470</td>
<td>1.9%</td>
</tr>
<tr>
<td>Rank - Actual</td>
<td>18 of 26</td>
<td>20 of 26*</td>
<td>-2</td>
</tr>
<tr>
<td>Percentile - Actual</td>
<td>35th</td>
<td>33rd*</td>
<td>-2</td>
</tr>
</tbody>
</table>

*IPEDS peer salary data for Fall 2017 is not yet available. Estimates are based on the State Council of Higher Education’s forecast of 2.8% salary escalation at peer institutions.

Attachment A provides a list of the university’s peer group and the comparative estimated salary averages for Fall 2016.

**2018-19 Pay Structure**

In accordance with the intent of the Consolidated Salary Authorization, a pay structure for the teaching and research faculty for 2018-19 is presented in Attachment B. This plan is derived from the 2017-18 approved plan. It incorporates the proposed merit adjustment for 2018-19. The attachment also displays the normal entrance rate for each faculty category along with the change from the approved compensation rate for each rank, along with the distribution of faculty across the ranks.

The salary average for administrative and professional faculty may not exceed the authorized salary average for the teaching and research faculty by more than 35 percent.
Promotion, Tenure, and Continued Appointment

Promotion to a higher rank and appointment with tenure may be granted to faculty members on a regular faculty appointment who have demonstrated outstanding accomplishments in an appropriate combination of learning, discovery, and engagement. A current curriculum vitae together with student and peer evaluations of teaching, reprints of publications, evaluations by external reviewers from the same or a related field, and other similar documents comprise a dossier which furnishes the principal basis for promotion and tenure decisions. Faculty members being considered for either promotion or the awarding of tenure will have their dossiers reviewed at three levels: by a departmental committee and the head or chair; by a college committee and the dean; and by a university committee and the provost. Each candidate for promotion or tenure will be evaluated in the light of the tripartite mission of the university: learning, discovery, and engagement. Although not all candidates can be expected to have equal levels of commitment or equal responsibilities in each of these missions, a high level of general competence is expected in recognition of the need for flexibility in the future establishment of priorities in academic programs. Beyond that basic foundation of competence, decisions related to tenure or promotion to associate professor will require evidence of excellence in at least one area.

The university’s mission and commitment as a major research institution require high accomplishment for promotion to professor. Faculty members must demonstrate a high level of competence in an appropriate combination of instruction, outreach, and professional activities relevant to their assignment. Because of the university’s mission and commitment as a major research institution, successful candidates for the rank of professor must demonstrate excellence in research, scholarship, or creative achievement, as appropriate for the candidate’s discipline and assignment. Promotion to the rank of professor is contingent upon national or international recognition as an outstanding scholar and educator.

In addition to the material contained in this section, the Faculty Handbook provides detailed policies and procedures for the departmental evaluation, the college evaluation, and the university evaluation.

Members of the Library faculty and Cooperative Extension faculty not holding appointments in a collegiate department may be considered for continued appointment or for promotion in faculty rank in recognition of appropriate professional accomplishments. Candidates for promotion or continued appointment will be reviewed at two levels: first by the University Libraries or Extension promotion and continued appointment committee and dean of University Libraries or director of Virginia Cooperative Extension, and second by the University Promotion and Continued Appointment Committee and the provost.
The following raises are recommended for promotions to:

<table>
<thead>
<tr>
<th>Position</th>
<th>Raise</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professor</td>
<td>$7,000</td>
</tr>
<tr>
<td>Associate Professor</td>
<td>5,000</td>
</tr>
<tr>
<td>Assistant Professor</td>
<td>3,000</td>
</tr>
</tbody>
</table>

For academic-year faculty members who have Research Extended Appointments (10, 11, or 12 month appointments funded by sponsored projects) with salaries adjusted in accordance with formulas in Policy 6200 - Policy on Research Extended Appointments, or for those who have a limited-term appointment as department head or other administrator, the stipend is adjusted by the same conversion rate to preserve its value when the faculty member returns to the academic-year base appointment.

Clinical Faculty

The clinical faculty track provides for long-term, full-time or part-time faculty appointments to individuals whose primary responsibilities are instruction and/or service in a clinical setting, such as veterinary medicine. Tenure cannot be earned in these ranks, and time spent in one of these ranks is not applicable toward probationary tenure-track faculty service. There are four clinical ranks beginning with Clinical Instructor. Those clinical faculty members with outstanding performance may be considered for promotion in rank by the relevant departmental and college promotion and tenure committees, with administrative approval by the provost.

The following raises are recommended for promotions to:

<table>
<thead>
<tr>
<th>Position</th>
<th>Raise</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clinical Professor</td>
<td>$7,000</td>
</tr>
<tr>
<td>Clinical Associate Professor</td>
<td>5,000</td>
</tr>
<tr>
<td>Clinical Assistant Professor</td>
<td>3,000</td>
</tr>
</tbody>
</table>

Collegiate Faculty

The collegiate professor series provides for short- or long-term, full- or part-time, non-tenure-track faculty appointments for individuals who bring specialized expertise to the instructional programs of the university, thereby complementing the qualifications and contributions of tenure-track faculty. There are three collegiate professor ranks, beginning with Collegiate Assistant Professor. Tenure will not be awarded at any of these ranks and service at these ranks is excluded from the pre-tenure probationary period if the faculty member is subsequently appointed to a tenure-track position. Collegiate professors with a record of significant scholarly and/or professional achievement may be considered for promotion in rank by the relevant departmental and college promotion and tenure committees, with administrative approval by the provost.

<table>
<thead>
<tr>
<th>Position</th>
<th>Raise</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collegiate Professor</td>
<td>$7,000</td>
</tr>
<tr>
<td>Collegiate Associate Professor</td>
<td>5,000</td>
</tr>
<tr>
<td>Collegiate Assistant Professor</td>
<td>3,000</td>
</tr>
</tbody>
</table>
Professor of Practice

The professor of practice series provides for short- or long-term, full- or part-time, non-tenure-track faculty appointments for individuals who bring specialized expertise to the instructional programs of the university, thereby complementing the qualifications and contributions of tenure-track faculty. There are three professor of practice ranks, beginning with Assistant Professor of Practice. Tenure will not be awarded at any of these ranks and all service at one of these ranks will be excluded from the probationary period should the faculty member later be appointed to a tenure-track position. Professor of practice faculty members with a record of outstanding performance may be considered for promotion in rank by the relevant departmental and college promotion and tenure committees, with administrative approval by the provost.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professor of Practice</td>
<td>$7,000</td>
</tr>
<tr>
<td>Associate Professor of Practice</td>
<td>5,000</td>
</tr>
<tr>
<td>Assistant Professor of Practice</td>
<td>3,000</td>
</tr>
</tbody>
</table>

Instructors

The instructor track provides for full- and part-time appointments to individuals whose primary responsibilities are to the undergraduate instructional program. Tenure will not be awarded at any of these ranks and all service at any instructor rank will be excluded from the probationary period should the faculty member later be appointed to a tenure track position. There are three ranks in the series: Instructor, Advanced Instructor, and Senior Instructor. Those instructors with outstanding performance may be considered for promotion in rank by the relevant departmental and college promotion and tenure committees, with administrative approval by the provost.

The following raises are recommended for promotions to:

<table>
<thead>
<tr>
<th>Rank</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Instructor</td>
<td>$5,000</td>
</tr>
<tr>
<td>Advanced Instructor</td>
<td>3,000</td>
</tr>
</tbody>
</table>

Extension Agents

There are three ranks for extension agents: Associate Extension Agent, Extension Agent, and Senior Extension Agent. Criteria for promotion in rank include educational preparation, performance, and professionalism. The Director of Cooperative Extension makes a recommendation to the Provost based on an evaluation of the candidate’s dossier and recommendations of the Peer Review Committees, District Director, and Associate Directors of Cooperative Extension.

The following raises are recommended for promotions within Cooperative Extension:

<table>
<thead>
<tr>
<th>Rank</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Extension Agent</td>
<td>$5,000</td>
</tr>
<tr>
<td>Extension Agent</td>
<td>3,000</td>
</tr>
</tbody>
</table>
In addition to the rank promotions within the faculty categories described above, faculty may be promoted to ranks within other faculty categories, as appropriate (for example, an Instructor may be promoted to a rank within the Professor of Practice or Collegiate Faculty categories.)

At the June meeting each year, the university will submit to the Board of Visitors a report of recommended promotion, tenure, and continued appointment actions for review and approval.

**Annual Evaluation and Salary Adjustments**

**Teaching and Research Faculty**

An evaluation of every faculty member’s professional performance is held each year. All persons holding non-temporary faculty appointments are asked to prepare a report at the end of each academic year (or other appropriate 12-month period) citing their instructional activities, creative scholarship, and other professional activities and recognitions during the year. Salary recommendations are based upon performance documented in these annual reports, which are reviewed by departmental personnel committees in some cases, by the department head or chair, and the dean.

Salary adjustments are based on merit; they are not automatic. Recommendations for salary adjustments originate with the department head or chair and are reviewed by the dean. At the university level, the dean reviews the salary adjustment recommendations at a formal salary hearing with the president, the provost, the chief financial officer, and others as needed.

**Administrative and Professional Faculty**

Administrative and Professional Faculty are comprised of Senior Administrators and Managers and Professionals. Senior Administrators perform work directly related to management of the educational and general activities of the institution at least 50 percent or more of their contractual time, and typically serve in executive leadership roles such as vice president, dean, and assistant or associate vice president or dean. Managers have responsibility for supervision and evaluation of a significant number of staff and/or professional faculty, and budgetary responsibility for their unit or a substantive program. Professionals provide direct service to students, other university constituencies, or clients external to the university as part of the university’s missions of learning, discovery, and engagement. Professionals include, but are not limited to, extension agents, librarians, coaches, physicians, lawyers, engineers, architects, student or academic affairs professionals, development officers, specialists in public relations, human resources, information technology, and financial specialists.

Evaluations are based upon standards set by the supervisor with the participation of the faculty member and relate closely to the duties inherent in the functional title and job description of the position. Annually set expectations become one of the important criteria.
for judging professional job performance in the subsequent year. In addition to maintaining a high level of performance in carrying out their job-related duties and responsibilities, senior administrators, managers, and professionals are expected to participate in and provide leadership of departmental, divisional, or university-wide committees, special university-wide assignments, or similar activity on behalf of important university priorities.

Salary adjustments are based on merit; they are not automatic. Recommendations for salary adjustments originate with the supervisor and are reviewed as appropriate by the department head, dean, and vice president. At the university level, the dean or vice president reviews the salary adjustment recommendations at a formal salary hearing with the president, the provost, the chief financial officer, and others as needed.

Research Faculty

Research faculty are those with the titles of research associate, senior research associate, postdoctoral associate, research scientist, senior research scientist, research assistant professor, research associate professor, research professor, project associate, senior project associate, or project director. Research faculty appointments are intended to promote and expedite the research activities of the university. Tenure cannot be earned in these ranks and service is not applicable toward probationary faculty service.

Each research faculty member is evaluated and given a merit adjustment on the same schedule for evaluations and raise recommendations as the other faculty groups. Salary adjustments are based on merit; they are not automatic. An annual performance review by the principal investigator and/or department head becomes part of the basis for salary adjustments. Recommendations for salary adjustments originate with the supervisor (usually the principal investigator or the department head or chair) and are reviewed as appropriate by the department head or chair, dean, and vice president for research and innovation. At the university level, the dean or vice president reviews the salary adjustment recommendations at a formal salary hearing with the president, the provost, the chief financial officer, and others as needed.

Other Salary Adjustments

Faculty salary adjustments are normally reviewed and approved by the Board of Visitors in two phases: adjustments for promotion are recommended at the June meeting and adjustments based on performance are recommended at the fall meeting. In addition to this process, it is sometimes necessary to adjust the salaries of specific faculty members at other times during the fiscal year. These adjustments are primarily for changes in duties and responsibilities, for special temporary assignments, for retention or other exceptional needs, and for faculty selected for a different position as part of a search. Adjustments on the anniversary date of appointment for a restricted faculty member may also be approved in lieu of the normal merit process.
To recognize continued educational attainment, faculty members may receive a base salary adjustment of up to $3,000 for completion of the doctorate effective upon official certification by the degree-granting institution that all requirements have been met for award of the degree.

The president, provost, and chief financial officer are authorized to administer the faculty compensation plan during the year and act upon requests for salary adjustments. The President has issued a set of guidelines establishing the parameters for approval of special salary adjustments. By separate resolution, the Board has delegated authority to the President or designee for approval of changes in employment status that do not involve any salary action, salary adjustments made in accordance with existing policies and standard formulas, off-cycle salary adjustments less than 10 percent, new appointments and salary adjustments for faculty members on restricted contracts, and new appointments of non-tenure track instructional faculty or administrative and professional faculty below the level of senior administrator and their direct reports. The quarterly Personnel Changes Report will reflect those actions of strategic importance to the institution as identified in the resolution.

**Faculty Research Incentive Plan**

During 2011-12, a university workgroup developed a university savings program by incentivizing faculty research activities. This effort resulted in the Board’s creation of a Faculty Research Incentive Program (FRIP) that has similarities to programs at peer institutions. This plan was implemented in 2012-13 and will be continued in 2018-19.

The goal of the FRIP is to provide an incentive for principal or co-principal investigators to secure additional competitively awarded, externally sponsored activities. Through the leveraging of appropriately charged time to competitive grants and contracts, research time that is funded by departments or colleges can be reduced, resulting in salary savings that can be used to both support the incentive program as well as to support academic initiatives.

One-time research incentive payments are made from department or college salary savings and are based on a minimum savings threshold that is applied equitably within departments or colleges. Faculty must apply in advance to be considered for the program. Research incentive payments must be approved by the department head or chair, the dean, and the vice president for research and innovation (or the appropriate administrators based on reporting structure); all disapprovals must also be reviewed by each management level. When salary savings result in a reduction in faculty assignments, those salary savings are excluded from the program.

**Implementation of the 2018-19 Merit Review and Compensation Process**

Recognizing the critical nature of faculty compensation, the university’s standing relative to the 60th percentile of the university’s peer group average salary, the higher levels of competing offers being received by key faculty, and to minimize the high cost of turnover,
the university proposes continuing the traditional annual merit-based faculty salary increase program in 2018-19.

This plan authorizes management to plan and budget for the resource allocations necessary to support a merit-based faculty salary increase averaging 2.0 percent for faculty for 2018-19.

To implement the merit review and compensation program the Budget Office will develop salary pools for each academic and administrative area based upon 2.0 percent of the actual salary expenses prior to this 2018-19 merit process.

The university may also elect to create a supplemental pool to achieve certain targeted salary compensation or retention needs. For example, in some years the university has worked to address issues such as salary compression and equity needs. For 2018-19 such changes may result from one or more of the following processes:

- The university establishes a special pool of funds to address salary inequity and retention issues for specific faculty, such as national distinction. If implemented, the funding will only be used to make adjustments based on evaluations of specific circumstances surrounding individual faculty members. As such, these adjustments would not be available to all faculty members and may occur at any time during the year, subject to approval by the Board. Based on the uncertainty of the State Budget for 2018-19, the university currently envisions funding in the range of zero to 0.7 percent in support of the national distinction program.

- The President may use a special pool of funds to adjust individual salary recommendations made by the vice presidents and deans when he determines that a different adjustment is warranted.

**RECOMMENDATION:**

That the proposed 2018-19 Faculty Compensation Plan be approved.

June 4, 2018
Institution | Average Salary (1) | Rank  
--- | --- | ---  
California-Berkeley, University of | $146,987 | 1  
Cornell University | 132,028 | 2  
Southern California, University of | 125,227 | 3  
California-Davis, University of | 123,211 | 4  
Maryland-College Park, University of | 115,676 | 5  
Ohio State University-Main Campus | 109,660 | 6  
Washington-Seattle Campus, University of | 107,873 | 7  
Illinois at Urbana-Champaign, University of | 107,091 | 8  
Purdue University-Main Campus | 106,817 | 9  
Wisconsin-Madison, University of | 106,320 | 10  
Rutgers University-New Brunswick/Piscataway | 105,693 | 11  
Minnesota-Twin Cities, University of | 104,978 | 12  
Michigan State University | 103,699 | 13  
Michigan-Ann Arbor, University of | 103,605 | 14  
Florida, University of | 102,592 | 15  
Pennsylvania State University-Main Campus | 102,129 | 16  
Texas A&M University | 101,957 | 17  
**Virginia Tech** | **100,522** | **18**  
Colorado at Boulder, University | 99,991 | 19  
Stony Brook University | 99,854 | 20  
Iowa State University | 97,383 | 21  
North Carolina State University at Raleigh | 96,631 | 22  
Pittsburgh-Main Campus, University of | 95,398 | 23  
SUNY at Buffalo | 92,257 | 24  
Missouri-Columbia, University of | 83,236 | 25  
Texas at Austin, University of | 79,998 | 26  

**Virginia Tech Actual Salary Average Percentile** | 35th  

---

1 Average salary of peer institutions is based on the latest available data (Fall 2016) from IPEDS
## 2018-19 Pay Structure

**Virginia Tech**

<table>
<thead>
<tr>
<th></th>
<th>9-Month Faculty</th>
<th>12-Month Faculty</th>
<th>Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Entrance</td>
<td>Change</td>
<td>Entrance</td>
</tr>
<tr>
<td>Professor</td>
<td>$91,587</td>
<td>2%</td>
<td>$111,704</td>
</tr>
<tr>
<td>Associate Professor</td>
<td>70,049</td>
<td>2%</td>
<td>84,880</td>
</tr>
<tr>
<td>Assistant Professor</td>
<td>57,948</td>
<td>2%</td>
<td>70,486</td>
</tr>
<tr>
<td>Senior Instructor</td>
<td>49,699</td>
<td>2%</td>
<td>64,668</td>
</tr>
<tr>
<td>Advanced Instructor</td>
<td>44,310</td>
<td>2%</td>
<td>57,483</td>
</tr>
<tr>
<td>Instructor</td>
<td>40,613</td>
<td>2%</td>
<td>52,841</td>
</tr>
</tbody>
</table>
Virginia Tech has four master resolution bond covenants securing debt issues referred to as Systems. The four systems are the Athletic Facility System, Dormitory and Dining System, Electric Service Utility System, and the University Services System. The resolutions authorizing and securing each system requires the adoption of an annual budget by the Board of Visitors.

The budget presentation to the Board of Visitors provides documentation that the revenues to be received during the fiscal year will be sufficient to meet the operating costs of the System, the principal and interest requirements, and usual expenses of maintenance, repair, and operation. The annual budget will be the basis for making payments from the revenue fund to meet the operating costs of the System during the fiscal year. The university works to ensure that the systems remain in good working order and that compliance with the terms and conditions of the bond covenants are maintained.

The budget of each of the four Systems for the 2018-19 fiscal year are attached. The system budgets are also included within the university’s overall budget.

**RECOMMENDATION:**

That the recommended budget for fiscal year July 1, 2018 to June 30, 2019 for the operation of the Athletic Facility System, Dormitory and Dining System, Electric Service Utility System, and the University Services System be approved.

June 4, 2018
The resolution authorizing and securing the Dormitory and Dining Hall System revenue bonds requires the adoption of an annual budget by the Board of Visitors. The budget presentation to the Board of Visitors provides documentation that the revenues to be received during the fiscal year will be sufficient to meet the operating costs of the System, the principal and interest requirements, and usual expenses of maintenance, repair, and operation.

Subject to approval by the Board of Visitors, the annual budget will be the basis for making payments from the revenue fund to meet the operating costs of the System during the fiscal year. In compliance with Section 5.1 and 5.5 of the resolution authorizing and securing the Dormitory and Dining Hall System revenue bonds, the estimate of the resources to be used for the operation of the System during the fiscal year July 1, 2018 to June 30, 2019 and a recommended budget of current expenses for the System for the same period are summarized below. The rates and charges for the next fiscal year are sufficient for the current expenses, debt service, and reserve requirements set forth in Section 5.1 of the resolution.

<table>
<thead>
<tr>
<th>Estimated Revenues</th>
<th>Residential</th>
<th>Dining</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Fees</td>
<td>$55,033,012</td>
<td>$58,613,511</td>
<td>$113,646,523</td>
</tr>
<tr>
<td>Other Income</td>
<td>2,291,153</td>
<td>11,177,016</td>
<td>13,468,169</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$57,324,165</td>
<td>$69,790,527</td>
<td>$127,114,692</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current Expenses</th>
<th>Residential</th>
<th>Dining</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Services</td>
<td>$13,069,209</td>
<td>$26,367,519</td>
<td>$39,436,728</td>
</tr>
<tr>
<td>Operations</td>
<td>14,089,843</td>
<td>30,431,932</td>
<td>44,521,775</td>
</tr>
<tr>
<td>Administrative Charge</td>
<td>2,119,343</td>
<td>4,659,360</td>
<td>6,778,703</td>
</tr>
<tr>
<td>Maintenance Reserve</td>
<td>4,457,038</td>
<td>948,039</td>
<td>5,405,077</td>
</tr>
<tr>
<td>Debt Service</td>
<td>13,365,728</td>
<td>3,563,778</td>
<td>16,929,506</td>
</tr>
<tr>
<td>One-Time Projects</td>
<td>5,589,973</td>
<td>2,046,080</td>
<td>7,636,053</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$52,691,134</td>
<td>$68,016,708</td>
<td>$120,707,842</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reserve Contribution (Draw)</th>
<th>Residential</th>
<th>Dining</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$4,633,031</td>
<td>$1,773,819</td>
<td>$6,406,850</td>
<td></td>
</tr>
</tbody>
</table>

Net $0 $0 $0
The resolution authorizing and securing the Electric Service Utility System revenue bonds requires the adoption of an annual budget by the Board of Visitors. The budget presentation to the Board of Visitors provides documentation that the revenues to be received during the fiscal year will be sufficient to meet the operating costs of the System, the principal and interest requirements, and usual expenses of maintenance, repair, and operation.

Subject to approval by the Board of Visitors, the annual budget will be the basis for making payments from the revenue fund to meet the operating costs of the System during the fiscal year. In compliance with Section 5.1 and 5.5 of the resolution authorizing and securing the Electric Service Utility System revenue bonds, the estimate of the resources to be used for the operation of the System during the fiscal year July 1, 2018 to June 30, 2019 and a recommended budget of current expenses for the System for the same period are summarized below. The rates and charges for the next fiscal year are sufficient for the current expenses, debt service, and reserve requirements set forth in Section 5.1 of the resolution.

### Estimated Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales to University Departments</td>
<td>$21,683,983</td>
</tr>
<tr>
<td>All Other Sales</td>
<td>$15,177,196</td>
</tr>
<tr>
<td>Investment Income</td>
<td>$31,747</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$36,892,926</strong></td>
</tr>
</tbody>
</table>

### Current Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Services</td>
<td>$3,999,490</td>
</tr>
<tr>
<td>Purchase of Electricity</td>
<td>$25,796,088</td>
</tr>
<tr>
<td>Operating Expenditures</td>
<td>$4,759,951</td>
</tr>
<tr>
<td>Capital Maintenance Reserve Projects</td>
<td>$860,000</td>
</tr>
<tr>
<td>Maintenance, Repairs and Equipment Replacement</td>
<td>$497,890</td>
</tr>
<tr>
<td>Debt Service</td>
<td>$769,507</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$36,682,926</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserve Contribution (Drawdown)</td>
<td>$210,000</td>
</tr>
<tr>
<td><strong>Net</strong></td>
<td><strong>$0</strong></td>
</tr>
</tbody>
</table>
The resolution authorizing and securing the University Services System* revenue bonds requires the adoption of an annual budget by the Board of Visitors. The budget presentation to the Board of Visitors provides documentation that the revenues to be received during the fiscal year will be sufficient to meet the operating costs of the System, the principal and interest requirements, and usual expenses of maintenance, repair, and operation.

Subject to approval by the Board of Visitors, the annual budget will be the basis for making payments from the revenue fund to meet the operating costs of the System during the fiscal year. In compliance with Section 5.1 and 5.5 of the resolution authorizing and securing the University Services System revenue bonds, the estimate of the resources to be used for the operation of the System during the fiscal year July 1, 2018 to June 30, 2019 and a recommended budget of current expenses for the System for the same period are summarized below. The rates and charges for the next fiscal year are sufficient for the current expenses, debt service, and reserve requirements set forth in Section 5.1 of the resolution.

### Estimated Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Fees</td>
<td>$44,723,118</td>
</tr>
<tr>
<td>Sales and Services</td>
<td>4,188,690</td>
</tr>
<tr>
<td>Other Income</td>
<td>2,654,614</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$51,566,422</strong></td>
</tr>
</tbody>
</table>

### Current Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Services</td>
<td>$24,607,255</td>
</tr>
<tr>
<td>Operating</td>
<td>14,449,734</td>
</tr>
<tr>
<td>Debt Service</td>
<td>4,495,541</td>
</tr>
<tr>
<td>Capital Maintenance Reserve</td>
<td>2,115,534</td>
</tr>
<tr>
<td>Non-Capital Maintenance Reserve</td>
<td>286,800</td>
</tr>
<tr>
<td>Student Organization Allocation</td>
<td>1,563,774</td>
</tr>
<tr>
<td>One-Time Expenses</td>
<td>3,324,016</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$50,842,654</strong></td>
</tr>
</tbody>
</table>

### Reserve Contribution (Drawdown)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserve Contribution (Drawdown)</td>
<td>$723,768</td>
</tr>
</tbody>
</table>

| **Net**                                  | **$0**   |

* University Services System includes Career and Professional Development, Center for the Arts, Health Services, Recreational Sports, Student Engagement and Campus Life, Student Organizations, and Rescue Squad.
The resolution authorizing and securing the Athletic Facilities System revenue bonds requires the adoption of an annual budget by the Board of Visitors. The budget presentation to the Board of Visitors provides documentation that the revenues to be received during the fiscal year will be sufficient to meet the operating costs of the System, the principal and interest requirements, and usual expenses of maintenance, repair, and operation.

Subject to approval by the Board of Visitors, the annual budget will be the basis for making payments from the revenue fund to meet the operating costs of the System during the fiscal year. In compliance with Section 5.1 and 5.5 of the resolution authorizing and securing the Athletic Facilities System revenue bonds, the estimate of the resources to be used for the operation of the System during the fiscal year July 1, 2018 to June 30, 2019 and a recommended budget of current expenses for the System for the same period are summarized below. The rates and charges for the next fiscal year are sufficient for the current expenses, debt service, and reserve requirements set forth in Section 5.1 of the resolution.

<table>
<thead>
<tr>
<th>Estimated Revenues</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Fees</td>
<td>$10,395,122</td>
</tr>
<tr>
<td>Sales and Services</td>
<td>61,501,046</td>
</tr>
<tr>
<td>Other Income</td>
<td>2,631,300</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$74,527,468</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current Expenses</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Services</td>
<td>$35,068,462</td>
</tr>
<tr>
<td>Operations</td>
<td>21,827,591</td>
</tr>
<tr>
<td>Administrative Charge</td>
<td>4,776,305</td>
</tr>
<tr>
<td>Capital Maintenance Reserve</td>
<td>1,512,189</td>
</tr>
<tr>
<td>Maintenance, Repairs, &amp; Equipment Replacement</td>
<td>2,403,649</td>
</tr>
<tr>
<td>Debt Service</td>
<td>5,643,334</td>
</tr>
<tr>
<td>One-Time Projects</td>
<td>1,530,000</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$72,761,530</strong></td>
</tr>
</tbody>
</table>

Reserve Contribution (Drawdown) $1,765,938

Net $0
Each June, the university provides the Board of Visitors with an overview of the operating and capital budgets for the upcoming fiscal year.

**State Appropriations**

As of May 17, 2018, the 2018 General Assembly Session had not passed a final 2018-20 biennial budget. Called back into a Special Session on April 11th, the legislature continues to deliberate the commonwealth’s biennial budget. Though no final state budget is available, the university has moved forward with the development of its 2018-19 operating and capital budget utilizing a conservative estimate of the state funding support for the university in 2018-19. Once the state completes the 2018-20 biennial budget and the university understands the actual 2018-19 level of General Fund support, the university’s internal forecast will be updated and revised accordingly.

Virginia Tech anticipates an initial state authorization of $1.5 billion for fiscal year 2018-19 to carry out all of its programs, based on the forecast of direct appropriations to the university. However, the annual internal budget varies from this external expenditure authorization for several reasons, some of which increase the annual expenditure authority while others reduce the expenditure plans. For example, the university’s expenditure authorization will be adjusted during 2018-19 when the state allocates the Central Appropriation funding for the state share of fringe benefit rate changes. Additionally, under the sum sufficient authority granted as part of restructuring, nongeneral fund appropriations may be established as needed by the institution.

**Forecast of State Budget Revenue Changes**

For 2018-19, the university forecasts an incremental increase in General Fund appropriation of $3.3 million from the adjusted 2017-18 budget. This is comprised of an estimated General Fund increase of $2.4 million for Educational and General programs in the University Division (Agency 208), an estimated increase of $0.6 million for the land-grant programs in the Cooperative Extension and Agricultural Experiment Station (Agency 229) and an increase of $0.2 million for Student Financial Aid. As shown in Table 2 on page 5, the General Fund increase for the University Division includes changes in direct appropriations and the university estimate of Central Appropriation fund transfers during the fiscal year. State support includes the state’s share of the continuation of the 2017-18 faculty and staff salary increases, estimated funding for the restoration of interest earnings and credit card rebate, and the state’s share of the fringe benefit rate increases. The details of the state support are described further in each budget section.
With these state resources, the state support per Virginia student will remain stable in 2018-19. Unfortunately, total state support per Virginia student for 2018-19 is projected to be 26 percent below the funding provided in 2001. The university enrolls over 4,000 additional Virginia undergraduates as compared to fall 2004, a figure projected to grow to over 4,400 in fall 2018. Inflation adjusted, the university will receive 55 percent less General Fund support per student than in fiscal year 2001, as seen in Figure 1. It is important to note that this analysis presents the state support in the most favorable light since it includes all General Fund resources allocated to E&G, including support for activities beyond instruction such as research and public service. Figure 1 below is presented in this manner because it is a commonly utilized perspective by external groups.

Figure 1: General Fund Resident Per Student
Inflation adjusted to 2000’s (HEPI)

$9,501
$7,019
$4,168

GF per IS FTE  Inflation (HEPI) Adjusted GF/FTE per Resident

The state policy for funding higher education is to fund 67 percent of the cost of education of each Virginia resident at the institution. Figure 2 below displays the status of actual funding for instruction in relation to this policy over time. In 2018-19, the state will provide an estimated 35.4 percent of this cost. In response, the university has worked to reduce costs and streamline operations, but the shortfall in General Fund support has also created pressure to grow nongeneral fund resources.
Proposed Budgets for 2018-19

For 2018-19, the recommended internal budget for all operations is $1.6 billion. This is an increase of $34.5 million, approximately 2.3 percent, over the adjusted 2017-18 budget. This increase reflects changes in nongeneral fund revenues for 2018-19 and forecasted conservative estimates of the outcome of the 2018 General Assembly session that will impact the 2018-19 General Fund appropriation. The overall change includes an increase of $45.7 million attributable to the Educational and General program and $10.2 million of projected growth in auxiliary enterprises. The total General Fund allocation is estimated to be approximately $265.4 million, an increase of $3.3 million from the 2017-18 adjusted budget. General Fund revenues will provide $241.4 million in support for the instructional, research, and extension programs, $21.7 million for student financial assistance, and $2.3 million for the Unique Military Activities program. As shown in Figure 3 below, the General Fund appropriation represents 21.6 percent of the University Division’s Educational and General budget (as compared to 53.6 percent in the 2001-02 budget) and 17.0 percent of the total budget. (See Schedule 1)
Schedule 1 displays the proposed operating budgets for 2018-19, by major program and revenue and expense category. Schedule 2 is an expansion of the projected auxiliary operations budgets, categorized by major activity. These schedules also display the 2017-18 budget, as approved in June 2017, and the current adjusted 2017-18 budget for comparison purposes. This report provides a brief discussion of the changes in the operating budget for each of the major programs.

**Educational and General**

The university's Educational and General budget will be $849.2 million in 2018-19. The Educational and General budgets for the University Division (Agency 208) and the Cooperative Extension/Agricultural Experiment Station Division (Agency 229) are presented below by source of funding.
The year-to-year comparison of the budget in Schedule 1 shows an overall revenue increase in the Educational and General program of $45.7 million, or 5.7 percent, over the adjusted 2017-18 budget.

The 2018-19 operating and capital budgets have been developed utilizing the forecasted state funding support for the university in 2018-19. The university forecasts the following changes:

<table>
<thead>
<tr>
<th>Change in General Fund Support:</th>
<th>University Division</th>
<th>CE/AES Division</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continuation of 2017-18 Salary Program</td>
<td>0.3</td>
<td>0.1</td>
<td>0.4</td>
</tr>
<tr>
<td>Restoration of Interest Earnings and Rebates</td>
<td>0.7</td>
<td>0.0</td>
<td>0.7**</td>
</tr>
<tr>
<td>Prospective Fringe Benefit Rate Changes</td>
<td>1.4</td>
<td>0.5</td>
<td>1.9**</td>
</tr>
<tr>
<td>Total General Fund Change</td>
<td>2.4</td>
<td>0.6</td>
<td>3.0</td>
</tr>
</tbody>
</table>

*Forecasted outcome of General Assembly.
**Estimate. These items are funded centrally by the state at a later date.

The percentage of the Educational and General budget for the University Division provided by the General Fund decreased from 22.6 percent in the 2017-18 adjusted budget to 21.6 percent in 2018-19.

The 2018-19 tuition and fee budget increased by $36.4 million, or 7.1 percent, over the adjusted 2017-18 budget. The difference in the tuition and fee budget reflects strategic undergraduate enrollment growth, Virginia Tech Carilion School of Medicine integration, increase in the tuition rates (approved by the Board of Visitors in March) including Veterinary Medicine, specialized program fees, immigration services fee, the technology
fee and the library fee. The increase also includes unfunded and tuition funded scholarships to student aid programs, and adjustments to the other E&G fee budgets. Unfunded scholarships support both undergraduate need based aid and a portion of the graduate tuition remission program. Tuition and Fee funded scholarships are targeted to support the institution’s strategic priorities, including enrollment growth. Additionally, the revenue from the Facility and Equipment fee will be transferred to the Commonwealth for debt service on new facilities and equipment; thus, it is not reflected in the net revenue total.

Of the $36.4 million increase in the tuition and fee budget in 2018-19, $7.3 million is attributable to the July 1, 2018 integration of the Virginia Tech Carilion School of Medicine (VTCSOM) as the ninth college of Virginia Tech. Consistent with the resolution to acquire and integrate the Virginia Tech Carilion School of Medicine as approved in November 2017, the university has ratified the tuition rate established by the VTCSOM board and has reviewed the VTCSOM budget with Carilion Clinic. The 2018-19 investments by the partners include contributions of $3.4 million from Carilion Clinic and $3.4 million of investment income from Virginia Tech. Revenue from additional miscellaneous sources totals $0.6 million. These resources comprise the 2018-19 Virginia Tech Carilion School of Medicine budget of $14.7 million.

**Enrollment Growth**

The university is experiencing a significant increase in student demand. Undergraduate applications once again reached a new high for fall 2018, increasing 18.0 percent from the previous year. Demand is broad-based and includes several areas where Virginia Tech is in a strong or unique position to provide additional access to qualified students. To meet demand for undergraduate enrollment, particularly in the STEM-H disciplines, the university is planning the strategic addition of undergraduates for 2018-19. Figure 4 below illustrates the historical trend in undergraduate applications.
Auxiliary Enterprises

The total 2018-19 auxiliary revenue budget is $351.5 million, a growth of $10.2 million or 3.0 percent over the adjusted 2017-18 budget, with a significant portion of the increase attributable to growth in Residential and Dining Programs, Student Health Services, Transportation, Career and Professional Development, Telecommunications Services, and Electric Service. This increase includes resources to cover proposed changes in compensation and fringe benefit rate changes, enrollment growth, enhancements to student health and counseling services, student programming, wireless network equipment renewal, enhanced transit services, increased energy costs, maintenance of existing facilities, and the cost of new facilities.

Financial Assistance for Educational and General Programs

The projected annual budget for Financial Assistance for Educational and General Programs is $322.1 million, a decrease of $22.8 million or 6.6 percent less than the adjusted 2017-18 budget. The budget was reduced to better align the 2018-19 budget with the projected federal sponsored program activity. This budget is comprised primarily of sponsored program activities but also includes the Eminent Scholars program, the Enterprise Fund for distance and distributed learning, and the Commonwealth’s General Fund support for research. The most significant activity in this category is externally sponsored research. The General Fund support of $5.4 million for research is forecasted to remain unchanged in 2018-19. Although Sponsored Programs activity is anticipated to grow over 2017-18 actuals, the 2018-19 budget can accommodate the growth while technically realigning the budget for optimistic forecasts in prior fiscal periods.
Appropriated Student Financial Assistance

The projected annual 2018-19 budget for the Student Financial Assistance program is $30.2 million, a growth of $3.6 million over the adjusted 2017-18 budget. This budget includes forecasted increase of $0.2 million in state General Fund support for Undergraduate Scholarships, Graduate Fellowships, Soil Scientist Scholarships, Virginia Military Survivors and Dependent, Two-Year College Transfer Grant and the Multicultural Academic Opportunity Program to a total projected $21.7 million General Fund student financial aid budget in 2018-19. This budget also includes an increase of $3.4 million in the annual nongeneral fund student financial assistance budget to a total projected nongeneral fund student financial aid budget of $8.5 million in 2018-19. The university plans to utilize the nongeneral fund student financial assistance to advance strategic initiatives such as access and enrollment growth.

All Other Programs

The All Other Programs component is comprised of the Unique Military Activities appropriation, surplus property, federal work study program, and local funds. The annual budget for these funds is based on historic trends and projections of activity levels by program managers. These programs are funded by resources that are designated for specific purposes. The General Fund support for Unique Military Activities is forecasted to remain constant in 2018-19 at $2.3 million. For All Other Programs, the recommended budget is $7.3 million, and reflects a decrease of $2.3 million over the adjusted budget for 2017-18.

Planned Change in Reserves

Existing state requirements, along with the university's budgeting and financial management strategies, generally result in the establishment of breakeven budgets for the major budget components, with the exception of auxiliary enterprises. That is the case for 2018-19, where only the auxiliary budgets project an addition to the reserves as of June 30, 2019. The projected addition of $12.8 million is the result of the intentional rebuilding of reserves in specific auxiliaries where expenditures in prior years created the need for restoring the reserves so that it may operate as a revolving fund. In other cases, the projected addition to reserves reflects the temporary positive impact of planning activities for new capital projects. The 2018-19 budget for auxiliary enterprises is also designed to ensure that the reserve levels remain in compliance with the tenets of bond covenants as well as SCHEV reserve targets.

Compensation Plan

Contingent upon funding availability and approval of the 2018-19 operating budget, the university plans to implement faculty and university staff merit programs for fiscal year 2018-19. The attached operating budget includes funding, consistent with traditional funding principles, for the following proposed employee compensation actions:
• 2.00 percent faculty merit compensation program.

• 2.00 percent university staff compensation program. The university will provide an opportunity for the state classified staff to convert to university staff and gain eligibility for the university staff merit process. Classified staff are defined as staff members hired before July 1, 2006 who have not subsequently converted to the university staff system.

• As reviewed at the March 2018 Board of Visitors meeting, a National Distinction program is planned for 2018-19 to allow the university to proactively address salary amounts, as a retention strategy, for faculty members that have achieved national distinction and excellence in their field and provide valuable contributions to the university. The ability to allocate any resources to fund this additional compensation program will be determined based on the results of the General Assembly Session and whether the university can identify any additional resources as it completes the budget development work. If funded, it is expected that the adjustments will be limited in the number of faculty included yet meaningful in size.

If the state authorizes a salary or a bonus program for fiscal year 2018-19, the university will redesign the merit programs in light of the new authorization and proceed accordingly.

**Budget Allocations**

The process of finalizing the 2018-19 operating budget allocations for the colleges and major operating units is currently underway. This process will be completed during June 2018 and issued to the university community by the Vice President for Finance and Chief Financial Officer. The Office of Budget and Financial Planning will allocate these budgets to the colleges and vice presidential areas in time for the departments to open the new fiscal year with the allocations in place in the university accounting system. The university develops the annual budget as a one-year quantification of the university’s strategic plan. The strategic plan is the framework for enacting the university’s mission.

**Capital Outlay Projects**

Virginia Tech’s capital outlay program includes projects for the University Division and the Cooperative Extension/Agricultural Experiment Station Division. Initiation of a capital project requires authorization of a budget and funding sources from the state or the Board of Visitors.

The state appropriates projects supported entirely or partially with General Fund revenues. The university requests General Fund appropriations for new projects as part of the state capital budget cycle. If appropriated, these projects normally become effective and are added to the program at the beginning of a fiscal year.
Under the restructuring legislation and the 2006 Management Agreement between the Commonwealth and the university, the Board of Visitors has the authority to authorize capital projects funded entirely with nongeneral fund resources. New projects approved by the Board of Visitors become effective upon approval of a university resolution and are reflected on the subsequent Financial Performance Report.

The university develops a financing plan to support the entire budget of each capital project prior to its initiation. Upon initiation, the whole project budget is entered in the accounting system. The revenues to support capital expenditure budgets are a mix of state support, university supported debt, and self-generated cash resources including private gifts. When projects have multiple sources of funding, the university generally utilizes the resources in the following order: state support, bond proceeds, and then cash. This order allows the most effective use of the university’s nongeneral fund resources.

The typical project lifespan is two to four years, and a refined level of precision is needed to optimize resource management. Cash flow models are used to predict the pace of spending by month for each project for its anticipated life. This analysis is then used to plan the timing to move each resource to a project budget on an as needed basis. Under this approach, project resources are held in their most productive location for as long as possible to maximize earnings. This analysis is further used to optimize the timing for external debt issuances to manage exposure to the cost of capital.

Each active capital project is included on the Financial Performance Report for its entire fiscal life and until all its funds in the accounting system are terminated. A project is removed from the Financial Performance Report at the end of the fiscal year it closes.

The portfolio of the capital outlay program for 2018-19 is comprised of 11 Educational and General projects and 11 Auxiliary Enterprise projects for a total of 22 projects. As part of the resource management process, each project has an annual budget. Schedule 3 lists the projects by major program and major phase of progress. Each project for 2018-19 is listed with the total project authorization by revenue source, total expenditures incurred from project inception to fiscal year 2017-18, available balance for 2018-19, annual budget for 2018-19, and balance at the close of 2018-19. The accuracy of annual budgets, and the cash flows models on which they are based, are most sensitive to construction start dates. For example, a large project that starts construction three months later than expected may be several million dollars underspend for the year. The total capital program for 2018-19 includes approximately $593 million of authorizations with an estimated annual budget of approximately $125 million.

**RECOMMENDATION:**

That the proposed 2018-19 operating and capital budgets, as displayed on Schedules 1, 2, and 3, be approved.

June 4, 2018
### TOTAL OPERATING BUDGET FOR VIRGINIA TECH

**Fiscal Year 2018-19**

(Dollars in Thousands)

#### Revenues

<table>
<thead>
<tr>
<th></th>
<th>2017-18 Original Budget</th>
<th>2017-18 Adjusted Budget</th>
<th>2018-19 Recommended Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Educational and General</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>University Division</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>$161,675</td>
<td>$161,994</td>
<td>$164,427</td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>501,950</td>
<td>515,714</td>
<td>552,081</td>
</tr>
<tr>
<td>All Other Income</td>
<td>39,349</td>
<td>37,867</td>
<td>44,529</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>702,974</td>
<td>715,574</td>
<td>761,037</td>
</tr>
<tr>
<td>CE/AES Division</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>70,961</td>
<td>71,007</td>
<td>71,603</td>
</tr>
<tr>
<td>Federal Funds</td>
<td>15,640</td>
<td>15,740</td>
<td>15,640</td>
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<tr>
<td>All Other Income</td>
<td>880</td>
<td>1,120</td>
<td>880</td>
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<tr>
<td><strong>Subtotal</strong></td>
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<td>87,867</td>
<td>88,123</td>
</tr>
<tr>
<td><strong>Total Educational and General</strong></td>
<td>$790,455</td>
<td>$803,441</td>
<td>$849,160</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>$333,313</td>
<td>$341,265</td>
<td>$351,498</td>
</tr>
<tr>
<td><strong>Financial Assistance for E&amp;G Programs (a)</strong></td>
<td>$344,174</td>
<td>$344,879</td>
<td>$322,103</td>
</tr>
<tr>
<td>General Fund</td>
<td>5,389</td>
<td>5,389</td>
<td>5,389</td>
</tr>
<tr>
<td>Nongeneral Fund</td>
<td>338,785</td>
<td>339,490</td>
<td>316,714</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$344,174</td>
<td>$344,879</td>
<td>$322,103</td>
</tr>
<tr>
<td><strong>Student Financial Assistance</strong></td>
<td>$25,540</td>
<td>$26,620</td>
<td>$30,238</td>
</tr>
<tr>
<td>General Fund</td>
<td>21,273</td>
<td>21,455</td>
<td>21,692</td>
</tr>
<tr>
<td>Nongeneral Fund</td>
<td>4,267</td>
<td>5,165</td>
<td>8,546</td>
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<tr>
<td><strong>Total</strong></td>
<td>$25,540</td>
<td>$26,620</td>
<td>$30,238</td>
</tr>
<tr>
<td><strong>All Other Programs (b)</strong></td>
<td>$7,399</td>
<td>$9,579</td>
<td>$7,305</td>
</tr>
<tr>
<td>General Fund (UMA)</td>
<td>2,284</td>
<td>2,284</td>
<td>2,284</td>
</tr>
<tr>
<td>Nongeneral Fund</td>
<td>5,115</td>
<td>7,295</td>
<td>5,021</td>
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<td><strong>Total</strong></td>
<td>$7,399</td>
<td>$9,579</td>
<td>$7,305</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,500,881</td>
<td>$1,525,785</td>
<td>$1,560,303</td>
</tr>
</tbody>
</table>

#### Expense

<table>
<thead>
<tr>
<th></th>
<th>2017-18 Original Budget</th>
<th>2017-18 Adjusted Budget</th>
<th>2018-19 Recommended Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Educational and General</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>University Division</td>
<td>$702,974</td>
<td>$715,574</td>
<td>$761,037</td>
</tr>
<tr>
<td>CE/AES Division</td>
<td>87,481</td>
<td>87,867</td>
<td>88,123</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>790,455</td>
<td>803,441</td>
<td>849,160</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>326,617</td>
<td>368,248</td>
<td>338,733</td>
</tr>
<tr>
<td><strong>Financial Assistance for E&amp;G Programs (a)</strong></td>
<td>344,174</td>
<td>344,879</td>
<td>322,103</td>
</tr>
<tr>
<td>Student Financial Assistance</td>
<td>25,540</td>
<td>26,620</td>
<td>30,238</td>
</tr>
<tr>
<td><strong>All Other Programs (b)</strong></td>
<td>7,399</td>
<td>10,034</td>
<td>7,305</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,494,185</td>
<td>$1,553,221</td>
<td>$1,547,538</td>
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</table>

#### Planned Change in Reserve

<table>
<thead>
<tr>
<th></th>
<th>2017-18 Original Budget</th>
<th>2017-18 Adjusted Budget</th>
<th>2018-19 Recommended Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserve Drawdown/(Deposit) (c)</td>
<td>(6,696)</td>
<td>27,437</td>
<td>(12,765)</td>
</tr>
<tr>
<td><strong>Net</strong></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

(a) Financial Assistance for E&G Programs includes Sponsored Programs, the Eminent Scholars Program, and General Fund Research Initiative.

(b) All Other Programs include Unique Military Activities, Surplus Property, Local Funds, Federal Work Study, and Alumni Affairs.

(c) Reserve contributions are based on the budget plans of Auxiliary Enterprise units.

Presentation Date: June 4, 2018
### TOTAL OPERATING BUDGETS FOR AUXILIARY ENTERPRISES
#### Fiscal Year 2018-19
(Dollars in Thousands)

<table>
<thead>
<tr>
<th></th>
<th>2017-18 Original Budget</th>
<th>2017-18 Adjusted Budget</th>
<th>2018-19 Recommended Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Residence and Dining Hall System</strong>*</td>
<td>$120,157</td>
<td>$122,539</td>
<td>$127,115</td>
</tr>
<tr>
<td></td>
<td>$117,364</td>
<td>$124,296</td>
<td>$120,708</td>
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<tr>
<td></td>
<td>$-2,793</td>
<td>$1,757</td>
<td>$-6,407</td>
</tr>
<tr>
<td></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Parking and Transportation</strong></td>
<td>$13,704</td>
<td>$13,903</td>
<td>$15,061</td>
</tr>
<tr>
<td></td>
<td>$-13,266</td>
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<td>$-14,485</td>
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<tr>
<td></td>
<td>$-438</td>
<td>$-49</td>
<td>$-576</td>
</tr>
<tr>
<td></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Telecommunications Services</strong></td>
<td>$22,087</td>
<td>$22,087</td>
<td>$22,551</td>
</tr>
<tr>
<td></td>
<td>$-23,161</td>
<td>$-24,700</td>
<td>$-22,299</td>
</tr>
<tr>
<td></td>
<td>$1,074</td>
<td>$2,613</td>
<td>$-252</td>
</tr>
<tr>
<td></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>University Services System</strong>*</td>
<td>$48,521</td>
<td>$48,531</td>
<td>$51,566</td>
</tr>
<tr>
<td></td>
<td>$-47,655</td>
<td>$-49,919</td>
<td>$-50,843</td>
</tr>
<tr>
<td></td>
<td>$-866</td>
<td>$1,388</td>
<td>$-723</td>
</tr>
<tr>
<td></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Intercollegiate Athletics</strong>*</td>
<td>$69,283</td>
<td>$76,039</td>
<td>$74,527</td>
</tr>
<tr>
<td></td>
<td>$-68,903</td>
<td>$-77,079</td>
<td>$-72,762</td>
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<tr>
<td></td>
<td>$-380</td>
<td>$1,040</td>
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</tr>
<tr>
<td></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Electric Service System</strong>*</td>
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<td>$34,720</td>
<td>$36,893</td>
</tr>
<tr>
<td></td>
<td>$-35,531</td>
<td>$-34,562</td>
<td>$-36,683</td>
</tr>
<tr>
<td></td>
<td>$-530</td>
<td>$-158</td>
<td>$-210</td>
</tr>
<tr>
<td></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Inn at Virginia Tech and Skelton Conference Center</strong></td>
<td>$11,855</td>
<td>$12,337</td>
<td>$12,000</td>
</tr>
<tr>
<td></td>
<td>$-11,799</td>
<td>$-12,299</td>
<td>$-12,170</td>
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<td></td>
<td>$-56</td>
<td>$-38</td>
<td>$170</td>
</tr>
<tr>
<td></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Other Enterprise Functions</strong></td>
<td>$11,645</td>
<td>$11,109</td>
<td>$11,785</td>
</tr>
<tr>
<td></td>
<td>$-8,938</td>
<td>$-31,539</td>
<td>$-8,783</td>
</tr>
<tr>
<td></td>
<td>$-2,707</td>
<td>$20,430</td>
<td>$-3,002</td>
</tr>
<tr>
<td></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$333,313</td>
<td>$341,265</td>
<td>$351,498</td>
</tr>
<tr>
<td></td>
<td>$-326,617</td>
<td>$-368,248</td>
<td>$-338,733</td>
</tr>
<tr>
<td></td>
<td>$-6,696</td>
<td>$26,983</td>
<td>$-12,765</td>
</tr>
<tr>
<td></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

* University Systems include Dormitory and Dining Hall System, University Service System, Intercollegiate Athletics System, and Electric Service System. The University Service System includes Health Services, Career Services, Student Engagement & Campus Life, Recreational Sports, Center for the Arts, Student Organizations and VT Rescue Squad.

Presentation Date: June 4, 2018
## EDUCATIONAL AND GENERAL CAPITAL PROJECT AUTHORIZATIONS FOR FISCAL YEAR 2019

(Dollars in Thousands)  
as of April 30, 2018

| Schedule 3 |

### TOTAL PROJECT AUTHORIZATION

<table>
<thead>
<tr>
<th>Educational and General Projects</th>
<th>TOTAL BALANCE</th>
<th>ANNUAL BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>STATE SUPPORT</strong></td>
<td><strong>NONGENERAL FUND</strong></td>
<td><strong>AGENCY DEBT</strong></td>
</tr>
<tr>
<td>Design Phase</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improve Kentland Facilities</td>
<td>$9,363</td>
<td>$ -</td>
</tr>
<tr>
<td>Agriculture Production Facilities</td>
<td>22,136</td>
<td>-</td>
</tr>
<tr>
<td>Chiller Plant Phase II</td>
<td>31,024</td>
<td>-</td>
</tr>
<tr>
<td>Holden Hall Renovation</td>
<td>44,386</td>
<td>-</td>
</tr>
<tr>
<td>Gas-Fired Boiler at the Central Steam Plant</td>
<td>-</td>
<td>6,800</td>
</tr>
<tr>
<td>Planning: Undergraduate Science Laboratory Building</td>
<td>-</td>
<td>3,084</td>
</tr>
<tr>
<td>Planning: Intelligent Infrastructure and Construction Com</td>
<td>-</td>
<td>6,000</td>
</tr>
<tr>
<td>Construction Phase</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance Reserve</td>
<td>15,530</td>
<td>-</td>
</tr>
<tr>
<td>Academic Buildings Renewal</td>
<td>35,029</td>
<td>-</td>
</tr>
<tr>
<td>Renovate Undergraduate Science Laboratories</td>
<td>-</td>
<td>10,000</td>
</tr>
<tr>
<td>Health Sciences &amp; Technology</td>
<td>48,307</td>
<td>17,765</td>
</tr>
<tr>
<td>Close-Out</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fire Alarm Systems and Access</td>
<td>4,891</td>
<td>0</td>
</tr>
</tbody>
</table>

Total Educational and General Projects | $210,666 | $43,649 | $51,090 | $305,405 | $45,678 | $259,727 | $82,811 | $176,916 |

Presentation Date: June 4, 2018
### Auxiliary Enterprise Capital Project Authorizations for Fiscal Year 2019

(Dollars in Thousands)  
as of April 30, 2018

**Presentation Date:** June 4, 2018

<table>
<thead>
<tr>
<th>TOTAL PROJECT AUTHORIZATION</th>
<th>ESTIMATED TOTAL EXPENSES June 30, 2018</th>
<th>ESTIMATED ANNUAL BUDGET FY2019</th>
<th>ESTIMATED BALANCE AT CLOSE OF FY2019</th>
<th>ESTIMATED BALANCE AVAILABLE FOR FY2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Auxiliary Enterprises Projects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Design Phase</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Wellness Improvements</td>
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<td>Dietrick First Floor and Plaza Renovation</td>
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<td>Student-Athlete Performance Center</td>
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<td>Commonwealth Ballroom Improvements</td>
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<td>Athletic Facilities Improvements</td>
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<td><strong>Total Auxiliary Enterprise Projects</strong></td>
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<td>$136,672</td>
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**GRAND TOTAL ALL CAPITAL PROJECTS**  
$210,666 $164,308 $217,760 $592,734 $196,335 $396,399 $125,066 $271,333
The Financial Performance Report of income and expenditures is prepared from two sources: actual accounting data as recorded at Virginia Tech and the annual budgets which are also recorded in the university accounting system. The actual accounting data reflect the modified accrual basis of accounting, which recognizes revenues when received rather than when earned and commitments to buy goods and services as encumbrances when obligated and as an expenditure when paid. The Original Budget was approved by the Board of Visitors at the June meeting. The Adjusted Budget reflects adjustments to incorporate actual experience or changes made during the fiscal year. These changes are presented for review and approval by the Finance and Resource Management Committee and the Board of Visitors through this report. Where adjustments impact appropriations at the state level, the university coordinates with the Department of Planning and Budget to ensure appropriations are reflected accurately.

The July to March 2017-18 budget (year-to-date) is prepared from historical data which reflects trends in expenditures from previous years as well as known changes in timing. Differences between the actual income and expenditures and the year-to-date budget may occur for a variety of reasons, such as an accelerated or delayed flow of documents through the accounting system, a change in spending patterns at the college level, or increases in revenues for a particular area.

Quarterly budget estimates are prepared to provide an intermediate measure of income and expenditures. Actual revenues and expenditures may vary from the budget estimates. The projected year-end budgets are, however, the final measure of budgetary performance.
### Operating Budget 2017-18

**Dollars in Thousands**

<table>
<thead>
<tr>
<th></th>
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<th>Original</th>
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<td>Academic Programs</td>
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<td>**All Other Programs *</td>
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<td><strong>Revenue</strong></td>
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<td><strong>Revenues</strong></td>
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<td>$1,312,132</td>
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* All Other Programs include federal work study, surplus property, and unique military activities.

**Presentation Date: June 4, 2018**
OPERATING BUDGET

1. Tuition and Fee revenue collections are ahead of historical projections due to the timing of tuition collection.
2. Support program expenditures are lower than projected due to timing of expenses.
3. The budget for federal revenue is established to match projected allotments from the federal government that are expected to be drawn down during the state fiscal year. All expenses in federal programs are covered by drawdowns of federal revenue up to allotted amounts. Federal revenue in the Cooperative Extension/Agriculture Experiment Station Division was greater than the projected budget due to the timing of federal draw that were requested in 2016-17, but received in 2017-18.
4. Quarterly and projected annual variances are explained in the Auxiliary Enterprises section of this report.
5. Historical patterns have been used to develop a measure of the revenue and expenditure activity for Sponsored Programs. Actual revenues and expenses may vary from the budget estimates because projects are initiated and concluded on an individual basis without regard to fiscal year. Total sponsored research revenues and expenses are less than projected. Total sponsored program expenditures are 0.6% greater than March 31, 2017.
6. Revenue and expenses for All Other Programs were less than projected due to timing of revenues and surplus property expense activity.
7. The University Division General Fund revenue budget was increased by $0.3 million for Health Insurance and other central fund adjustments.
8. At the beginning of the year, the annual budget for Tuition and Fees had been increased $1.7 million for the finalization of the budgets for tuition and Education & General fees. During the second quarter, the budget for Tuition and Fees had been increased $8.6 million due to higher than projected undergraduate enrollment for fall semester, lower than projected enrollment in the graduate programs, and a decrease in Summer session revenues. The budget for Tuition and Fees has been increased by $3.5 million in the third quarter for stronger than projected spring retention and winter session revenues. The corresponding expenditure budgets have been adjusted accordingly.
9. The All Other Income revenue budget for the University Division has been decreased $1.8 million for budget finalizations in Sales and Services and Continuing Education. The budget for Earmarked Sales and Services has been increased by $0.2 million for stronger than projected activity in the Equine Medical Center, $0.15 million for milk sales, $0.06 million for VA Racing Revenue and decreased by $0.03 million for miscellaneous self-supporting activities. The corresponding expenditure budgets have been adjusted accordingly.
10. The Cooperative Extension/Agriculture Experiment State Division General Fund revenue budget was increased $0.05 million for Health Insurance and other central fund adjustments. Federal funds revenue budget was increased $0.1 million for carryover of unexpended federal Hatch funds. The self-generated revenue budget increased $0.24 million for greater than projected self-generated revenues. The corresponding expenditure budgets have been adjusted accordingly.
11. The Sponsored Programs revenue and expense budgets were increased $0.7 million to finalize budgets.
12. During budget finalizations, the Student Financial Assistance general funds revenue and expense budgets were increased $0.7 million. In the first quarter of 2017-18, the Student Financial Assistance revenue and expenditure budgets were increased $0.4 million to support enrollment growth beyond the originally planned enrollment growth.
13. The projected annual budget for All Other Programs was increased $2.2 million to finalize budgets and $0.45 million for outstanding 2016-17 commitments that were initiated but not completed before June 30, 2017.
### Residence and Dining Halls *

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<th>Change</th>
<th>Original</th>
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### Parking and Transportation

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### Telecommunications Services

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### University Services * **

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<td>$47,907</td>
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<td>$48,531</td>
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<tr>
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### Intercollegiate Athletics *

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<td>-68,903</td>
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<td>-8,176 (7,8,9,13)</td>
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<tr>
<td>Reserve Drawdown (Deposit)</td>
<td>8,910</td>
<td>9,167</td>
<td>-257</td>
<td>1,040</td>
<td>1,420</td>
<td>372 (7,8,9,13)</td>
</tr>
<tr>
<td><strong>Net</strong></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
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### Electric Service *

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Change</th>
<th>Original</th>
<th>Adjusted</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>$24,099</td>
<td>$24,913</td>
<td>$-814 (5)</td>
<td>$36,061</td>
<td>$34,720</td>
<td>$-1,341 (14)</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td>-22,578</td>
<td>-24,150</td>
<td>1,572 (5)</td>
<td>-35,531</td>
<td>-34,562</td>
<td>969 (8,9,14)</td>
</tr>
<tr>
<td>Reserve Drawdown (Deposit)</td>
<td>-1,521</td>
<td>-763</td>
<td>-758 (5)</td>
<td>-530</td>
<td>-158</td>
<td>372 (8,9,14)</td>
</tr>
<tr>
<td><strong>Net</strong></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
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### Inn at Virginia Tech/Skelton Conf. Center

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Change</th>
<th>Original</th>
<th>Adjusted</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>$9,515</td>
<td>$9,473</td>
<td>$42</td>
<td>$11,855</td>
<td>$12,337</td>
<td>$482 (15)</td>
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<tr>
<td><strong>Expenses</strong></td>
<td>-9,364</td>
<td>-9,394</td>
<td>30</td>
<td>-11,799</td>
<td>-12,299</td>
<td>-500 (7,8,9,15)</td>
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<td>Reserve Drawdown (Deposit)</td>
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<td>-79</td>
<td>-72</td>
<td>-56</td>
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<td><strong>Net</strong></td>
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<td>$0</td>
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### Other Enterprise Functions ***

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Change</th>
<th>Original</th>
<th>Adjusted</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>$9,682</td>
<td>$9,230</td>
<td>$452</td>
<td>$11,645</td>
<td>$11,109</td>
<td>$536 (16)</td>
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<tr>
<td><strong>Expenses</strong></td>
<td>-16,608</td>
<td>-16,958</td>
<td>350</td>
<td>-8,938</td>
<td>-31,539</td>
<td>-22,601 (7,8,9,16)</td>
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<tr>
<td>Reserve Drawdown (Deposit)</td>
<td>6,926</td>
<td>7,728</td>
<td>-802</td>
<td>-2,707</td>
<td>20,430</td>
<td>23,137 (7,8,9,16)</td>
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<tr>
<td><strong>Net</strong></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
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### TOTAL AUXILIARIES

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Change</th>
<th>Original</th>
<th>Adjusted</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>$290,077</td>
<td>$289,997</td>
<td>$80</td>
<td>$333,313</td>
<td>$341,265</td>
<td>$7,952</td>
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<tr>
<td>Reserve Drawdown (Deposit)</td>
<td>-35,847</td>
<td>-27,906</td>
<td>-7,941</td>
<td>-6,696</td>
<td>26,983</td>
<td>33,679</td>
</tr>
<tr>
<td><strong>Net</strong></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

* University Systems include Dormitory and Dining Hall System, University Services System, Intercollegiate Athletics System, and Electric Service System. The Systems were created to provide assurance to bond holders that system revenues are pledged for the payment of debt service and to allow for dedicated repair and replacement that are not subject to liens of any creditor of the university.

** University Services System includes Career Services, Center for the Arts, Health Services, Recreational Sports, Student Centers & Activities, Student Organizations, and the VT Rescue Squad.

*** Other Enterprise Functions include Golf Course, Hokie Passport, Library Café, Library Photocopy, Licensing & Trademark, Little Hokie Hangout, New Student and Family Programs, Pouring Rights, Printing Services, Software Sales, Student Athlete Academic Support Services (SAASS), Tailor Shop and Clearing Accounts.

** Presentation Date: June 4, 2018**
AUXILIARY ENTERPRISE BUDGET

1. Revenues in Residence and Dining Halls are higher than projected due to residence hall occupancy and self-generated revenue being greater than planned. Expenses are lower than projected due to timing of operating and project expenses.

2. Expenses in Parking and Transportation Services are lower than projected due to timing of operating expenses and Fleet vehicle purchases.

3. Revenues and expenses for Telecommunications Services are lower than projected due to lower than anticipated special project volume.

4. Revenues for the University Services System are higher than projected due to higher than budgeted Health and Recreational Sports program revenues. Expenses are lower than projected due to the timing of Recreational Sports project expenses.

5. Revenue and expenses for the Electric Service auxiliary are lower than projected due to lower than anticipated electricity consumption. Expenses are also lower than projected due to lower than forecasted total cost of purchased electricity.

6. The projected annual revenue, expense, and reserve budgets for Residence and Dining Halls were increased for student enrollment revenue, dining business volume, $0.67 million in Dining equipment, and $1.3 million in Residential facility projects. Revenue and expense budgets were decreased for reduced Steger Center enrollment.

7. The projected annual expense and reserve budgets for Auxiliary Enterprises were increased $0.08 million for state compensation actions for high-turnover positions.

8. The projected annual expense budget for Auxiliary Enterprises was increased $5.9 million for outstanding 2016-17 commitments and projects that were initiated but not completed before June 30, 2017. This amount includes $1.0 million for Residence Halls, $3.2 million in Dining Hall commitments and projects, and $0.3 million for Electric Service. The remainder is spread across the other auxiliary programs.

9. The projected annual expense and reserve draw budgets for the Auxiliary Enterprises were increased $0.46 million for the auxiliary share of the state’s assessment of a one-time Virginia Retirement System (VRS) investment in 2015 which help contain future VRS actuarial rates.

10. The projected annual revenue, expense, and reserve budgets for Parking and Transportation Services were increased for parking permit sales and operating expenses.

11. The projected annual expense and reserve budgets for Telecommunications Services were increased for enhancement of network security software and Roanoke campus network infrastructure.

12. The projected annual expense and reserve budgets for the University Services System were increased for two additional counseling positions and psychiatric nurse practitioner for Cook Counseling Center, Career and Professional Development personnel, health and recreation sports services in Roanoke, Recreational Sports challenge course, and growth in self-generated revenues.

13. The projected annual revenue budget for Intercollegiate Athletics was increased $6.8 million to accommodate additional revenue of $1 million for the football team’s participation in the Camping World Bowl, $3.3 million in self-generated revenue, and $2.5 million in private fundraising for the Cassell seating project, men’s basketball locker room, athlete meals, and indoor practice facility. Annual expense and reserve draw budgets were increased $8.8 million to accommodate increases of $0.9 million for coaching staff transitions, athletic contracts, and competitive compensation, $2.1 million for Camping World Bowl expenses, $3.1 million for sports expenses, $0.3 million for operating expenses, $0.1 million for English Field astroturf, $0.6 million for Cassell seating project, $0.5 million for men’s basketball locker room project, $1.4 million for indoor practice facility capital project, and $0.9 million for videoboards and audio projects. The budget was decreased $1.1 million for the technical realignment of Student Athlete Academic Support Services.

14. The projected annual revenue and expense budgets for the Electric Services auxiliary were decreased due to lower than projected cost of wholesale electricity.

15. The projected annual revenue, expense, and reserve budgets for the Inn at Virginia Tech and Skelton Conference Center were increased for business volume and facility maintenance.

16. The projected annual revenue, expense, and reserve budget for Other Enterprise Functions were increased for additional business volume in Licensing and Trademark and Software Sales, student affairs operating support, $22 million internal financing of board approved Athletics facilities improvements project, and scholarship expenses in Licensing and Trademark. The revenue budget was decreased for lower than projected Printing Services business volume.

Presentation Date: June 4, 2018
## Project Initiated

## Fiscal Year Activity

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Project Initiated</th>
<th>Annual Budget</th>
<th>YTD Budget</th>
<th>State Support</th>
<th>Nongeneral Revenue</th>
<th>Total Bond Budget</th>
<th>Cumulative Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve Kentland Facilities</td>
<td>Sep 2013</td>
<td>$6,000</td>
<td>$27</td>
<td>$9,363</td>
<td>$-</td>
<td>$-</td>
<td>$9,363</td>
</tr>
<tr>
<td>Renovate Undergraduate Science Laboratories</td>
<td>Jul 2016</td>
<td>6,250</td>
<td>921</td>
<td>-</td>
<td>10,000</td>
<td>-</td>
<td>10,000</td>
</tr>
<tr>
<td>Agriculture Production Facilities</td>
<td>Oct 2016</td>
<td>1,080</td>
<td>260</td>
<td>22,136</td>
<td>-</td>
<td>-</td>
<td>22,136</td>
</tr>
<tr>
<td>Chiller Plant Phase II</td>
<td>Oct 2016</td>
<td>4,040</td>
<td>1,221</td>
<td>31,024</td>
<td>-</td>
<td>9,797</td>
<td>40,821</td>
</tr>
<tr>
<td>Holden Hall Renovation</td>
<td>Oct 2016</td>
<td>3,840</td>
<td>998</td>
<td>44,386</td>
<td>-</td>
<td>17,500</td>
<td>61,886</td>
</tr>
<tr>
<td>Gas-Fired Boiler at the Central Steam Plant</td>
<td>Apr 2017</td>
<td>3,375</td>
<td>13</td>
<td>6,800</td>
<td>-</td>
<td>-</td>
<td>6,800</td>
</tr>
<tr>
<td>Planning: Intelligent Infrastructure and Construction Complex</td>
<td>Apr 2017</td>
<td>2,880</td>
<td>66</td>
<td>-</td>
<td>6,000</td>
<td>-</td>
<td>6,000</td>
</tr>
<tr>
<td>Planning: Undergraduate Science Laboratory Building</td>
<td>Jul 2017</td>
<td>2,500</td>
<td>697</td>
<td>-</td>
<td>3,084</td>
<td>-</td>
<td>3,084</td>
</tr>
<tr>
<td>Maintenance Reserve</td>
<td>On-going</td>
<td>12,860</td>
<td>6,752</td>
<td>20,297</td>
<td>-</td>
<td>-</td>
<td>20,297</td>
</tr>
<tr>
<td>Academic Buildings Renewal</td>
<td>Sep 2013</td>
<td>18,600</td>
<td>12,175</td>
<td>35,029</td>
<td>-</td>
<td>-</td>
<td>35,029</td>
</tr>
<tr>
<td>Address Fire Alarm Systems and Access</td>
<td>Jun 2014</td>
<td>1,265</td>
<td>155</td>
<td>4,891</td>
<td>-</td>
<td>-</td>
<td>4,891</td>
</tr>
</tbody>
</table>

## Close-Out

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Project Initiated</th>
<th>Annual Budget</th>
<th>YTD Budget</th>
<th>State Support</th>
<th>Nongeneral Revenue</th>
<th>Total Bond Budget</th>
<th>Cumulative Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classroom Building</td>
<td>Dec 2012</td>
<td>1,050</td>
<td>753</td>
<td>42,652</td>
<td>-</td>
<td>-</td>
<td>42,652</td>
</tr>
<tr>
<td>Biocomplexity Data Center</td>
<td>Sep 2015</td>
<td>500</td>
<td>495</td>
<td>-</td>
<td>5,900</td>
<td>-</td>
<td>5,900</td>
</tr>
<tr>
<td>Eastern Shore AREC Storage Building</td>
<td>Apr 2016</td>
<td>381</td>
<td>324</td>
<td>-</td>
<td>535</td>
<td>-</td>
<td>535</td>
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</table>

### Total Educational and General Projects

<table>
<thead>
<tr>
<th>Total Educational and General Projects</th>
<th>Total Project Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>$75,221</td>
<td>$258,085</td>
</tr>
</tbody>
</table>
1. This project is to provide a metabolism research laboratory, an applied reproduction facility, and a building for animal demonstration, handling, and holding spaces. Bid efforts in 2016 and 2017 were more than ten percent over budget. The university will rebid in June 2018 under a modified bid package and more aggressive outreach effort. The annual budget will be underspent because it anticipated a construction start in fall 2017.

2. This project will renovate seven laboratories within Derring Hall and Hahn Hall for undergraduate science laboratory classes in biology, chemistry, physics, and microbiology. The project was bid in December 2017 and received no responses. The project will be rebid in June 2018 under a modified bid package and more aggressive outreach effort. The annual budget will be underspent because it anticipated a construction start in January 2018.

3. This project is for the first of two phases to renew the existing facilities for the livestock and poultry programs. This first phase includes an approximate total scope of 126,000 gross square feet of new and renovated facilities at the Blacksburg campus and three nearby university production and research farms. Schematic design is nearing completion with preliminary design starting in April 2018. The annual budget will be underspent because it anticipated a construction start in April 2018.

4. This project continues the strategic infrastructure advancements initiated by the Chiller Plant, Phase I project. Phase II includes the upgrade of campus utility systems and addresses several strategic needs for shifting the campus to a lower resource consuming cooling service with improved redundancies. Preliminary design is underway with working drawings expected to start May 2018. The annual budget will be underspent because design has progressed slower than projected.

5. This project is for a complete renovation and 60,000 gross square foot expansion of Holden Hall to accommodate the instruction and research programs of Materials Science and Engineering, Mining and Minerals Engineering, and Computer Science Engineering. Preliminary design is underway.

6. This project will design, purchase, and install a new Gas-Fired Boiler within the Central Steam Plant. Preliminary design is underway. The annual budget will be underspent because design has progressed slower than projected.

7. This planning project is for Hitt Hall, the Fusion Laboratories, and the Smart Dining Center. The total project funding plan calls for $50 million to cover the three programs. Criteria document development for Design-Build is underway. The annual budget will be underspent because design has progressed slower than projected.

8. This planning project is for an entirely state funded 102,000 gross square foot science laboratory building adjacent to the new classroom building. The university is temporarily funding the project and will be reimbursed by the state once construction funding is appropriated. Schematic design is underway. The annual budget will be underspent because design has progressed slower than projected.

9. The state maintenance reserve program requires a biennial budget expenditure of 85 percent, which is $17.3 million of cumulative expenses by June 30, 2018. The annual budget amount reflects the spending level required to slightly exceed the performance requirement.

10. This project is for the renovation of Davidson Hall-Front Section, Sandy Hall, and the Liberal Arts Building. The project is under construction with substantial completion expected in summer 2018.

11. This project supports progress on fire alarm systems and accessibility improvements for E&G buildings. The final two projects, Norris Hall and Litton Reaves Hall, are underway with anticipated completion summer 2018.

12. This project is being delivered under a Public Private Partnership with Carilion Clinic and is located adjacent to the existing Virginia Tech-Carilion Research Institute facility in Roanoke, Virginia. Construction is underway and on schedule for an expected completion date of March 2019. The annual budget will be underspent because construction invoices are slower than expected.

13. The project is complete and occupied since August 2016. The project may be closed and financial accounts terminated when final invoices are received and paid.

14. The project is complete and occupied since July 2017. The project may be closed and financial accounts terminated when final invoices are received and paid.

15. The project is complete and occupied since August 2017. The project may be closed and financial accounts terminated when final invoices are received and paid.
### Capital Outlay Projects Authorized as of March 31, 2018 (Continued)

Dollars in Thousands

<table>
<thead>
<tr>
<th>PROJECT INITIATED</th>
<th>ANNUAL BUDGET</th>
<th>YTD EXPENSES</th>
<th>STATE SUPPORT</th>
<th>NONGENERAL FUND</th>
<th>REVENUE BOND</th>
<th>TOTAL BUDGET</th>
<th>CUMULATIVE EXPENSES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AUXILIARY ENTERPRISE PROJECTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Design Phase</strong></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Wellness Improvements</td>
<td>Jun 2016</td>
<td>$ 2,259</td>
<td>943</td>
<td>$ -</td>
<td>$ 6,010</td>
<td>$ 56,990</td>
<td>$ 63,000</td>
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<tr>
<td>Creativity &amp; Innovation District Residence Hall</td>
<td>Oct 2016</td>
<td>3,200</td>
<td>102</td>
<td>-</td>
<td>-</td>
<td>26,818</td>
<td>26,818</td>
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<tr>
<td>Dietrick First Floor and Plaza Renovation</td>
<td>Sept 2017</td>
<td>500</td>
<td>3</td>
<td>-</td>
<td>5,000</td>
<td>2,000</td>
<td>7,000</td>
</tr>
<tr>
<td>ACC Network Studio</td>
<td>Mar 2018</td>
<td>250</td>
<td>0</td>
<td>-</td>
<td>-</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Student-Athlete Performance Center</td>
<td>Mar 2018</td>
<td>250</td>
<td>0</td>
<td>-</td>
<td>15,165</td>
<td>-</td>
<td>15,165</td>
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<tr>
<td>Commonwealth Ballroom Improvements</td>
<td>Mar 2018</td>
<td>200</td>
<td>0</td>
<td>-</td>
<td>3,246</td>
<td>-</td>
<td>3,246</td>
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<tr>
<td><strong>Construction Phase</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance Reserve</td>
<td>On-going</td>
<td>7,000</td>
<td>6,627</td>
<td>-</td>
<td>7,000</td>
<td>-</td>
<td>7,000</td>
</tr>
<tr>
<td>Lane Substation Expansion</td>
<td>Sept 2015</td>
<td>4,000</td>
<td>1,758</td>
<td>-</td>
<td>2,000</td>
<td>4,500</td>
<td>6,500</td>
</tr>
<tr>
<td>O'Shaughnessy Renovation</td>
<td>Apr 2016</td>
<td>16,000</td>
<td>10,713</td>
<td>-</td>
<td>8,867</td>
<td>12,633</td>
<td>21,500</td>
</tr>
<tr>
<td>Athletic Facilities Improvements</td>
<td>Aug 2016</td>
<td>20,000</td>
<td>23,880</td>
<td>-</td>
<td>37,500</td>
<td>-</td>
<td>37,500</td>
</tr>
<tr>
<td><strong>Close-Out</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unified Communications &amp; Network Renewal</td>
<td>Apr 2012</td>
<td>1,637</td>
<td>727</td>
<td>-</td>
<td>9,564</td>
<td>6,944</td>
<td>16,508</td>
</tr>
<tr>
<td>Upper Quad Residential Facilities</td>
<td>May 2013</td>
<td>4,668</td>
<td>4,946</td>
<td>-</td>
<td>35,671</td>
<td>53,729.00</td>
<td>89,400</td>
</tr>
<tr>
<td>Residential Door Access Improvements</td>
<td>Dec 2015</td>
<td>757</td>
<td>462</td>
<td>-</td>
<td>7,735</td>
<td>-</td>
<td>7,735</td>
</tr>
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</table>

**TOTAL AUXILIARY ENTERPRISE PROJECTS**

<table>
<thead>
<tr>
<th>FISCAL YEAR ACTIVITY</th>
<th>TOTAL PROJECT BUDGET</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>60,721</td>
<td>$ 50,160</td>
<td>$ -</td>
<td>$ 137,758</td>
<td>$ 173,613</td>
<td>$ 311,372</td>
<td>$ 164,941</td>
<td></td>
</tr>
</tbody>
</table>

**GRAND TOTAL**

| 135,942 | $ 78,527 | $ 258,085 | $ 187,842 | $ 224,703 | $ 670,630 | $ 256,510 |
Auxiliary Enterprises Projects

1. This project includes improvements to War Memorial Hall for Cook Counseling; Hokie Wellness; Recreational Sports; Human Nutrition, Foods, and Exercise; and the School of Education. The scope includes deferred maintenance, code requirements, and installing air conditioning. Renovations to Schiffert Health Center in McComas Hall are included to convert the area vacated by counseling services to accommodate student health services. Schematic design is underway.

2. This project is planning a new residential community with approximately 596 beds, including 176 beds for student-athletes, and academic collaborative spaces to support creativity and innovation programs. Schematic design is underway to finalize the scope, size, and shape to fit within a $105.5 million total project budget and schedule for a summer 2021 opening. The current project authorization reflects a traditional 350 bed residential program. The authorization will need a future adjustment based on the results of the programming study.

3. This project includes refurbishing the first floor of Dietrick Hall, inserting a modern food service venue, enclosing 6,400 gross square feet of overhang, and improvements to the outdoor plaza. Schematic design is underway with occupancy expected fall 2019.

4. This project includes improvements and expansion of broadcasting facilities to support the new ACC Network channel to be launched fall 2019. The project was authorized March 26, 2018 and is inserted as a new item in the report for the third quarter. Programming is underway with occupancy expected spring 2019.

5. This project includes a complete renovation of the fourth floor of the Jamerson Center, construction of a balcony cantilevered from the fourth floor, and a new elevator tower. The project was authorized March 26, 2018 and is inserted as a new item in the report for the third quarter. Schematic design is underway with occupancy expected in the first calendar quarter of 2021.

6. This project refurbishes and updates outdated and nonfunctioning lighting systems, stage systems, ceiling tiles, and air handlers. Installation of a Skyfold dividing wall will increase usage capabilities of the Commonwealth Ballroom. The project was authorized March 26, 2018 and is inserted as a new item in the report for the third quarter. Construction is expected to start October 2018 with occupancy expected March 2019.

7. Projects are scheduled and funded by the auxiliary enterprises during the annual Auxiliary Enterprise budgeting process. The units prepare five-year plans that outline their highest priority deferred maintenance needs. The annual budget and total project budget reflect the spending plans of the auxiliary units on scheduled maintenance reserve work for fiscal year 2018. The auxiliary maintenance reserve program covers 104 assets with a total replacement value of $1.1 billion.

8. This project expands the Substation on Innovation Drive. The project includes the purchase and installation of two 28,000 kilovolt-amps (kVA) transformers, two circuit switchers, six distribution reclosers with space for an additional four reclosers, a control house and associated relay, and control equipment. Construction is underway with completion expected summer 2019.

9. This project will update O’Shaughnessy Hall’s interior; mechanical, electrical, and plumbing systems; elevators; address other deferred maintenance items as needed; and installing air conditioning. Improvements include converting O’Shaughnessy into a living-learning community to modernize the residential program. Construction started late spring 2017 with occupancy expected fall 2018.

10. This project includes construction improvements to Rector Field House and the Baseball Facilities and feasibility studies for an athletic nutrition center and tennis facilities improvements. The feasibility studies are complete. Construction for Rector Field House and Baseball Facilities is nearly complete and are in use under a temporary certificate of occupancy. Year-to-date expenses exceeded the annual budget because invoices expected in fiscal year 2017 arrived in fiscal year 2018. Resources are available and sufficient to cover the shifted cash outflows, and total expenditures and commitments are within the authorized budget.

11. This project is substantially complete. The total cost is expected to be $16.508 million. The project may be closed and financial accounts terminated when final invoices are received and paid.

12. This project is substantially complete. The total cost is expected to be $89.4 million. The project may be closed and financial accounts terminated when final invoices are received and paid. Year-to-date expenses exceeded the annual budget because invoices expected in fiscal year 2017 arrived in fiscal year 2018. Resources are available and sufficient to cover the shifted cash outflows, and total expenditures and commitments are within the authorized budget.

13. This project is substantially complete. The total cost is expected to be $7.735 million. The project may be closed and financial accounts terminated when final invoices are received and paid.

RECOMMENDATION:

That the report of income and expenditures for the University Division and the Cooperative Extension/Agricultural Experiment Station Division for the period of July 1, 2017 through March 31, 2018 and the Capital Outlay report be approved.

June 4, 2018
## Project Expenses by Activity

### Third Quarter

<table>
<thead>
<tr>
<th>Activity</th>
<th>Year to Date Expenses</th>
<th>Annual Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design</td>
<td>$5,252</td>
<td>$27,702</td>
</tr>
<tr>
<td>Construction</td>
<td>$99,469</td>
<td>$65,568</td>
</tr>
<tr>
<td>Close Out</td>
<td>$7,707</td>
<td>$8,972</td>
</tr>
</tbody>
</table>

Dollars in Thousands

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**Legend:**
- **Year to Date Expenses**
- **Annual Budget**
Capital Project for Planning the Slusher Hall Replacement

JOINT FINANCE AND RESOURCE MANAGEMENT COMMITTEE
AND BUILDINGS AND GROUNDS COMMITTEE

April 24, 2018

The overall instructional mission of Virginia Tech is the “education of the whole person” which recognizes that a significant and important part of student education happens outside of the classroom. Slusher Hall was built in 1972 and is approximately 125,860 gross square feet with housing capacity for about 630 students. The facility has received few improvements since its original construction, does not meet student expectations, carries a significant deferred maintenance backlog, and requires frequent repairs that interrupt services.

Attracting high quality students in higher education is competitive, and the Housing program is often a critical factor for students because of its link to quality of life and academic support. The residential program has a long-range plan for renovations to refurbish its housing stock. Replacing Slusher Hall is the next facility on this plan, and is part of the program for the Residential Renovations of 1000 beds by 2024 included on the university’s 2018-2024 Capital Outlay Plan approved by the Board of Visitors on September 17, 2017.

The university has determined, because of Slusher Hall’s condition, that the facility should be replaced rather than renovated. To support strategic enrollment growth goals, the university has developed a strategy to ensure maximum bed counts as soon as possible. Under this strategy, the university will first build and occupy a new residential facility neighboring the existing Slusher Hall, then demolish and remove Slusher Hall, and, then build a second building on the site. The total bed count of the new facilities will equal or exceed the existing 630 beds with the intention to maximize the number of beds to the extent practical. The actual size and occupancy of each component will be determined as part of planning activities.

At this time, the university is requesting a $3.5 million planning authorization to prepare design documents through the preliminary design phase. As with all self-supporting projects, the university has developed a financing plan to provide assurance regarding the financial feasibility of this planning project. This funding plan calls for the temporary use of internal cash resources from the Residential Program reserves. This use will be a temporary loan that may be reimbursed as part of a permanent financing package at such time as the entire project moves forward.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral fund capital outlay projects. This request is for a $3.5 million planning authorization to complete preliminary design documents for the Slusher Hall Replacement project. A subsequent request for full project funding may be submitted after designs are underway and a firm scope, cost, funding, and schedule for the entire project are determined.
RESOLUTION OF A CAPITAL PROJECT FOR PLANNING THE SLUSHER HALL REPLACEMENT

WHEREAS, Slusher Hall was built in 1972 with a scope of about 125,860 gross square feet and housing capacity for about 630 students; and,

WHEREAS, the facility has received few improvements since its original construction, does not meet student expectations, carries a significant deferred maintenance backlog, and requires frequent repairs that interrupt services; and,

WHEREAS, the university has determined, because of Slusher Hall’s condition, that the facility should be replaced rather than renovated; and,

WHEREAS, to support strategic enrollment growth goals, the university has developed a strategy to ensure maximum bed counts as soon as practical; and,

WHEREAS, the university will first build and occupy a new residential facility neighboring the existing Slusher Hall, then demolish and remove Slusher Hall, and, then build a second building on the site; and,

WHEREAS, the total bed count of the new facilities will equal or exceed the existing 630 beds with the intention to maximize the number of beds to the extent practical; and,

WHEREAS, the university is requesting a $3.5 million planning authorization to complete preliminary design documents and to fund the planning project with 100 percent nongeneral fund resources derived from Residential Program auxiliary revenues; and,

WHEREAS, the university may submit a subsequent request for full project funding after designs are underway and a firm scope, cost, funding, and schedule for the entire project are determined; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and Virginia Tech, the Board of Visitors has authority to approve the budget, size, scope, and overall funding of nongeneral funded major capital outlay projects.

NOW, THEREFORE, BE IT RESOLVED, that the university be authorized to move forward with a $3.5 million planning authorization for the Slusher Hall replacement project.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to plan the Slusher Hall replacement project be approved.

June 4, 2018
The Board of Visitors approved the Dietrick First Floor and Plaza renovation project with a $7 million total project cost at its September 11, 2017 meeting. The scope and budget for the project resolution were based on a feasibility study from a consultant and internal reviews. Planning work is underway, and schematic design cost reviews reveal the actual total project costs exceed $7 million for the authorized scope.

The university has reviewed and analyzed each construction cost component of the project at the conclusion of schematic design and determined the total construction costs are $6.8 million. The soft costs for design, project management, inspections, equipment, furnishings, etc. are $1.5 million. Thus, the total project costs inclusive of design, construction, and equipment are $8.3 million. The university has reviewed and analyzed opportunities for cost controls and determined a major scope reduction, either elimination of the plaza improvements or elimination of the enclosure for the seat expansion, would be necessary to remain within the current $7 million project budget.

The full project scope is necessary to meet the needs of the dining program and student expectations. The university has developed a financing plan to support the additional $1.3 million of costs necessary to complete the entire scope of work. The plan calls for the use of supplemental debt that will be serviced from Dining Program auxiliary revenues and will impact dining rates by approximately 0.25 percent.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral fund capital outlay projects. This request is for a $1.3 million supplement to adjust the total authorization for the Dietrick First Floor and Plaza Renovation project to $8.3 million.
RESOLUTION OF A CAPITAL PROJECT FOR
THE SUPPLEMENT OF THE DIETRICK FIRST FLOOR AND PLAZA RENOVATION

WHEREAS, Dietrick Hall, built in 1970, is the largest food service facility located in the south residential core of campus; and,

WHEREAS, the Board of Visitors approved the Dietrick First Floor and Plaza renovation project with a $7 million total project cost at its September 11, 2017 meeting; and,

WHEREAS, the scope and budget for the project resolution were based on a feasibility study from a consultant as well as internal reviews and planning work is underway and schematic design cost reviews reveal the actual total project costs exceed $7 million for the authorized scope; and,

WHEREAS, the university has reviewed and analyzed each construction cost component of the project at the conclusion of schematic design and determined the total construction costs are $6.8 million; and,

WHEREAS, the soft costs for design, project management, inspections, equipment, furnishings, etc. are $1.5 million; thus, the total project costs inclusive of design, construction, and equipment are $8.3 million; and,

WHEREAS, the university has reviewed and analyzed opportunities for cost controls and determined a major scope reduction, either elimination of the plaza improvements or elimination of the enclosure for the seat expansion, would be necessary to remain within the current $7 million project budget; and,

WHEREAS, the full project scope is necessary to meet the needs of the dining program and student expectations. The university has developed a financing plan to support the additional $1.3 million of costs which calls for the use of supplemental debt that will be serviced from Dining Program auxiliary revenues and will impact dining rates by approximately 0.25 percent; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral funded major capital outlay projects.

NOW, THEREFORE BE IT RESOLVED, that the university be authorized to move forward with a $1.3 million supplement to adjust the total project authorization for the Dietrick First Floor and Plaza Renovation project to $8.3 million and to secure temporary short-term financing through any borrowing mechanism that prior to such borrowing has been approved by the Board, as applicable, in an aggregate principal amount not to exceed the $8.3 million authorization, plus related issuance costs and financing expenses.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to supplement and complete the Dietrick First Floor and Plaza Renovation project be approved.

June 4, 2018
## Agenda Item

1. Welcome and Opening Remarks  
   Reporting Responsibility: Mr. Mehul Sanghani, Chair

2. Consent Agenda  
   a. Approval of Minutes of November 6, 2017, Meeting
   Reporting Responsibility: Mr. Mehul Sanghani, Chair

3. Update on Search for the Vice President for Human Resources
   Reporting Responsibility: Mr. M. Dwight Shelton, Jr.

4. Overview/Status Report on Human Resources Transformation Project
   Reporting Responsibility: Dr. Lisa Wilkes

5. Division of Information Technology Update
   Reporting Responsibility: Dr. Scott Midkiff

6. Presentation on the Falcon Social Tool
   Reporting Responsibility: Ms. Tracy Vosburgh

7. Presentation on Student-Athlete Demographics
   Reporting Responsibility: Mr. Whit Babcock

8. Future Agenda Items and Closing Remarks
   Reporting Responsibility: Mr. Mehul Sanghani, Chair

*Requires full Board approval*
OPEN SESSION

1. Welcome and Opening Remarks. Mr. Mehul Sanghani, Chair of the Governance and Administration Committee, will welcome committee members, guests, and invited participants. He will then provide information regarding the charge given to the committee by the Rector of the Board to provide recommendations to the Task Force on Board Structure and Governance regarding the student representative selection process, governance, and committee assignments.

2. Consent Agenda. The committee will consider for approval and acceptance the items listed on the Consent Agenda.
   a. Approval of Minutes of the November 6, 2017, Meeting

3. Update on Search for the Vice President for Human Resources. Mr. M. Dwight Shelton, Jr., Interim Senior Vice President for Operations and Administration, and chair of the search committee for the new Vice President for Human Resources, will provide the committee with an update on the status of the search that is under way.

4. Overview/Status Report on Human Resources Transformation Project. Dr. Lisa Wilkes, Interim Vice President for Human Resources, will provide the committee with a status report on the ongoing Human Resources Transformation Project.

5. Information Technology Presentation. Dr. Scott Midkiff, Vice President for Information Technology and Chief Information Officer, will present to the committee on the Division of Information Technology, its mission, and its alignment with the university's mission and strategic initiatives, with emphasis on teaching and learning and research computing.

6. Presentation of the Falcon Social Tool. Ms. Tracy Vosburgh, Senior Associate Vice President for University Relations, will present to the committee on the Falcon social tool and its ability to monitor the university’s social media footprint, as well as facilitate more effective means of sharing news with the community across various platforms. She will be joined by Chief Kevin Foust, Mr. Mike Mulhare, and Mr. Whit Babcock, who will speak to the utilization possibilities of the tool for each of their respective areas.
7. **Presentation of Student-Athlete Demographics.** Mr. Whit Babcock, Director of Athletics, will present to the committee on both Student-Athlete and Athletics’ Faculty and Staff demographics, as well as speak to the department’s diversity and inclusion initiatives.

8. **Future Agenda Items and Closing Remarks.** Mr. Mehul Sanghani, Chair of the Governance and Administration committee, will discuss future agenda items for the committee. He will then offer closing remarks and request a motion for adjournment.
### Agenda Item | Reporting Responsibility
--- | ---
1. Welcome and Acceptance of Agenda | D. Petrine
2. Consent Agenda | D. Petrine

**3. Report of Closed Session Items**

- A. Approval of March 26 Meeting Minutes
- B. Report of Reappointments to Endowed Chairs, Professorships and Fellowships (2)
- C. Approval of 2018-19 Pratt Fund Budgets
  (Shared with the Finance and Resource Management Committee)
- D. Resolution to Discontinue Degree, Bachelor of Science in Environmental Policy and Planning
- E. Resolution to Adopt the Virginia Tech Carilion School of Medicine Student Honor Code, Attributes of Professionalism, and Teacher-Learner Compact
- F. Resolution to Revise the Graduate Honor System Constitution
- G. Resolution to Clarify Faculty Handbook Language on Research Faculty Promotion Process
- H. Resolution to Clarify Faculty Handbook Language on Overload Compensation for Research Faculty Members Teaching Credit Classes
- I. Resolution to Clarify Language in Faculty Handbook on Removal Processes for Research Faculty Members
- J. Resolution to Revise University Policies Regarding Textbooks and Create Guidelines for Open Educational Resources to Comply with Amended Code of Virginia §23.1-1308
- K. Resolution to Approve New and Revised Language in Faculty Handbook Regarding Alumni Distinguished Professors
- L. Report of 2018-19 Faculty Compensation Plan
  (Shared for information purposes by the Finance and Resource Management Committee)
4. Provost's Update
   C. Clarke

5. Student Affairs – Living and Learning Communities
   P. Perillo, F. Keene
   Presentation and committee discussion

6. Academic Affairs
   A. New Degrees: Bachelor of Arts and Bachelor of Science in Science, Technology, and Society (2 resolutions)
      R. Blieszner, D. Breslau
   B. Enrollment Management Report
      L. Havens Gerardo
      Presentation and committee vote to accept annual Enrollment Management Report
   C. College Update: College of Engineering
      J. Ross

7. Council of College Deans Update
   R. Sumichrast

8. Agenda Items for August 2018 Committee Meeting
   D. Petrine

9. Adjourn

* Requires Full Board Approval
Open Session Briefing Report

ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE

New Classroom Building, Room 120
9:00 – 11:30 a.m.
Monday, June 4, 2018

Agenda Item                                      Reporting Responsibility

1. Welcome and Acceptance of Agenda              D. Petrine

   Debbie Petrine, chair of the committee, will convene the meeting, and review the agenda for acceptance by committee members.

2. Consent Agenda                                D. Petrine

   The committee will consider approval of the consent agenda, including meeting minutes, a report on two reappointments to endowed chairs, professorships, or fellowships, approval of the 2018-19 Pratt Fund Budgets (shared with the Finance and Resource Management Committee); the discontinuance of a degree in environmental policy and planning; adoption of the Virginia Tech Carilion School of Medicine Student Honor Code, Attributes of Professionalism, and Teacher-Learner Compact; revisions to the Graduate Honor System Constitution; resolutions clarifying language in the Faculty Handbook pertaining to research faculty on: promotion processes, overload compensation for teaching credit classes, and research faculty removal processes, and a resolution to revise language in the Faculty Handbook pertaining to the appointment of Alumni Distinguished Professors; approving a resolution to comply with amended Code of Virginia §23.1-1308 regarding textbooks and open educational resources; a resolution to approve language for the Faculty Handbook pertaining to Alumni Distinguished Professors, and the Report of 2018-19 Faculty Compensation Plan (shared for information purposes, by the Finance and Resource Management Committee).

3. Report of Closed Session Items                D. Petrine

   D. Petrine will report on actions taken during the Closed Session of the committee including four appointments to emeritus/a status; one appointment to an endowed chair, professorship, or fellowship; approval of two exceptions to the Virginia Conflict of Interests Act; approval of one faculty special leave request, approval of promotions and tenure of 125 faculty members; and ratification of the faculty personnel changes report (shared with the Finance and Resource Management Committee).
4. **Provost’s Update**

Cyril Clarke, interim executive vice president and provost will provide an update to the committee.

5. **Student Affairs**

Patty Perillo, vice president for student affairs, and Frances Keene, interim director of housing and residence life, will present information to the committee on the university’s 11 undergraduate Living-Learning Communities.

6. **Academic Affairs**

**A. New Degrees: Bachelor of Arts and Bachelor of Science in Science, Technology, and Society**

Rosemary Blieszner, dean of the College of Liberal Arts and Human Sciences, and Daniel Breslau, chair of the Department of Science and Technology in Society, will share with the committee information regarding the interdisciplinary field of science, technology, and society (STS) which draws from social sciences and humanities. STS teaches students to examine the ways the development of technologies and the course of scientific research are shaped by social settings and, in turn, the ways in which scientific and technological developments impact society. The committee will consider and vote on two resolutions one each for the bachelor of arts degree in STS and the bachelor of science in STS.

**B. Enrollment Management Report**

Luisa Havens Gerardo, vice provost for enrollment management, will present to the committee the annual report on enrollment management. Included in the report are strategic enrollment initiatives that include outreach and access, recruitment, and yield efforts. The committee annually receives and considers approval of the enrollment management report.

**C. College Update: College of Engineering**

Julia Ross, dean of the College of Engineering, will highlight the college’s academic programs, scholarship, research, and significant contributions to the university’s mission.
7. Council of College Deans Update            R. Sumichrast

Robert Sumichrast, dean of the Pamplin College of Business and representative to the committee from the university’s Council of College Deans, will offer remarks.

8. Agenda Items for August 2018 Committee Meeting        D. Petrine

The committee will discuss items for possible consideration at the August 2018 meeting of the Board of Visitors.

9. Adjourn
The committee will consider for approval and acceptance the items listed on the Open Session Consent Agenda:

A. Approval of March 26, 2018 Minutes
B. Report of Reappointments to Endowed Chairs, Professorships, or Fellowships (2)
*C. Approval of 2018-19 Pratt Fund Budgets
   (Shared with the Finance and Resource Management Committee)
*D. Resolution to Discontinue Degree, Bachelor of Science in Environmental Policy and Planning
*E. Resolution to Adopt the Virginia Tech Carilion School of Medicine Student Honor Code, Attributes of Professionalism, and Teacher-Learner Compact
*F. Resolution to Revise the Graduate Honor System Constitution
*G. Resolution to Clarify Faculty Handbook Language on Research Faculty Promotion Process
*H. Resolution to Clarify Faculty Handbook Language on Overload Compensation for Research Faculty Members Teaching Credit Classes
*I. Resolution to Clarify Language in Faculty Handbook on Removal Processes for Research Faculty Members
*J. Resolution To Revise University Polices Regarding Textbooks and Create Guidelines for Open Educational Resources to Comply with Amended Code of Virginia §23.1-1308
*K. Resolution to Approve New and Revised Language in Faculty Handbook Regarding Alumni Distinguished Professors
L. Report of 2018-19 Faculty Compensation Plan
   (Shared for information purposes by the Finance and Resource Management Committee)

* Requires Full Board Approval
Minutes
ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE
Inn at Virginia Tech and Skelton Conference Center
Monday, March 26, 2018

Committee Members Present:
Debbie Petrine, chair, Tish Long, Brett Netto (graduate student representative), Hans Robinson (faculty representative), Wayne Robinson. Regrets: Chris Peterson

Board Members Present:
Greta Harris, Anna James, Seyi Olusina (undergraduate student representative), Robert Sebek (staff representative), Dennis Treacy, Horacio Valeiras.

Guests:

OPEN SESSION

1. **Welcome and Acceptance of Agenda.** Debbie Petrine, chair of the committee, welcomed committee members and attendees to the committee’s Open Session. The agenda was accepted.

2. **Report of Closed Session Items.** D. Petrine reported on actions taken in the joint Closed Session of the Academic, Research, and Student Affairs Committee and the Finance and Resource Management Committee. The committee approved 15 appointments to Emeritus or Emerita status, 14 appointments to Endowed Chairs, Professorships, or Fellowships, 75 faculty research leave requests, and one academic honor.

   The Faculty Personnel Changes Report for the quarter ending December 31, 2017 was unanimously ratified by the Academic, Research, and Student Affairs committee and the Finance, Audit, and Resource Management committee.

3. **Consent Agenda.** The committee unanimously approved or accepted the items listed on the Open Session Consent Agenda including the minutes of the committee’s November 6, 2017 meeting, a report of reappointments to endowed
chairs, professorships, or fellowships, and one appointment to the Virginia Coal and Energy Research and Development Advisory Board.

The committee unanimously approved the items on the Consent Agenda.

4. **Provost’s Update.** Cyril Clarke, interim executive vice president and provost, brought several items to the attention of the committee. The Beyond Boundaries initiative is a comprehensive evaluation of the future of the university that lays out core elements at the center of the institution’s mission while underscoring the university’s commitment to service. In addition to confirming the university’s commitment to being a comprehensive institution, the Beyond Boundaries initiative positions the university to identify areas of excellence. These areas of excellence are expressed in the five Destination Areas and four Strategic Growth Areas. Implementation of these areas is supported by a new academic budgeting process that is adaptive and responsive to the university’s aspirations. To date, resources for the Destination Areas include 54 dedicated faculty lines: 19 of the lines are filled and 35 searches are underway. Two-thirds of the current searches are cluster hires in which faculty from varied disciplines work collaboratively on the same Destination Area. Advancing diversity is an intentional element of these hires and the colleges and provost’s office are financially supporting new hires with broad and diverse representation. The budgeting process, called the Partnership for an Incentive Based Budget (PIBB), is a comprehensive budget model designed to provide incentives for meeting established goals in departments and colleges.

The university continues to make progress on the acquisition and integration into the university of the Virginia Tech Carilion School of Medicine (VTCSOM) scheduled for July 1, 2018. The Executive Committee of the Board of Visitors met and approved three resolutions necessary for submission to the university’s accreditation agency, the Southern Association for Colleges and Schools Commission on Colleges (SACSCOC). The Faculty Senate, Commission on Faculty Affairs, and the University Council offered support of the integration. The VTCSOM Board of Directors met and approved the integration of the school into the university. Several agreements between the partners are in process and personnel are on track to transfer from Carilion to the university in April.

The university can celebrate the creation of a new program in the honors college supported by a generous gift from Virginia Tech alumnus David Calhoun, ’79. The Calhoun Honors Discovery Program is a cross-college program that will use team-based learning dedicated to interdisciplinary problem solving. The initiative is an opportunity for the university to launch a substantive pilot program to test thematic areas of learning and scholarship.

Overall, after several months as interim, the provost’s observation is a positive one. As an entity within the university, academic affairs is running smoothly with good relationships between the administration, the Faculty Senate, and the Commission on Faculty Affairs. The academic deans are constructively engaged especially with foundational initiatives such as Destination Areas and the
associated hiring. There are exciting developments in Roanoke and in the National Capital Region including discussions on how the university can support initiatives that are important to the commonwealth’s research and other goals.

5. **Research.** Theresa Mayer, vice president for research and innovation, led a discussion with the committee regarding Virginia Tech’s role in advancing innovation-led growth and high-quality job creation across the commonwealth. A number of factors, including the formation of the Virginia Research Investment Fund (VRIF) and the release of the final report of the Commonwealth Research Asset Assessment Study, are changing statewide discussions and leading to exciting opportunities for higher education institutions in the commonwealth.

Two Virginia Tech-led teams were awarded $2.92M by the VRIF by the VRIF in its first round.

Released in January 2018, the TEConomy Partners LLC report, is an assessment of Virginia’s research assets. The report, Strategic Directions to Advance Innovation-Led Growth and High-Quality Job Creation across the Commonwealth, was prepared for the State Council of Higher Education for Virginia (SCHEV) on behalf of the Virginia Research Investment Committee. The report evaluated Virginia’s current capabilities in the commercialization of its academic research and development (R&D), assessed Virginia’s future opportunities and capacities for commercializing the results of academic R&D, and developed recommendations on where and how the commonwealth should direct its resources to accomplish the Virginia Research Investment Committee’s (VRIC) mandate.

Among the report’s findings, the study revealed that the commonwealth’s innovation ecosystem is underperforming, and that Virginia declined in overall research funding from 2010 to 2015 while the nation grew. Virginia Tech is well positioned to support the efforts of the commonwealth and the recommendations outlined in the report. Strategies include growing public-private collaborations in advancing translational research; strengthen university technology transfer and commercialization; bridge the gap between university research and Virginia-based company innovation; shore up Virginia’s regionally based innovation and generate more start-ups and advance high-growth companies.

6. **Student Affairs.** Patty Perillo, vice president for student affairs, led the committee in a discussion regarding trends shaping the current student culture and how student affairs is responding. Students born between 1995 and 2012 are sometimes referred to as the iGen or Generation Z (Twenge, 2017). Drawing from four large national studies, research has identified several trends that reflect changes in today’s students and provide insight into how to best support student development and progress. The Division of Student Affairs continuously collects information and data from students and other sources to shape and inform decisions regarding supporting student development while they are at Virginia Tech. An integrated model of well-being guides the division’s delivery of a vast
array of programs and services with the goal of providing continuity of care for every student.

7. Academic Affairs

A. Enrollment Management Update. J. Espinoza, assistant vice provost for enrollment management, reported to the committee on current efforts in admissions and other enrollment management areas. The enrollment management group is adjusting recruitment, admissions, and enrollment processes and programs to support and advance the university’s priorities. These adjustments will continue to roll out over the next admissions cycle.

For the freshman class of 2021, the university received 27,266 applications, made offers of admission to 18,776 individuals, and 7,075 accepted admission. For the freshman class of 2022, the university received 32,121 applications, made early-decision offers to 1,341 individuals and made regular admission offers to 16,699 individuals. The growth in applications represents an 18.7% growth in total undergraduate applications received in 2017. The university continues to experience an annual increase in the percentage of in-state and out-of-state applicants, international applicants, and applicants who identify as American Indian/Alaska Native, African American, Hispanic, or two or more races.

B. College Update. Alan Grant, dean of the College of Agriculture and Life Sciences, provided the committee with an update on the college including Extension. The college continues to lead the university on meeting its land-grant teaching, research, and Extension missions for the commonwealth. The college uses evolving technology, scholarship, and research and has impact across the commonwealth through 108 local Extension offices, 11 Agricultural Research and Extension Centers (ARECs), two departmental research centers. Virginia Tech and Virginia State University (located in Petersburg, VA) serve as the two land grant institutions for the commonwealth. The college organizes its student, faculty, research, teaching, learning, and Extension activities and facilities through its mission to create healthy communities along several dimensions: environment, economy, food, and health.

8. Council of College Deans Update. Robert Sumichrast, dean of the Pamplin College of Business and representative to the committee from the Council of College Deans, shared with the committee that the university’s promotion and tenure process has concluded successfully due to the tremendous amount of work on the part of all involved. The process was thorough and thoughtful. The college deans are in full support of the Destination Areas (DAs) including the current and future commitments to research and instruction by faculty members participating in the DAs. As Virginia Tech looks to the future, the deans welcome the opportunity to have the DAs and Strategic Growth Areas (SGAs) well represented in the university’s strategic plan. Calibrating the speed with which DAs are implemented and the manner in which the university allocates resources to the DAs will be important for future planning.
College resources are challenged by needs associated with infrastructure and faculty start-ups. Resources are needed to address deferred maintenance (in lab space, for example). Sally Morton, dean of the college of science, convened an ad-hoc committee to look at department-level startup requests and found that the university was in line with national trends. The ad-hoc committee suggested the allocation of additional resources and developing mechanisms to share space and equipment.

9. Agenda Items for June 2018 Committee Meeting. D. Petrine asked for discussion of additional items for inclusion on the agenda for the June board meeting. Agenda development will be finalized by the end of April. In addition to standing items, and items requiring a committee or board vote, possible agenda items include: information from the Division of Student Affairs on ways in which the university is addressing diversity and inclusivity for students; a demonstration of the presentation delivered to prospective students; an update on technology transfer from the Research and Innovation Division; information on the retention of faculty from the office of the provost; and update on faculty hires associated with the Destination Areas.

10. Adjourn
Reappointments to Endowed Chairs, Professorships, or Fellowships (2)

June 4, 2018

College of Engineering (2)

Maury Nussbaum  
Hal G. Prillaman Professorship

Stefan Duma  
Harry Wyatt Professorship
ENDOWED PROFESSORSHIP
Hal G. Prillaman Professor of Industrial and Systems Engineering

The Hal G. Prillaman Professorship in Industrial and Systems Engineering was established by a generous gift from Mr. Hal G. Prillaman, class of 1955. Mr. Prillaman received his bachelor of science degree in industrial engineering and is a member of the department’s Academy of Distinguished Alumni.

In concurrence with recommendations of the Industrial and Systems Engineering Honorifics Committee and Interim Department Head Eileen Van Aken, Dean Julia Ross nominates Dr. Maury Nussbaum to be re-appointed to the Hal G. Prillaman Professorship in Industrial and Systems Engineering.

Dr. Nussbaum has faithfully served Virginia Tech as a faculty member for 22 years, having joined the university in 1996 as an assistant professor. He currently holds the rank of professor in the Department of Industrial and Systems Engineering and holds the Hal G. Prillaman Professorship.

Dr. Nussbaum has developed and taught innovative courses in industrial and systems engineering to hundreds of students. He has established a world-class research program in occupational biomechanics, the modeling of lumbar spine kinetics and kinematics, artificial neural networks, industrial ergonomics and work physiology, and related topics.

Dr. Nussbaum has advised 49 graduate students to completion, has authored or co-authored 190 journal articles, and has participated as principal investigator or co-principal investigator on more than $15M in funded research projects.

Dr. Nussbaum is active in service and outreach and has received significant recognition in the industrial engineering community for his scholarship and leadership – for example, he is a Fellow of four professional societies, including the Institute of Industrial and Systems Engineers. He is also the editor of the IISE Transactions on Occupational Ergonomics and Human Factors. In summary, he is an outstanding citizen of his department, college, university, and profession.

REAPPOINTMENT:

The president and interim executive vice president and provost have confirmed the reappointment of Dr. Maury Nussbaum to the Hal G. Prillaman Professorship, effective August 10, 2018 for a period of five years, with a salary supplement and operating budget as provided by the endowment and, if available, with funds from the eminent scholars match program.

June 4, 2018
ENDOWED PROFESSORSHIP
Wyatt Professorship

In concurrence with the recommendation of the department head of Biomedical Engineering and Mechanics, Dean Julia Ross recommends that Dr. Stefan Duma be reappointed as the Harry Wyatt Professor in Engineering.

Dr. Duma earned his Ph.D. in mechanical engineering from the University of Virginia in 2000. He received a B.S. in mechanical engineering from the University of Tennessee in 1995, and an M.S. in industrial engineering from the University of Cincinnati in 1996. He joined the Virginia Tech Department of Mechanical Engineering in 2000 and was promoted to full professor in 2006. Dr. Duma founded the Virginia Tech-Wake Forest Center for Injury Biomechanics in 2003, a center that has become internationally recognized as the premier center for the study of human impact injury. Since 2009, Dr. Duma has served as the department head for the Virginia Tech-Wake Forest University School of Biomedical Engineering and Sciences, which merged into the Department of Biomedical Engineering and Mechanics in 2014. In 2017, Dr. Duma became and currently serves as the director of the Institute for Critical Technology and Applied Science (ICTAS) at Virginia Tech.

Dr. Duma is internationally recognized for his landmark studies in injury biomechanics and traumatic brain injury. He is a prolific author who has published over 480 technical papers in the field of injury biomechanics including 144 peer reviewed journal papers and two books. Dr. Duma has been awarded over $50M in external funding from sources including the National Institutes of Health, the National Science Foundation, the U.S. Department of Defense, the U.S. Department of Transportation, the Federal Aviation Administration, and several industry sponsors. He is a Fellow of the Association for the Advancement of Automotive Medicine (AAAM), the Biomedical Engineering Society (BMES), and the American Institute for Medical and Biological Engineering. He also serves as the editor of the Annals of Biomedical Engineering (AMBE) and associate editor of the journal Accident Analysis and Prevention (AAP).

REAPPOINTMENT:

The president and interim executive vice president and provost have confirmed the reappointment of Dr. Stefan Duma to the Harry Wyatt Professorship in Engineering, effective August 10, 2018, with a salary supplement and operating funds as provided by the endowment and, if available, with funds from the eminent scholars match program.

June 4, 2018
Pratt Funds Overview

ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE
AND
FINANCE AND RESOURCE MANAGEMENT COMMITTEE

April 20, 2018

In 1975, the university received a significant bequest from the estate of Mr. John Lee Pratt of Stafford County, following his death on December 20, 1975. The bequest was divided equally into two distinct parts, one to support Animal Nutrition and one to support the College of Engineering. According to the will, the bequest for Animal Nutrition was to be used to promote the study of animal nutrition by supplementing salaries, providing equipment and materials to be used for experiments in feeding and in the preparation of feeds for livestock and poultry, and publishing and disseminating the research results of the studies. The will provided that the bequest for the College of Engineering should be used to support research and scholarships.

Distributions of the Pratt Estate were received in several installments: $9,561,819 in 1976, $1,330,000 in 1977, $47,000 in 1979, and $30,164 in 1981, for a total of $10,968,983. The Pratt endowment has grown to $47.5 million as of March 31, 2018. The following paragraphs summarize some of the major accomplishments of the College of Engineering and the Animal Nutrition Programs that are directly tied to the funding provided by the Pratt estate.

When the Pratt Endowment was originally established, the College of Engineering was in the early stages of becoming a nationally recognized leader in engineering education and research. The Pratt Endowment has played a significant role in allowing the College to enrich its pool of students, to offer additional international study opportunities to students, and to provide increased support for its research.

Income from the Pratt Endowment provides an unusual opportunity to support an animal nutrition program of high quality. Use of these Endowment earnings have concentrated on enhancing research and educational opportunities beyond what departments could do with state and federal funding. The main funding strategy remains with strong support for Ph.D. training, direct research support, scientific equipment, and visiting professors that stimulate and inspire the faculty and students engaged in nutrition research.
2018-2019 PRATT FUND BUDGET PROPOSAL

Pursuant to the spending policy adopted for the Pratt Estate Fund, it is anticipated that additional income of $1,969,166 will be available for expenditure in FY 2018-2019. Targets of $999,333 and $969,833 were given respectively to the College of Engineering and to the Animal Nutrition Programs.

**College of Engineering**

Source of Funds:
- Endowment Income $999,333

Proposed Expenditures:
- Undergraduate Scholarships $507,583
- Undergraduate International Scholarships 60,000
- Graduate International Scholarships 30,000
- Graduate Tuition Scholarships 96,750
- Graduate Research Fellowships 182,000
- Graduate Recruitment for Research Programs 123,000

**Total Proposed Expenditures** $999,333

**Animal Nutrition**

Source of Funds:
- Endowment Income $969,833

Proposed Expenditures:
- Animal Nutrition Research and Scholarship $969,833

**Total Proposed Expenditures** $969,833

**RECOMMENDATION:**

That the proposed 2018-2019 allocation and use of Pratt Funds be approved.

June 4, 2018
RESOLUTION TO DISCONTINUE BACHELOR OF SCIENCE DEGREE IN 
ENVIRONMENTAL POLICY AND PLANNING 

WHEREAS, the bachelor of science in environmental policy and planning was established in 1997; and 

WHEREAS, the degree has been earned by 360 students over the past 20 years; and 

WHEREAS, the administrative location of the undergraduate program is being moved within the College of Architecture and Urban Studies from the Urban Affairs and Planning program to the School of Public and International Affairs (SPIA); and 

WHEREAS, the bachelor of arts in public and urban affairs (PUA) will be the only degree offered by SPIA; and 

WHEREAS, a new environmental policy and planning major will be offered under the PUA degree; and 

WHEREAS, a teach-out plan has been developed to ensure students currently enrolled in the bachelor of science may complete and be awarded the bachelor of science in environmental policy and planning; and 

WHEREAS, spring 2018 will be the last semester for admitting students to the bachelor of science in environmental policy and planning; and 

WHEREAS, current students in the bachelor of science in environmental policy and planning have been informed that the degree will be discontinued and they have until December 2021 to complete the degree requirements; and 

WHEREAS, current students who plan to graduate in spring 2020 (or after) will have the option of transitioning to the new environmental policy and planning major under the PUA degree; now, 

THEREFORE, BE IT RESOLVED, that the bachelor of science in environmental policy and planning be discontinued, effective fall 2021. 

RECOMMENDATION: 
That discontinuance of the bachelor of science in environmental policy and planning be approved effective fall 2021. 

June 4, 2018
RESOLUTION TO ADOPT THE VIRGINIA TECH CARILION SCHOOL OF MEDICINE STUDENT HONOR CODE, ATTRIBUTES OF PROFESSIONALISM, AND TEACHER-LEARNER COMPACT

WHEREAS, Virginia Tech is acquiring and integrating the Virginia Tech Carilion School of Medicine (VTCSOM) effective July 1, 2018, and

WHEREAS, by statute, the Virginia Tech Board of Visitors is charged with regulating the government and discipline of students, and

WHEREAS, prior to integration, the VTCSOM as an independent school properly promulgated and instituted student honor and conduct policies and procedures; and

WHEREAS, the independent VTCSOM included its Honor Code, Attributes of Professionalism, and Teacher-Learner Compact documents in the review and subsequent accreditation by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) and the Liaison Committee on Medical Education (LCME); now

THEREFORE, BE IT RESOLVED, that the Virginia Tech Board of Visitors affirms that the policies and procedures outlined in the student Hokie Handbook including the Virginia Tech Student Code of Conduct apply to VTCSOM students, and

BE IT FURTHER RESOLVED, that the Virginia Tech Board of Visitors approves and adopts the VTCSOM Honor Code, Attributes of Professionalism, and Teacher-Learner Compact policies as attached (attachments A, B, C, and D); and

BE IT FURTHER RESOLVED, that the Board of Visitors directs the university’s administration to reference or integrate, as appropriate, into university policies, handbooks, and procedures the VTCSOM Honor Code, Attributes of Professionalism, and Teacher-Learner Compact policies, and

BE IT FURTHER RESOLVED, that after July 1, 2018 revisions to the VTCSOM Honor Code, Attributes of Professionalism, and Teacher-Learner Compact will be submitted by the VTCSOM, in collaboration with the Division of Student Affairs and/or the Office of the Vice President and Dean for Graduate Education, for approval through appropriate university governance processes for final approval by the Board of Visitors.

RECOMMENDATION:
That the Board of Visitors approve to approve the resolution to adopt the VTCSOM Honor Code, Attributes of Professionalism, and Teacher-Learner Compact policies.

June 4, 2018
VTCSOM Honor Code

The Virginia Tech Carilion School of Medicine (VTCSOM) values the ability to trust the academic honesty and integrity of the students who matriculate through the curriculum and enter the field of medicine with a VTCSOM medical doctorate. It is imperative that students feel duty-bound to not only maintain allegiance to the VTCSOM Honor Code as individuals, but to expect the same Honor Code loyalty from the entire student body, faculty, and staff. Therefore, any individual who is not accountable to the Honor Code will be held responsible by students and administration alike.

Allegiance to the Honor Code requires students to pledge commitment to the following tenets:

- I will not cheat on any examination or assignment.
- I will not plagiarize any assignment.
- During exam reviews, I will not copy, record, or disseminate exam information.
- I will not create or report fictitious research data.
- I will not inappropriately access or use patient information, nor will I falsify patient documents.
- I will not condone, permit, or enable cheating or plagiarizing by other students.
- If I witness an Honor Code violation, I will report the violation to the Senior Dean for Student Affairs or other dean. I will then maintain confidentiality about the incident.
- If I learn of an Honor Code violation, I will maintain confidentiality regarding the details of the violation and thus not discuss it with other students, faculty, or staff. If I have concerns about what I heard, I will talk to the Senior Dean for Student Affairs.
- I will not harass any student who violates or reports an Honor Code violation.

I hereby attest that I have read, understand, and commit to uphold the Virginia Tech Carilion School of Medicine Honor Code.

Student Signature: _____________________________  Date: ______________________
Attributes of Professionalism

An essential task in the professional development of a medical student is to gain an understanding of the fundamental principles of the medical profession and attributes of the medical professional and to commit to the integration of these principles and attributes into her/his professional identity.

VTCSOM endorses the following attributes of professionalism as guiding principles of medical education and as consistent with the stated mission of VTCSOM to “produce physician thought leaders through an educational experience grounded in inquiry, research, and discovery” who will be prepared to serve patients in the most capable and compassionate manner. The following attributes apply to the classroom, the research laboratory, and the clinical settings.

Commitment to Engaged Learning: acknowledges primary responsibility for successful completion of the degree; demonstrates commitment to her/his own professional competence; punctual; attends required classes, clinics, or other required events; seeks additional knowledge and skills; seeks feedback; willing to assist other learners.

Compassion: considerate; displays empathy; listens attentively and responds humanely to the needs of patients; treats patients and families with dignity.

Conscientiousness: takes initiative; is flexible; delegates effectively; accepts personal responsibility for mistakes; asks for help when needed; maintains accurate information in patient records; discloses medical error when appropriate.

Respect: respectful of peers, faculty, staff, patients, and families; respects privacy and confidentiality.

Self-Awareness: fosters continued professional development; demonstrates emotional intelligence; maintains appropriate boundaries with patients and colleagues; avoids inappropriate sharing of health information of others; recognizes position as a role model for others.
**Self-Care:** maintains personal health and hygiene; seeks advice, counsel, or tutoring when recommended by others; avoids harmful behaviors; avoids inappropriate remarks; adheres to local dress codes.

**Sense of Duty:** completes assigned duties; sets and achieves realistic goals; follows policies; responds promptly when called; is detail-oriented; accepts inconvenience in meeting the needs of patients; volunteers one’s skills and expertise for the welfare of the community; seeks active roles in organizations.

**Social Responsibility:** demonstrates an unselfish regard for others (altruism); advocates for quality in the care of patients recognizes and addresses the social determinants of health as applies to patients and communities; advocates for reducing disparities in health care; understands the threats to medical professionalism posed by conflicts of interest.

**Teamwork:** works well with others; adheres to polices on authorship of documents; inspires trust; is respectful of different socioeconomic backgrounds and cultural traditions; is sensitive to team member needs; respects authority; provides honest, respectful feedback.

**Trustworthiness:** displays honesty and ethical behaviors in all academic pursuits including study and research; is honest in interactions with patients, peers, and the community; does not report private academic information of other students.

**Companion policies include:**

- Honor Code
- Teacher-Learner Compact
- Violations of the Honor Code and/or Attributes of Professionalism
- Use of Human Cadavers and the Virginia Intercollegiate Anatomy Laboratory (VIAL)
- Social Media
- Dress code
Virginia Tech Carilion School of Medicine (VTCSOM)

Statement: Violations of the Honor Code, Attributes of Professionalism and/or Teacher-Learner Compact
Subject: Student Affairs
Administrator: A. Knight
Rev.: 3
Original date: 9/12/2017
Revision dates: 12/8/2016, 8/2/2017

1 Purpose
VTCSOM takes the precepts outlined in the Attributes of Professionalism, the VTCSOM Honor Code, and the Teacher-Learner Compact quite seriously and has developed a prescribed process regarding alleged student violations of either of them. The Medical Student Performance and Promotion Committee (MSPPC) is delegated the ultimate responsibility for overseeing the student conduct system. The process of addressing concerns is an incremental one, and could involve a hearing by the MSPPC to consider varying actions (see below) that would affect the status of a medical student at VTCSOM up to and including dismissal from VTCSOM.

2 Policy
Definitions of the various committees
1. Medical Student Performance and Promotion Committee (MSPPC)- the VTCSOM committee delegated with the ultimate responsibility for overseeing the student conduct system. The membership of the MSPPC is further described in the student and faculty handbooks.
2. Student Conduct Committee- a sub-committee of the MSPPC which conducts the initial hearings related to violations of the VTCSOM Attributes of Professionalism and/or Teacher-Learner Compact and reports to the MSPPC. The committee is made up of one representative from each of the four value domains (Basic Science, Clinical Science, Research, and Interprofessionalism), two students who are not members of the MSPPC, and the Senior Dean for Student Affairs. The committee is chaired by the Senior Dean for Academic Affairs.
3. Honor Council- a sub-committee of the MSPPC which conducts the initial hearings related to violations of the VTCSOM Honor Code and reports to the MSPPC. The committee is chaired by the Senior Dean for Academic Affairs and composed of the chair and two students who are not members of the MSPPC.

Honor Code Violation
Circumstances may arise when a faculty member, staff member, medical school administrator, resident physician, other healthcare worker, fellow student, or other individual involved directly or indirectly with medical student education feels that a student has violated the terms of the VTCSOM Honor Code. When this occurs, the following process should be followed.
1. Any individual who witnesses a potential violation of the Honor Code should report this to the Senior Dean for Academic Affairs.
2. The Senior Dean for Academic Affairs will convene a meeting of the Honor Council.
3. The Honor Council will meet with the involved student and the individual(s) filing the allegation as soon as possible and within five (5) business days. The Senior Dean for Student Affairs will be present in support of the student; the student may self-select one additional support person. The student will be given an opportunity to explain or rebut any of the evidence or information concerning conduct or circumstances contained in the written allegation.

**Student Violation of the Attributes of Professionalism and/or Teacher-Learner Compact**

Circumstances may arise when a faculty member, staff member, medical school administrator, resident physician, other healthcare worker, fellow student, or other individual involved directly or indirectly with medical student education feels that a student has exhibited an action or behavior that they would consider unprofessional or academically dishonest in nature and/or could be in violation of the Attributes of Professionalism and/or the Teacher-Learner Compact but does not rise to the level of an Honor Code violation. When this occurs, the following process should be followed. The incremental process identifies a hierarchy of individuals who may address the concern.

1. The individual who has witnessed or experienced the behavior may address their concern directly with the student, identifying the specifics of their concern and requesting that the behavior stop or other action be taken to correct the situation.
2. If that fails to correct the situation or if the individual so chooses, he/she may address his/her concern verbally or in writing with whomever would be considered their direct report or the student’s direct supervisor in the context in which the concerning behavior has occurred.
3. If that fails to correct the situation or if the individual so chooses, he/she may address his/her concern with the appropriate Domain or Clerkship Director.
4. If that fails to correct the situation or if the individual so chooses, he/she may address his/her concern with either the Senior Dean for Student Affairs or the Senior Dean for Academic Affairs (or designee).
5. Once any individual involved in the process has determined that they will address the concern, they must meet with the student within three (3) business days of when the concern is brought to their attention. During this meeting they are to discuss the nature of the concern/s and identify possible resolution. Should an understanding be reached regarding a resolution, all those who were involved in the process will be informed of the proposed resolution by the person who addressed the concern. If the behavior continues or is repeated after an apparent resolution has been determined, this should be reported in writing the Senior Dean for Student Affairs or the Senior Dean for Academic Affairs (or designee) and request that the Student Conduct Committee be convened.
6. If the person who initially raised the concern is not satisfied with the outcome of the initial inquiry, they may request that the concern be forwarded to the Senior Dean for Student Affairs or the Senior Dean for Academic Affairs (or designee) and request that the Student Conduct Committee be convened.
7. At any point in this process, based on the nature of the concern, the repetitive nature of it, the comfort of the individual in addressing the concern, or the student’s response when the concern is brought to their attention, any of the above individuals may bring the concern directly to the Senior Dean for Student Affairs or
the Senior Dean for Academic Affairs (or designee) and request that the Student Conduct Committee be convened.

8. All concerns brought to Senior Dean for Student Affairs or the Senior Dean for Academic Affairs (or designee) with a request that the Student Conduct Committee be convened should be in writing, specifying in appropriate detail the nature of the concern. The receipt of such information by Senior Dean for Student Affairs or the Senior Dean for Academic Affairs (or designee) will automatically lead to a formal investigation of the concern by the Student Conduct Committee and will be done within three (3) business days.

9. Though not required, the Senior Dean for Student Affairs encourages any concerns regarding student conduct to be brought to his/her attention, even if a satisfactory resolution has been reached. This should be done in writing. If this is done, the communication should specify that no further action is requested (“FYI”).

10. If during the investigation into the complaint it is felt that the accusation/s made against the student are unwarranted or frivolous, such actions would be addressed with the direct supervisor of the individual who initially raised the concern.

11. Once a formal investigation is initiated by the Student Conduct Committee, it is considered unprofessional conduct for an accused student to share the details of this investigation with anyone without prior permission from the Senior Dean for Student Affairs. The frivolous, gratuitous, and/or damaging spread of information is an unprofessional action and could in itself result in the student being referred to the MSPPC for disciplinary action.

Protecting Confidentiality:
Circumstances may arise when an individual feels the need to bring forth a concern regarding a student to the school administration but for whatever reason desires to remain anonymous. In such circumstances, the individual is encouraged to contact their supervisor to initiate the grievance. The process of addressing the concern would be that listed above, with the exception that the individual who addresses the concern with the student would be the supervisor who would serve as the proxy for the person who brought forth the concern and wished to remain anonymous. It must be recognized that the ongoing desire for anonymity on the part of the person raising the concern may limit those involved with investigating the complaint and attempting to determine a resolution.

Suspension from School:
In circumstances when it is felt that a student’s presence on campus or in the clinical setting, based on the nature of the concern, could have the potential to adversely impact the safety and/or well-being of others, that student may be placed in a suspension status and barred from campus by joint agreement of the Senior Dean for Student Affairs and the Chair of the MSPPC pending an MSPPC hearing. Should this occur, the Dean must be notified in writing and an emergency meeting of the MSPPC must be held within 3 business days to review the circumstances of the violation and make recommendations. The student’s suspension status would be reviewed as part of the emergency meeting and could be extended by a determination of the MSPPC.
3 Procedures

Hearing related to an Honor Code Violation

1. The individual who witnessed the potential violation of the Honor Code should report this to the Senior Dean for Academic Affairs.
2. A confidential file maintained by the Senior Dean for Student Affairs will be created. Access to this file shall be restricted to the Senior Dean for Student Affairs and is not part of the student’s permanent record. The Senior Dean for Student Affairs may share information from this file, as necessary, with the accused student, the Chair of the MSPPC, the Dean, other medical school leadership, and VTCSOM legal counsel as he/she deems appropriate.
3. The Senior Dean for Student Affairs will make the student aware of the allegation in writing or, preferably, in person.
4. The Chair of the MSPPC will be made aware of the allegation.
5. The Senior Dean for Student Affairs may mandate a psychiatric, psychological, and/or substance abuse evaluation at any point in the investigation, or as part of the corrective action. The results of this mandated assessment must be made available to the Senior Dean for Student Affairs as well as the Chair of the MSPPC should the MSPPC become involved.
6. The Senior Dean for Academic Affairs will convene a meeting of the Honor Council.
7. The Honor Council will meet with the involved student and the individual(s) filing the allegation as soon as possible and within five (5) business days. The Senior Dean for Student Affairs will be present in support of the student; the student may self-select one addition support person. The student will be given an opportunity to explain or rebut any of the evidence or information concerning conduct or circumstances contained in the written allegation.
8. After reviewing all pertinent information, the subcommittee shall make one of the following recommendations within five (5) business days:
   a. Refer the matter to the MSPPC for further investigation, hearing, and action.
   b. Dismiss the matter due to insufficient evidence. If the Honor Council is not in full agreement with regards to their decision, the matter must be referred to the MSPPC for investigation and hearing.
9. The MSPPC Chair will review the subcommittee’s recommendation and supporting information and:
   a. If a hearing is required, the Chair must initiate the procedure by notifying the student by letter following the process outlined below.
   b. If the matter has been dismissed due to insufficient evidence, the Chair shall inform the student and the Senior Dean for Student Affairs in writing of this decision and shall expunge the record. It is the responsibility of the Senior Dean for Student Affairs to contact other involved parties, including the individual/s who brought forth the allegation/s, to let them know of this decision.

Hearing related to a Violation of the Attributes of Professionalism and/or Teacher-Learner Compact:

1. As outlined above, a concern regarding a possible violation of the Attributes of Professionalism and/or Teacher-Learner Compact including but not limited to unprofessional behavior may be raised at any time by any member of the VTCSOM
community. If an allegation is submitted in written form, it should describe in detail the specific violation to allow review by the appropriate persons and/or committees, and to inform the student of the nature of the offences or conduct which must be explained and should be signed by the person who is raising the concern/allegation. The receipt of a written allegation of unprofessional behavior by the Senior Dean for Student Affairs or Senior Dean for Academic Affairs requires the convening of the Student Conduct Committee for a formal inquiry. A confidential file maintained by the Senior Dean for Student Affairs will be created. Access to this file shall be restricted to the Senior Dean for Student Affairs and is not part of the student’s permanent record. The Senior Dean for Student Affairs may share information from this file, as necessary, with the accused student, the Chair of the MSPPC, the Dean, other medical school leadership, and VTCSOM legal counsel as he/she deems appropriate.

2. The Senior Dean for Student Affairs and/or Senior Dean for Academic Affairs, upon receipt of a written allegation of unprofessional behavior, is authorized to convene a meeting of the Student Conduct Committee.

3. The details of the complaint and plans for the Student Conduct Committee timeline are made available to the chair of the MSPPC.

4. The Senior Dean for Student Affairs will make the student aware of the allegation in writing or, preferably, in person.

5. The Senior Dean for Student Affairs may mandate a psychiatric, psychological, and/or substance abuse evaluation at any point in the investigation, or as part of the corrective action. The results of this mandated assessment must be made available to the Senior Dean for Student Affairs as well as the Chair of the MSPPC should the MSPPC become involved.

6. The Student Conduct Committee will meet with the involved student and the individual(s) filing the allegation as soon as possible and within five (5) business days. The Senior Dean for Student Affairs will be present in support of the student; the student may self-select one addition support person. The student will be given an opportunity to explain or rebut any of the evidence or information concerning conduct or circumstances contained in the written allegation.

7. After reviewing all pertinent information, the committee shall make one of the following recommendations within five (5) business days:
   a. Refer the matter to the MSPPC for further investigation, hearing, and action.
   b. Dismiss the matter due to insufficient evidence.

8. The MSPPC Chair will review the subcommittee’s recommendation and supporting information and:
   a. If a hearing is required, the Chair must initiate the procedure by notifying the student by letter following the process outlined below.
   b. If the matter has been dismissed due to insufficient evidence, the Chair shall inform the student and the Senior Dean for Student Affairs in writing of this decision and shall expunge the record. It is the responsibility of the Senior Dean for Student Affairs to contact other involved parties, including the individual/s who brought forth the allegation/s, to let them know of this decision.
Appearing Before the MSPPC:
If the need for an MSPPC hearing has been determined, the MSPPC Chairperson shall notify the student by letter of the details of the dismissal hearing at least ten (10) business days prior to the scheduled MSPPC hearing. The Chairperson shall send the letter by certified mail, return receipt requested, to the student at his/her address appearing in the registrar's records. The letter may also be hand delivered to the student by the Senior Dean for Student Affairs with the student signing a document acknowledging receipt of the letter. A copy of the letter will be sent to the Senior Dean for Student Affairs who will be available to advise the student in matters pertaining to the hearing. In the event that the Chairperson is unable to have the letter personally delivered to the student or the student does not sign the receipt for the certified letter, after reasonable attempts, the MSPPC Chairperson may show by sworn statement that a reasonable attempt has been made to provide notice to the student, and the MSPPC shall proceed with the hearing.

The letter to the student shall:
A. Document the alleged violation(s) if professional behavior or academic dishonesty;
B. Direct the student to be present at the specified time, date, and place of the dismissal hearing;
C. Advise the student of his/her rights to:
a. Appear in person alone or with one student-selected member of the VTC community.
b. The student may request up to two (2) additional members of the VTC community to attend the hearing to provide support. The granting of this request is entirely at the discretion of the Chair of the MSPPC, taking into account issues of confidentiality and hearing decorum. None of these support persons may participate in the hearing. This request must be made in writing to the Chair of the MSPPC at least 5 business days prior to the hearing.
c. Have legal counsel present. Legal counsel may make no statements, may not ask questions, and may not submit written or other materials.
d. Request the Chair of the MSPPC recuse any persons designated to hear the case for cause or conflict of interest.
e. Know the identity of each person who will provide information in the case.
f. Summon individuals to provide supporting information, require production of documentary and other evidence, offer evidence, and argue in his/her own behalf.
g. Question each person who will provide information in the case for the purpose of clarification.
h. Receive a copy of the secretary's summary of the hearing which will not include a summary of the committee’s deliberations.
i. Appeal the decision of the MSPPC to the Dean.

D. Direct the student that they shall disclose through the Committee Chairperson no later than five (5) business days before the meeting their intent to be assisted by legal counsel during the meeting. Failure to provide notification will result in forfeiture of the right to have legal counsel present.
E. Indicate that the student shall disclose to the Committee Chairperson no later than five (5) business days before the meeting, the names of any persons to be called to the meeting to speak on behalf of the student with regard to the allegations...
F. List the names of any individuals the Committee will call to provide information concerning the allegations at the hearing.

G. Indicate that any member of the MSPPC may question the involved student and anyone else who provides information on the student’s behalf.

The MSPPC Chairperson shall compile a list of all individuals who will present information on behalf of either the student or VTCSOM and shall distribute the list to the student and to each member of the MSPPC four (4) business days before the meeting. In deciding the question of dismissal, the MSPPC has the right and responsibility to review the student’s entire record. The MSPPC for good cause may postpone the hearing and notify all involved persons of the new hearing date, time, and place. Upon request of the student, the MSPPC also may waive the ten business day period of notice, informing all involved persons of the new hearing date, time, and place.

The Hearing will be conducted with the objective of providing basic fairness to all parties. For disciplinary hearings of the MSPPC, a quorum is considered a simple majority of the committee members. This number must include at least one student member. The proceedings of the MSPPC meeting may be recorded at the discretion of the committee Chair. The purpose of this recording is to provide clarification for the members of the MSPPC. There will be no transcript made of this recording, and the recording will be destroyed once the case has been resolved or the appeals process has been exhausted. The MSPPC Chairperson shall preside during the meeting according to the following procedure:

1. The Chair of the MSPPC presents an overview of the procedure to the student. The Chair of the MSPPC or the Senior Dean for Academic Affairs will review the allegations against the student.
2. VTCSOM legal counsel may be present.
3. The student presents his/her case.
4. The student may have legal counsel present under the conditions outlined above.
5. The student’s legal counsel, if present, may make no statements, may not ask questions, and may not submit written material.
6. Persons called to the meeting may present information and then may be questioned by the student and members of MSPPC. The purpose of the student questioning is for clarification of the information presented, and is not intended to rebut the statements of any individuals presenting.
7. After all information has been presented by those appearing before the committee and these individuals are no longer present at the hearing, the student may present rebuttal evidence and counter-arguments. Members of the MSPPC may ask questions.
8. The MSPPC deliberates on the information presented with the student absent and makes a decision.

The proceedings of the MSPPC are confidential and any discussion of the proceedings or the facts revealed, outside of the committee meeting, is a violation of the student’s right to privacy and will be viewed as unprofessional and subject to disciplinary action as such. Exceptions to this would include the sharing the outcome of the meeting or important information from the meeting with appropriate VTCSOM leadership and others as deemed appropriate by the Chair of the MSPPC.
It is also considered unprofessional conduct for an accused student to share the details of the MSPPC proceedings outside of the committee hearing without prior permission from the Chair of the MSPPC. Doing so will be considered unprofessional conduct and could result in disciplinary action by the MSPPC.

**MSPPC Actions:**
The MSPPC Chairperson submits in writing the decision of the Committee to the parties involved within two (2) business days of the hearing. Possible actions can include:

1. Finding the complaint was without merit;
2. Reprimand acknowledging the conduct was not in accord with the Honor Code, Attributes of Professionalism, and/or Teacher-Learner Compact but that it was not of a serious enough nature to take further action;
3. Probation acknowledging the conduct was not in accord with the Honor Code, Attributes of Professionalism, and/or Teacher-Learner Compact and that further monitoring or intervention is required. This could include a referral for a mandatory psychiatric, psychological, and/or substance abuse evaluation as a condition of the probation. If such a referral for a mandatory evaluation is required, the results of this evaluation must be released to the Chair of the MSPPC for review by the MSPPC. Any financial expenses incurred for such an evaluation will be the responsibility of the student;
4. Disciplinary leave of absence acknowledging the conduct was not in accord with the Honor Code, Attributes of Professionalism, and/or Teacher-Learner Compact and that corrective action is needed prior to the student returning to classes. This could include a referral for a mandatory psychiatric, psychological and/or substance abuse evaluation as a condition of return.
5. Dismissal acknowledging the conduct was not in accord the Honor Code, Attributes of Professionalism, and/or Teacher-Learner Compact and was of such an egregious nature that it is not appropriate for the student to remain at VTCSOM.

The decision shall detail the reasons for the action recommended. After completion of MSPPC proceedings, all documents and records of the case shall be filed in the Student Affairs file. Notation of the MSPPC action will be made in the student’s permanent record only if the final decision is for dismissal and this decision is upheld should the student appeal to the Dean. The Hearing record is confidential and consists of a copy of the notice forwarded to the student, a written summary of the hearing prepared by the Chair of the MSPPC, together with all documentary and other evidence offered or admitted in evidence, written motions, pleas and any other material considered by the MSPPC, and the decision of the MSPPC.

**Appeals to the Dean:**
The student may appeal the MSPPC decision directly to the Dean of VTCSOM. Grounds for appeals are limited to the following:

a. The proceedings were not conducted fairly in light of the charges and information presented and according to the VTC designated procedures in such a way that resulted in significant prejudice against the accused student;
b. Significant information was not available to the individual or the MSPPC at the time of the hearing or has subsequently come to light;

Reviewed by Dr. Knight and Ms. Stovall August 2, 2017. Approved by the MSPPC September 6, 2017.
c. The sanction imposed was believed to be inappropriate to the severity of the violation for which the student was found responsible.

The appeal to the Dean must be made in writing within ten (10) business days after the date of the written decision of the MSPPC. The written request for an appeal shall contain the student’s name, the date of the decision, all supporting materials accompanying the request, and the name of the student’s representative, if any.

A written request of appeal suspends the imposition of sanctions or penalty until the appeal is finally decided. Pending appeal, the Dean may suspend the right of the student to attend class and/or engage in academic programs for reasons relating to the student's physical or emotional safety and wellbeing, or for reasons relating to the safety and well-being of patients, students, or faculty.

The Dean may approve, reject, or modify the decision in question or may require that the original hearing be reopened for the presentation of additional evidence and reconsideration of the decision. The Dean's decision must be forthcoming within five (5) business days of the date of the receipt of all supporting materials. The Dean’s decision shall be communicated in writing to the student, the Senior Dean for Student Affairs, the Chair of the MSPPC, and any other parties involved as determined by the Dean. The timeline described in this process (MSPPC meeting through appeal to Dean) may be altered at each level by mutual agreement between the student and the Chair of MSPPC and/or the Dean due to extenuating circumstances. The Dean’s decision cannot result in a harsher sanction than the original decision of the MSPPC. Rather, the Dean can uphold the original sanction or decide on a lesser sanction.

The Dean’s decision is final and not subject to further appeal. A student who has been dismissed from VTCSOM is not permitted to be reinstated or reapply for admission.

Non-Academic Probation:
The MSPPC is responsible for monitoring student probation status. If a student is placed on probation by the MSPPC, the student must complete the requirements of the probation and inform the Chair of the MSPPC by providing written detail of as to how they have completed the requirements. Once the Chair of the MSPPC has determined that the terms of the probation have been completed, the Chair will contact the Senior Dean for Student Affairs in writing, outlining that the student has completed the requirements of the probation and is no longer in a probationary status. The MSPPC has the option of interviewing the student prior to making this determination at an informal hearing. Student probation will not be recorded on the student’s permanent record. These records will be kept in their Student Affairs file.

If a student does not complete the terms of the probation, this would constitute a violation of their probation status and the MSPPC will hold a formal hearing and proceed according to the policy detailed above.

Disciplinary Leave of Absence:
Only the MSPPC can place a student on a disciplinary leave of absence, or approve the return of a student to coursework from a disciplinary leave of absence. The MSPPC may
consider requests to return from a disciplinary leave of absence when the student has completed the terms requested by the MSPPC, which may in some circumstances include a mandatory psychiatric, psychological, and/or substance abuse evaluation. The student must complete the requirements of the leave of absence and provide written detail to the Chair of the MSPPC once these requirements have been completed. Once the MSPPC has determined that the terms of the leave of absence have been completed, the Chair of the MSPPC will contact the Senior Dean for Student Affairs in writing, outlining that the student has completed the requirements of the leave of absence and is no longer in a disciplinary leave of absence status. The MSPPC has the option of interviewing the student prior to making this determination at an informal hearing. Student disciplinary leave of absence will not be recorded on the student’s permanent record. These records will be kept in their Student Affairs file.

Conflict of Interest:
In the event of conflict of interest, real or perceived, members of the MSPPC will be expected to recuse themselves from the official proceedings of the committee. The student has the right to challenge the presence of individual members of the MSPPC at the hearing. The determination of such a conflict will be made by the Chair of the MSPPC. If the Chair of the MSPPC is the individual in question, the determination of such a conflict will be made by the Senior Dean for Academic Affairs.
VTCSOM recognizes that preparation for a career in medicine demands acquisition of a large fund of knowledge and a wide variety of skills. It also demands strengthening virtues that support the relationship between doctor and patient and sustain the practice of medicine as a moral enterprise. The process of undergraduate medical education requires substantial involvement and contribution from faculty members and students. The Teacher-Learner Compact serves both as a pledge and as a reminder to teachers and learners that their conduct in fulfilling their mutual obligations is the medium through which the profession inculcates its ethical values.

Students are exposed to multiple learning environments in clinical and non-clinical settings throughout the course of their medical education. These learning environments must support and reinforce the professional attributes, principles, and responsibilities outlined in the Standards of Ethical and Professional Conduct Policy. All faculty and students, commit to uphold the guiding principles, responsibilities, and commitments put forth in this agreement.

The responsibilities for faculty will include:

1. Treat learners with respect.
2. Treat learners and colleagues equally without regard to gender, race, disability, cultural origins, age, or religious beliefs.
3. Treat colleagues and patients in a professional manner.
4. Provide current, high quality materials in an effective format for learning.
5. Respect the student’s time by:
   a. Being on time for scheduled encounters.
   b. Developing educational experiences which are meaningful to the practice of medicine and reasonable for the time period allotted.
6. Provide timely and constructive feedback.
7. Provide a role model for professionalism.

The commitments of faculty include:

- We pledge our utmost effort to ensure that all components of the educational program for students are of high quality.
- As mentors for our student colleagues, we maintain high professional standards in all of our interactions with patients, colleagues, and staff.
- We respect all students as individuals, without regard to gender, race, national origin, religion, or sexual orientation; we will not tolerate anyone who manifests disrespect or who expresses biased attitudes towards any student.
- We pledge that students will have sufficient time to fulfill personal and family obligations, to enjoy recreational activities, and to obtain adequate rest; we monitor and, when necessary,
reduce the time required to fulfill educational objectives, including time required for “call” on clinical rotations, to ensure students’ well being.

✓ We do not tolerate any abuse or exploitation of students.
✓ We encourage any student who experiences mistreatment or who witnesses unprofessional behavior to report the facts immediately to appropriate faculty or staff; we treat all such reports as confidential and do not tolerate reprisals or retaliations of any kind.

The responsibilities for students will include:

1. Treat learners, faculty, and patients with respect and professionalism.
2. Treat learners and faculty equally without regard to gender, race, disability, cultural origins, age, or religious beliefs.
3. Commit the time and energy necessary to attain the goals and objectives of the curriculum.
4. Respect the time of other students and faculty by being on time for scheduled educational encounters.
5. Contribute to the quality of group assignments and work products by actively engaging in discussion, problem solving, and development of materials.
6. Communicate concerns and suggestions regarding learning environment and educational community in a timely, constructive, and professional manner.

The commitments of students include:

✓ We pledge our utmost effort to acquire the knowledge, skills, attitudes, and behaviors required to fulfill all educational objectives established by the faculty.
✓ We cherish the professional virtues of honesty, compassion, integrity, fidelity, and dependability.
✓ We pledge to respect all faculty members and all students as individuals, without regard to gender, race, national origin, religion, or sexual orientation.
✓ As physicians in training, we embrace the highest standards of the medical profession and pledge to conduct ourselves accordingly in all of our interactions with patients, colleagues, and staff.
✓ In fulfilling our own obligations as professionals, we pledge to assist our fellow students in meeting their professional obligations, as well.
RESOLUTION TO REVISE THE GRADUATE HONOR SYSTEM CONSTITUTION

WHEREAS, the Virginia Tech community values academic integrity; and

WHEREAS, all graduate students are expected to uphold the Graduate Honor Code and exercise honesty and ethical behavior in all their academic pursuits at Virginia Tech, including study, course work, research, extension, or teaching; and

WHEREAS, the Graduate Honor System Constitution was alerted to problems in the appeals process and a desire to update language and penalties,

WHEREAS, a committee of faculty, graduate students, and administrators reviewed and revised the Constitution using guidance from other systems in the university and past cases to address concerns regarding the appeals process, and include more learner-centered language and penalties; now,

THEREFORE, BE IT RESOLVED, that the 2018 Constitution of the Graduate Honor System be adopted (attached below) as the guiding document regarding academic integrity and the process of reviewing violations for graduate students, and that the 2009 Constitution of the Graduate Honor System be retired (attached below).

RECOMMENDATION:

That the Board of Visitors approve the Resolution to Revise the Graduate Honor System Constitution.

June 4, 2018
Summary of GHS Constitution Proposed Revisions

A constitution review committee was convened in Spring 2018 by Karen DePauw, Vice President and Dean for Graduate Education, to consider proposed amendments to the language of the constitute and review and revise the Appeal Process (Article VI, Section 2). The committee was chaired by Erin Lavender-Stott, chief justice of the GHS.

After a thorough review and discussion, the committee proposes the following changes:

- Update terminology to better reflect the educational mission and functions of the honor system (all articles and sections):
  - Change the title of chief justice to chair
  - Change the title of investigator to associate chair
  - Change investigative board to preliminary review panel
  - Change judicial panel to review panel
  - Simplify language describing the referral and review process (Article IV, sections 2, 3 and 4; Article V, sections 1, 2 and 3)

- Describe panelist recruitment and appointment process with greater clarity (Article II, sections 8 and 9)

- Update the appeal process (Article VI, section 2):
  - Define a new role of appellate officers (Director of Undergraduate Academic Integrity Office, Associate Dean for Professional Programs in the College of Veterinary Medicine, or Associate Vice President for Research Compliance)
  - Describe a new appeal review and decision process (see attached flow chart)

- Update penalty options (Article VII, Section 1):
  - Remove penalty option of performing community service hours
  - Introduce new penalty option of writing an reflection essay
  - Introduce new penalty option of ethics course requirement (GRAD 5014: Academic Integrity and Plagiarism)
  - Update penalty option “F#” (penalty 1. g) to “F” to reflect actual practice of how the GHS-assigned F grade appears on the transcript

- Update announcements about GHS cases to reflect changes in available media for information distribution (Article VII, Section 3)

- Update or remove references to outdated internal and external resources (Article V, Section 3; Article IX, Section 2; Article X, Article XI) such as websites.
ARTICLE I: PURPOSE AND DESCRIPTION

Section 1 - Graduate Honor Code

The Graduate Honor Code establishes a standard of academic integrity. As such, this code demands a firm adherence to a set of values. In particular, the code is founded on the concept of honesty with respect to the intellectual efforts of oneself and others. Compliance with the Graduate Honor Code requires that all graduate students exercise honesty and ethical behavior in all their academic pursuits at Virginia Tech, whether these undertakings pertain to study, course work, research, extension, or teaching.

It is recognized that graduate students have very diverse cultural backgrounds. In light of this, the term ethical behavior is defined as conforming to accepted professional standards of conduct, such as codes of ethics used by professional societies in the United States to regulate the manner in which their professions are practiced. The knowledge and practice of ethical behavior shall be the full responsibility of the student. Graduate students may, however, consult with their major professors, department heads, International Graduate Student Services, or the Graduate School for further information on what is expected of them.

More specifically, all graduate students, while being affiliated with Virginia Tech, shall abide by the standards established by Virginia Tech, as described in this Constitution. Graduate students, in accepting admission, indicate their willingness to subscribe to and be governed by the Graduate Honor Code and acknowledge the right of the University to establish policies and procedures and to take disciplinary action (including suspension or expulsion) when such action is warranted. Ignorance shall be no excuse for actions which violate the integrity of the academic community.

The fundamental beliefs underlying and reflected in the Graduate Honor Code are that (1) to trust in a person is a positive force in making a person worthy of trust, (2) to study, perform research, and teach in an environment that is free from the inconveniences and injustices caused by any form of intellectual dishonesty is a right of every graduate student, and (3) to live by an Honor System, which places a positive emphasis on honesty as a means of protecting this right, is consistent with, and a contribution to, the University's quest for truth.

Section 2 - Implementation

The Graduate Honor System was established to implement the Graduate Honor Code, and its functions shall be:

1. To promote honesty and ethical behavior in all academic pursuits, including, but not limited to, study, research, teaching, and extension.
2. To disseminate information concerning the Graduate Honor System to all new graduate students, faculty, and other interested parties.
3. To consider and review all suspected violations of the Graduate Honor Code in an impartial, thorough, and unbiased manner.
4. To review all cases involving academic infractions of the Graduate Honor Code brought before the System.
5. To assure that the rights of all involved parties are protected and assure due process in all proceedings.

Section 3 - Violations

All forms of academic work including, but not limited to, course work, labwork, thesis or dissertation work, research, teaching, and extension performed by any graduate student enrolled on a part-time or full-time basis under any of the admission categories listed in the Virginia Tech Graduate Catalog shall be subject to the stipulations of the Graduate Honor Code. Violations of the Graduate Honor Code are categorized as follows: Cheating, Plagiarism, Falsification, and Academic Sabotage. Violations are defined as follows:

1. **Cheating:** Cheating is defined as the giving or receiving of any unauthorized aid, assistance, or unfair advantage in any form of academic work. Cheating applies to the products of all forms of academic work. These products include, but are not limited to, in-class tests, take-home tests, lab assignments, problem sets, term papers, research projects, theses, dissertations, preliminary and qualifying examinations given for the fulfillment of graduate degrees, or any other work assigned by an instructor or professor, graduate committee, or department that pertains to graduate work or degrees.

   Any student giving or receiving unauthorized information concerning a test, quiz, or examination shall be responsible for an Honor Code violation. Submitting work that counts towards the student's grade or degree which is not the sole product of that student's individual effort shall be considered cheating, unless, for example, the professor explicitly allows group work, use of out-of-class materials, or other forms of collective or cooperative efforts. In general, all academic work shall be done in accordance with the requirements specified by the instructor or professor. In the absence of specific allowances or instructions by the professor, students shall assume that all work must be done individually.

   Some uses of permanently returned, graded material ("koofers") are cheating violations of the Code. By permanently returning graded materials, a faculty member or instructor demonstrates the intent that these materials should be accessible to all students. Such materials may be used for study purposes, such as preparing for tests or other assignments, and other uses explicitly allowed by the professor or course instructor. Once test questions have been handed out, koofers may not be used. Other specific examples of the unauthorized use of koofers include, but are not limited to, using koofers during closed-book exams, handing in any type of copy (e.g., a photocopy or a transcribed copy) of someone else's work (partial or complete) from a previous term, and copying a current answer key or one that was handed out in a previous term. Students may not copy and
hand in as their own work answers taken from any kind of koofer. When in doubt of what may or may not be used, students should consult with the course instructor. In the absence of specific instructions concerning koofers from the instructor, students shall assume that all submitted work must be the product of their own efforts without koofers or other unauthorized aid/materials.

2. **Plagiarism:** Plagiarism is a specific form of cheating, and is defined as the copying of the language, structure, idea, and/or thoughts of another and claiming or attempting to imply that it is one's own original work. It also includes the omitting of quotation marks when references are copied directly, improper paraphrasing (see Plagiarism), or inadequate referencing of sources. Sources used in preparing assignments for classes, theses, dissertations, manuscripts for publication, and other academic work should be documented in the text and in a reference list, or as directed by the instructor or professor. Sources requiring referencing include, but are not limited to, information received from other persons that would not normally be considered common knowledge (Plagiarism), computer programs designed or written by another person, experimental data collected by someone else, graded permanently-retumed materials such as term papers or other out-of-class assignments (koofers), as well as published sources. A more detailed discussion of plagiarism may be found in Plagiarism.

3. **Falsification:** Students who falsify, orally, in writing, or via electronic media, any circumstance relevant to their academic work shall be responsible for a violation of this Code. Included are such actions as forgery of official signatures, tampering with official records or documents, fraudulently adding or deleting information on academic documents, fraudulently changing an examination or testing period or due date of an assignment, and the unauthorized accessing of someone else's computer account or files. Violations also include willfully giving an improper grade or neglecting to properly grade submitted material, improperly influencing the results of course evaluations, and knowingly including false data or results in any paper or report submitted for a grade, as a degree requirement, or for publication.

4. **Academic Sabotage:** Academic sabotage is purposeful vandalism directed against any academic endeavor or equipment. It includes, but is not limited to, the destruction or theft of written material, laboratory or field experiments, equipment used in teaching or research, or computer files or programs. Unauthorized tampering with computer programs or systems shall constitute a violation. Academic sabotage includes deliberately crashing or attempting to crash a computer system or the use of files intended to cause or actually causing computer systems to behave atypically, thereby impeding another person's or group's efforts. In particular, knowingly infecting any system with a virus, worm, time bomb, trap door, Trojan horse, or any other kind of invasive program shall be considered a serious violation. Note that violations under this category may also lead to University judicial action or to criminal suits charged by the University.

**Misconduct and unethical behavior in research and teaching** deserves special mention in the Code since it is an area of special interest to graduate students. It is not a separate violation category since it may involve cheating, plagiarism, falsification, and/or academic sabotage as discussed above. **Misconduct in research** does not include those factors intrinsic to the process of research, such as honest error, conflicting data, or differences in interpretation concerning data or experimental design. Likewise, **misconduct in teaching** does not include honest disagreement
over the method of presentation of instructional material to a class or in the evaluation of the performance of a student. Research misconduct allegations may also be investigated by the Virginia Tech Office of Research Integrity.

* For further information on misconduct in research and its definition, see the references listed under item 4 of 1991 Revision -- Reference Material Used.

Section 4 - Composition

The Graduate Honor System shall consist of an Advisor, a Chair, one or more Associate Chair(s), GHS Facilitators, and Panelists for the Preliminary Review Panel and Review Panel. The Dean (or designee) of the Graduate School shall be responsible for the continued operation of the System. Appointment of Graduate Honor System personnel shall be made in accordance with Article XI, Section 7.

ARTICLE II: GENERAL ADMINISTRATION

Section 1 - Appointment of the Graduate Honor System Advisor

A member of the staff of the Dean of the Graduate School shall be appointed by the President to serve as the Graduate Honor System Advisor. The Advisor shall serve in an advisory capacity to the Chair and shall be present (or represented) at all hearings of both the Preliminary Review Panel and the Review Panel.

Section 2 - Duties and Functions of the Advisor

The following duties and functions shall be performed by the Advisor:

1. The advisor shall have the responsibility to train the Chair, Associate Chair(s), Facilitators, and new board and panel members.
2. The advisor shall provide counsel to the Chair and Associate Chair(s) in the preparation of cases.
3. The advisor shall provide staff for handling training sessions, scheduling meetings, and other matters related to the administration of the Graduate Honor System.
4. The advisor shall counsel faculty or students referring cases as well as those students charged with offenses.
5. The advisor (or designee) shall attend all hearings.
6. The advisor, in consultation with the Chair, shall be responsible for appointing the Associate Chair(s).
7. The advisor, upon the receiving the recommendation of the Chair, shall be responsible for approving the membership of the Preliminary Review Panel and Review Panel.

Section 3 - Appointment of the Chair

1. Nominations for the position of Chair shall be accepted from the Graduate Student Assembly, College Deans, and other members of the academic community, and applications by qualified persons shall be welcomed. Candidates for the position of Chair
must be graduate students in good standing and must have been in residence for at least one (1) semester immediately preceding nomination. Preferably, the nominee will have served as an Associate Chair or as a graduate student panelist for at least one (1) semester prior to appointment.

2. The term of office shall be one (1) year, but if available and willing, the current Chair may be re-appointed by the President of the University to serve subsequent terms, up to four (4) years, upon the recommendation of the Graduate Honor System Advisor.

3. The Chair Nominating Committee shall be convened by the Dean upon the resignation of the current Chair, upon completion of term of office, or upon termination of office. This committee shall consist of the Graduate Honor System Advisor, up to three (3) graduate student members of the Graduate Honor System, and one (1) faculty member having previously served on a Review Panel and appointed by the Dean of the Graduate School. All members shall have equal voting privileges. The function of this committee shall be to nominate a candidate for appointment by the President. The nomination process shall be to: (1) invite nominations and accept applications, (2) review applications and conduct interviews with applicants, and (3) recommend to the President of the University, from among these applicants, a nominee for the position of Chair. The recommendation of this committee shall be by majority vote.

4. The recommendation of the nominating committee is voted on by the Graduate Student Assembly (GSA) and the Commission on Graduate Studies and Policies (CGS&P).

5. The Dean of the Graduate School will forward the nomination to the President conveying the vote of the GSA and CGS&P.

6. The President shall appoint the Chair.

7. In the absence of a timely appointment, the President, through the recommendation of the Dean, can appoint the nominee as an interim Chair until the conclusion of the appointment process.

Section 4 - Duties and Functions of the Chair

The Chair shall perform the following duties and functions:

1. The Chair shall receive reports of suspected violations and determine, in consultation with the GHS Advisor, if the referred student is eligible for a Facilitated Discussion.
2. The Chair shall assign to the Preliminary Review Panel all cases not eligible for Facilitated Discussion.
3. The Chair shall preside at all Review Panel hearings. The Chair may request a member of the Review Panel to preside in his or her place.
4. The Chair shall assure justice, fairness, and due process.
5. The Chair shall secure nominations and select graduate student and faculty members for the Facilitated Discussion Process, the Preliminary Review Panel, and Review Panel, subject to approval by the Graduate Honor System Advisor.
6. The Chair shall assume responsibility for the instruction and training of graduate student and faculty members in the operation, function, and responsibility of the Graduate Honor System.
7. The Chair shall orient entering graduate students and new faculty to the values and obligations of the Graduate Honor Code.
8. The Chair shall conduct information activities and coordinate activities of the Graduate Honor System.
9. The Chair shall administer the operation of the Graduate Honor System throughout the entire calendar year.
10. The Chair shall keep the graduate community apprised of relevant activities of the Graduate Honor System.
11. The Chair shall consult with the Graduate Honor System Advisor in the appointment of the Associate Chair(s) and Facilitators.
12. The Chair shall select the panelists to hear the cases.

Section 5 - Staff of the Chair

The Chair, with the approval of the Graduate Honor System Advisor, shall appoint sufficient staff to assist with the duties of the office.

Section 6 - Appointment of Associate Chair(s)

1. The Graduate Honor System Advisor, in consultation with the Chair, shall appoint one or more Associate Chair(s). Nominations for this position shall be accepted from the Graduate Student Assembly, College Deans, and other members of the academic community; and applications from qualified personnel shall be welcomed. Students being considered for Associate Chair positions must be graduate students in good standing and must have been in residence for at least one (1) semester immediately preceding appointment. Preferably, the nominee will have served as a graduate student panelist of the Graduate Honor System for at least one (1) semester prior to the appointment. Associate Chair(s) shall serve a one (1) year term but may be re-appointed to serve subsequent terms, up to four (4) years, if available and willing.
2. The appointment of the new Associate Chair(s) shall be made upon the resignation of the current Associate Chair(s), upon completion of term of office, or upon termination of office.

Section 7 - Duties of Associate Chair(s)

Associate Chair(s) shall perform the following duties:

1. Associate Chair(s) shall gather evidence and conduct interviews with the referrer and the referred student(s).
2. Associate Chair(s) shall prepare a brief report summarizing the evidence.
3. Associate Chair(s) shall present the report summarizing the evidence to the referrer, referred student, and Chair before presenting it for review by the Preliminary Review Panel.
4. Associate Chair(s) shall convene and chair Preliminary Review Panel meetings.
5. Associate Chair(s) shall prepare a brief report for the Chair that summarizes the decision of the Preliminary Review Panel and shall brief the Chair on all the details of the case at hand.
6. Associate Chair(s) may attend and may present the evidence to the Review Panel.
7. Associate Chair(s) shall aid the Chair in convening and conducting training sessions for Preliminary Review Panel members.

Section 8—Appointment of Panelists

1. Panelists will include graduate students and faculty members from each College. Panelists will be recruited from all qualified graduate students and faculty (see Article XI Section 7).
2. Graduate student panelists shall be approved by the Graduate Honor System Advisor after training by the Chair and/or Associate Chair and following clearance of graduate student records (see Article XI Section 8). Graduate students may serve for up to four (4) years. After the four years, graduate students will take a one-year break from all duties related to the Graduate Honor System.
3. Faculty member panelists shall be approved by the Graduate Honor System Advisor after training by the Chair and/or Associate Chair. Faculty panelists may serve for up to four (4) years. After the four years, faculty will take a one-year break from all duties related to the Graduate Honor System.

Section 9—Duties of Panelists

1. Panelists shall sit on either the Preliminary Review Panel or the Review Panel.
2. Panelists shall evaluate the evidence and make recommendations regarding the case within a Preliminary Review Panel or Review Panel.
3. Panelists shall maintain the rights and confidentiality of the referred student(s) and referrer.
4. Panelists may assist in conducting educational sessions on campus and/or training sessions for new panelists.

Section 10 – Appointment of Graduate Honor System Facilitators

1. The Graduate Honor System Advisor, in consultation with the Chair, shall appoint one or more Graduate Honor System Facilitators. Applications for this position shall only be taken from current panelists. Graduate Honor System Facilitators must have significant experience with the Graduate Honor System as determined by the Graduate Honor System Advisor and Chair before appointment as Discussion Facilitators. Facilitators shall serve a one (1) year term but may be re-appointed to serve subsequent terms, up to four (4) years, if available and willing.
2. The appointment of new Facilitators shall be made as necessary to meet the needs of the Honor System.

Section 11 – Duties of Graduate Honor System Facilitators

1. Graduate Honor System Facilitators shall facilitate a discussion meeting between the referrer and the referred student(s).
2. Graduate Honor System Facilitators shall ensure that all applicable GHS guidelines are observed and followed.
3. Graduate Honor System Facilitators shall ensure that the rights of the referred and referrer are upheld.
4. Graduate Honor System Facilitators shall, upon examination of the facts of the case, have the authority to refer cases to the Chair so that they may be assigned an Associate Chair for evidence gathering and interviews.
5. Graduate Honor System Facilitators shall prepare a full report for the Chair, which summarizes the outcome of the facilitated discussion and shall brief the Chair on all the details of the case at hand.
6. Graduate Honor System Facilitators shall aid the Chair in conducting the training session(s) for new Graduate Honor System Facilitators.

**ARTICLE III: FACILITATED DISCUSSION**

**Section 1 - Composition**

1. The Facilitated Discussion shall be attended by the referrer(s) of the case, the referred student(s), and one Graduate Honor System Facilitator (as outlined in Article II, Sections 10 and 11).

**Section 2 – Functions of the Facilitated Discussion**

The Facilitated Discussion shall fulfill the following functions:

1. It shall assure that the rights of the referred and the referrer are protected and assure due process.
2. It shall facilitate a discussion between the referrer and referred student(s).
3. It shall attempt to build a consensus resolution to a suspected Honor Code violation without convening a Preliminary Review Panel or a Review Panel.
4. It shall create a record of an Honor Code violation if all parties conclude that a violation did occur. This record shall be kept in the Graduate Honor System case files.

**Section 3 – Eligibility for the Facilitated Discussion**

A suspected Honor Code violation will be eligible for a Facilitated Discussion if **ALL** of the following criteria are met:

1. The referrer of the case is a Faculty member;
2. The suspected violation involves an allegation of either 1) cheating or 2) plagiarism as outlined in Article I, Section 3 of the GHS Constitution;
3. The referred student(s) is(are) not on Graduate Honor System Probation at the time the report of the suspected violation is received by the Graduate Honor System;
4. And the violation is one for which a reasonable person who is familiar with the form and functions of the Graduate Honor System would not assign a penalty of more than the sanctions outlined in Article VII, Section 1, Item 1, Parts a-f of this Constitution.

**Section 4 – Operation of the Facilitated Discussion**
1. The Chair, after determining if a case eligible for a Facilitated Discussion, will notify the referrer and the referred of this determination.

2. The referrer and referred will then have no more than ten (10) University business days to notify the Chair of their desire to participate in a Facilitated Discussion; otherwise the case will be sent for evidence gathering and panel review. Exceptions to the ten-day period will only be made under extenuating circumstances, as determined by the Chair or Graduate Honor System Advisor.

3. If either the referrer or the referred student(s) does not agree to participate in the Facilitated Discussion, the case will be sent for investigation and panel review.

4. During the Facilitated Discussion, the referrer of the alleged violation and the referred student will attempt to reach a resolution to the case, with the assistance of the Graduate Honor System Facilitator. The question that the referred student and the referrer must answer is “did the student commit a violation of the honor code?” A determination of a violation shall require both the referrer and the referred student to agree that the student is responsible for violating the honor code. A determination of no violation shall require both the referrer and the referred student to agree that the student did not violate the honor code. In the absence of such an agreement, the case shall be sent for evidence gathering and panel review.

5. If the referrer and student agree that the student has committed a violation of the honor code, the referrer and student may then decide upon an appropriate penalty. Sanctions for the Facilitated Discussion will be limited to those sanctions outlined in Article VII, Section 1, Item 1, Parts a-f of this Constitution. The referrer and referred must both come to an agreement on the appropriate penalty. In the absence of such an agreement, the case shall be sent for evidence gathering and panel review.

6. The GHS Facilitator shall prepare a record of the outcome of the Facilitated Discussion. This record, the original report of the alleged violation, and any relevant evidence shall be held in the Chair’s confidential file. The Chair shall inform the Dean of the Graduate School (or designee), in writing, of the outcome of all Facilitated Discussions.

7. For cases in which the referrer or the referred withdraws from the Facilitated Discussion, no record shall be kept that the Facilitated Discussion occurred and the fact that they did participate in such a proceeding shall not be deemed relevant in any future Honor System proceedings.

**Section 5 – Withdrawal from the Decision of the Facilitated Discussion**

1. The referred or referrer may withdraw from a decision reached during a Facilitated Discussion for any reason.

2. If the referred or referrer wishes to withdraw from the Facilitated Discussion decision, the Chair must be notified of the desire to withdraw from the decision within two (2) calendar days of the conclusion of the Facilitated Discussion.

3. If the referred or referrer withdraws from the Facilitated Discussion decision, the case shall be immediately sent for evidence gathering and panel review.

4. In these instances no record shall be kept that the Facilitated Discussion occurred and the fact that they did participate in such a proceeding shall not be deemed relevant in any future Honor System proceedings.
ARTICLE IV: PRELIMINARY REVIEW PANEL

Section 1 – Preliminary Review Panel Waiver

1. The referred student(s) and referrer shall have the opportunity to review the report prepared by the Associate Chair, before it is presented to a Preliminary Review Panel.
2. If, after review of the materials presented in the report, the referred student(s) accepts that there is substantive evidence to support the charge and warrant a full hearing of the case by the Review Panel, the student may request a Preliminary Review Panel Waiver. This request must be submitted to the Chair within five (5) University business days of the student(s) receiving the Associate Chair’s report.
3. A request for a Preliminary Review Panel Waiver must be received before a Preliminary Review Panel is scheduled.
4. A request for a Preliminary Review Panel Waiver does not, in any way, imply guilt or responsibility on the part of the student(s).
5. In cases involving multiple referred students, if all referred students do not request a Preliminary Review Panel Waiver, the case will proceed to a Preliminary Review Panel.
6. Cases for which a Preliminary Review Panel waiver is granted shall proceed directly to a Review Panel for a hearing.

Section 2 - Composition

1. The Preliminary Review Panel shall consist of trained graduate student and faculty panelists. Graduate student members of the Preliminary Review Panel shall have full voting privileges, whereas the faculty members shall serve in an advisory capacity to the student members and shall not have voting privileges.
2. The Associate Chair(s) (or designees) shall chair Preliminary Review Panel meetings and shall not have voting privileges.
3. The Graduate Honor System Advisor shall be a non-voting member and shall serve in an advisory capacity to the Associate Chair and the Preliminary Review Panel.

Section 3 - Functions of the Preliminary Review Panel

The Preliminary Review Panel shall perform the following functions:

1. It shall evaluate the evidence provided for the case.
2. It shall decide whether a hearing before the Review Panel should be held.

Section 4 - Operation

1. For each case without a Preliminary Review Waiver, a hearing shall be conducted by a Preliminary Review Panel, consisting of a minimum of five (5) graduate students and at least two (2) faculty members, to be selected by the Chair. The Associate Chair managing the case shall serve as chair of the Preliminary Review Panel. In addition, the Graduate Honor System Advisor shall be a non-voting member and shall serve in an advisory capacity to the Associate Chair and the Preliminary Review Panel.
2. Evidence gathering shall adhere to the basic tenets of due process and to the rights and responsibilities for referrer and referred as outlined in Article VIII and Article IX.

3. A decision to send the case to the Review Panel should be based upon substantive evidence to support the charge. The lack of such evidence should lead the Preliminary Review Panel to vote against sending the case to the Review Panel and consequently lead to the termination of the proceedings. Otherwise, the Preliminary Review Panel should send the case forward for the further scrutiny of the Review Panel. The fact that the case is forwarded to the Review Panel shall in no way imply guilt or responsibility for the violation; the Preliminary Review Panel is simply stating that the case should be reviewed with the aid of personal testimonies.

4. The student members shall have full voting privileges while the faculty members serve in an advisory capacity. Recommendations of the Preliminary Review Panel must be by majority vote of the graduate student members present. In the event of a tie vote, the case will go forward.

**ARTICLE V: REVIEW PANEL**

*Section 1 - Composition*

1. The Review Panel shall consist of trained graduate student and faculty panelists. Both graduate student and faculty members of the Review Panel shall have full voting rights. The Chair (or designee) shall be a non-voting member and shall serve as the panel moderator.

2. The Graduate Honor System Advisor shall be a non-voting member and shall serve in an advisory capacity to the Chair and the Review Panel.

*Section 2 - Functions of the Review Panel*

The Review Panel shall perform the following functions:

1. It shall hear evidence gathered by the Associate Chair.
2. It shall hear testimony of the referrer, referred student, and witnesses.
3. It shall hear the remarks of the University community representative of the referred.
4. It shall assure that the rights of the referrer and referred student are protected and assure due process.
5. It shall determine whether a violation occurred.
6. It shall recommend the penalty when the referred is determined to have violated the honor code.

*Section 3 - Operation*

1. For each case, a hearing shall be conducted by a Review Panel. The Review Panel shall consist of the Chair, a minimum of four (4) graduate students, a minimum of three (3) faculty members, and the Graduate Honor System Advisor. The number of voting faculty shall not exceed the number of voting graduate students present. The graduate students and faculty members shall be selected by the Chair with the approval of the Graduate Honor System Advisor. Each graduate student and faculty member shall have full voting privileges, while the Chair (or designee) shall be a non-voting member and shall serve as
the moderator of the hearing. In addition, the Graduate Honor System Advisor shall be a
non-voting member and shall serve in an advisory capacity to the Chair and the Review
Panel. The Associate Chair who gathered the evidence may attend the Review Panel as a
non-voting member.

2. All Review Panel hearings shall adhere to the basic tenets of due process and rights and
responsibilities as outlined in Article VIII and Article IX.

3. All persons involved with the hearing have the right to be treated with respect. Persons
displaying disrespect for another person at the hearing or contempt for the proceedings
shall be dismissed, and the hearing shall be concluded in their absence.

4. All evidence regarding cases should be submitted to the Associate Chair(s) during the
evidence gathering and interviewing process (prior to the Preliminary Review Panel
meeting). If additional information is submitted after the case is sent forward by the
Preliminary Review Panel, the Review Panel will decide the relevancy of that
information.

5. The referred must be adjudged to have violated the honor code before any consideration
is given to the penalty, unless the referred acknowledges responsibility, in which case the
deliberations shall focus solely on the penalty.

6. In evaluating evidence and testimony regarding whether a violation of the honor code has
occurred, each member of the Review Panel shall consider whether or not there exists
substantive evidence of a violation. The decision whether a violation occurred shall be
based solely on the facts regarding the charge, i.e., based on evidence collected and
testimony presented at the Review Panel hearing.

7. At the conclusion of the deliberations on whether a violation occurred for each charge
against the student, the Chair shall poll the members of the Panel on the question: "Has
the student violated the honor code?" An affirmative vote represents "a violation," while
a negative vote represents "no violation." A determination of a violation shall require a
majority vote. In the absence of such a vote, the Panel shall found that no violation has
occurred. An abstention shall not be counted as a vote. In the unlikely event that a
majority of the Review Panel members do not vote, the current panel shall be dismissed
and a new panel shall be convened to re-hear the case.

8. In determining the appropriate sanction, such factors as the referred student's past history
of violations, attitude, intent, severity of the violation, and the degree of cooperation may
be considered.

9. Recommendations of penalty shall be by majority vote. An abstention shall not be
counted as a vote.

10. A recording of the proceedings, the confidential recommendations of the Review Panel,
together with all submitted evidence and votes recorded, shall be held in the Chair’s
confidential file. The Chair shall inform the Dean of the Graduate School (or designee),
in writing, of the findings and recommendations of the Review Panel.

ARTICLE VI: UNIVERSITY ACTION

Section 1 - Review and Decision

1. The recommendations (decision of violation, and penalty if required) of the Review Panel
shall be submitted in writing by the Chair to the Dean of the Graduate School (or
designee) for review and decision.
2. No penalty shall be announced until an official decision has been rendered by the Dean of the Graduate School (or designee).

3. The official decision of the Dean of the Graduate School (or designee) shall be transmitted in writing to the referred, the referrer, and the course instructor (or major professor for a research-related violation). The referred shall also be notified of the right to appeal the decision.

4. When the Review Panel's recommendation is not accepted by the Dean (or designee), the Panel shall be notified of the final decision of the Dean (or designee).

Section 2 - Appeals

1. The referred may appeal the official decision to the Dean of the Graduate School on grounds of (1) failure of the Graduate Honor System to follow proper procedures, (2) introduction of new evidence, and/or (3) severity of the penalty. The imposition of the penalty shall be deferred until the termination of the appeals process.

2. The Dean of the Graduate School must receive the appeal within five (5) University business days after the referred receives written notification of the decision and penalty.

3. In the event of an appeal, the case will be forwarded to an appellate officer, who is well versed in the Graduate Honor System, graduate academic policies, and Virginia Tech standards of ethics and have received training from the Graduate Honor System. Such officers include, but are not limited to, the Director of Undergraduate Academic Integrity, Associate Dean for Professional Programs in the College of Veterinary Medicine, or Associate Vice President for Research Compliance.

4. The appeal is not a retrial and must be focused solely upon one or more of the following: (1) failure of the Graduate Honor System to follow proper procedures, (2) introduction of new evidence, (3) severity of penalty. The appeal shall be limited to the consideration of the specific information pertaining to one or more of the above. The burden shall be placed on the appealing student to demonstrate why the original finding or sanction should be changed.

5. The decision of the appellate officer is limited to the grounds of the appeal. Judgments are made according to the following guidelines:
   a. *Failure of the Graduate Honor System to Follow Proper Procedures*

      Determine whether or not the Graduate Honor System followed proper procedures. If proper procedures were followed, then the official decision is enforced. If proper procedures were not followed, then the referred student is acquitted and the case is closed.

   b. *Introduction of New Evidence*

      Determine whether or not the new evidence is relevant to the official decision. In the event that the information is determined to be relevant, the appellate officer shall inform the Dean of the Graduate School or the Graduate Honor System Advisor that a new Review Panel is requested. The new Review Panel shall have no members from a previous panel. If information is determined to be irrelevant or there is no new evidence, then the original decision is upheld.
c. **Severity of Penalty**

Determine if the penalty is too severe for the violation(s), for which the student was found responsible. The finding of a violation is not appealable and the case will not be reheard. The appellate officer has the option to consult GHS facilitators or experienced panelists who were not involved with the original case, as identified by the Chair or Advisor to the GHS, if perspective on the severity of the penalty is required. In the event that the penalty is found to be too severe, a lower penalty may be determined by the appellate officer from those specified under Article VII of this Constitution.

6. The final determination of an appeal shall be the sole responsibility of the appellate officer. The student shall be notified in writing of the disposition of the appeal.

**ARTICLE VII: ACTIONS OF THE GRADUATE HONOR SYSTEM**

**Section 1 - Penalties**

Where a violation is determined, the Review Panel or Facilitated Discussion shall also be responsible for determining an appropriate sanction. There are four major penalty levels (1-4) with increasing severity. These penalties are (1) Graduate Honor System Probation, (2) Suspension in Abeyance, (3) Suspension, and (4) Permanent Dismissal. For each charge of a Graduate Honor Code violation for which a student acknowledges responsibility or is found responsible, one of these four penalties must be given.

For cases resolved through Facilitated Discussion, only penalty 1 (Graduate Honor System Probation), subparts a-f may be applied.

For those cases where suspension or dismissal is not warranted, the subparts of penalty 1 (Graduate Honor System Probation) provide a further gradation in the penalty action. Whereas penalties 2, 3, and 4 must be given as a whole (i.e., no parts may be given without the others), penalty 1 may be given in part or in full. However, *if penalty 1 is selected, parts a and b are required*. Only parts c-i of penalty 1 shall be optional. The very minimum penalty given shall be penalty 1, parts a and b.

1. **Graduate Honor System Probation** (parts a and b mandatory, parts c-h optional)
   a. The referred shall not be suspended from the University, but shall be placed on Graduate Honor System Probation until graduation or termination of enrollment. The sentence of Probation is a warning and is intended to serve as a deterrent against future misconduct. In the event of any other University or Graduate Honor Code violation, the appropriate parties shall be notified of the previous history of the referred. In the event of resignation and re-enrollment within a period of one (1) year, the referred shall be reinstated on Graduate Honor System Probation (penalty 1, part a only) subsequent to re-enrollment.
   b. The referred shall also automatically receive a zero on the assignment on which the violation occurred. In cases other than those involving course work (or other
similar work where a zero is applicable), action shall be taken to negate any advantages obtained by the violation.

c. A record of the action shall be kept in the referred student's folder (not the official transcript) in the Graduate School until graduation from the University or termination of enrollment.

d. The referred shall be required to attend a meeting or meetings with the Chair and the Dean of the Graduate School for the purpose of achieving a better understanding on the student's part of the requirements and purpose of the Graduate Honor System. Failure to participate in this meeting(s) shall constitute grounds for the automatic invocation of part "g" below.

e. The referred shall be required to write an essay on academic integrity, prevention of academic misconduct, and/or what they have learned regarding academic integrity. Additional essay topics may be requested by the Review Panel. The Chair or Associate Chair from the case will review and guide the writing of the essay. Failure to complete this assignment shall constitute grounds for the automatic invocation of part "g" below.

f. The referred shall be required to complete GRAD 5014: Academic Integrity and Plagiarism course. Failure to successfully complete this course shall constitute grounds for the automatic invocation of part "g" below.

g. The notation "placed on Graduate Honor System Probation" shall appear on the student's permanent record (transcript) under the semester in which the violation occurred.

h. If substantial unfair academic advantage was gained, that is to say, if the violation, undetected, would have led to an advantage over the other students (or if the referred thought it would), then a grade of "F" for the course in which the offense occurred shall also be a penalty action under this part. This grade shall appear on the student's grade report and permanent record (transcript) as an "F."

i. If substantial unfair academic advantage was gained, that is to say, if the violation, undetected, would have led to a substantial grade advantage over the other students (or if the referred thought it would), then a grade of "F for violation of the Graduate Honor Code" for the course in which the offense occurred shall also be a penalty action under this part. This grade shall appear on the student's grade report and permanent record (transcript) as an "F*", and it shall be a permanent notation.

2. **Suspension in Abeyance** (all parts mandatory)

a. The referred shall be allowed to remain in the University to complete the semester in which the offense occurred or in which the hearing is held.

b. The penalty shall automatically include a grade of "F for violation of the Graduate Honor Code" for the course (or equivalent) in which the offense occurred. This grade shall appear on the student's grade report and permanent record (transcript) as an "F*", and it shall be a permanent notation.

c. After the completion of the semester as specified in item (a) above, the referred shall be suspended for a period not to exceed two (2) successive semesters or one (1) full academic year as specified by the official notification of the University action (as specified under Article VI, Section 1, item 3 of this Constitution).
d. The notation "suspended for violation of the Graduate Honor Code" shall appear on the student's permanent record (transcript) under the semester in which the violation occurred.

e. Upon the referred student's re-enrollment at Virginia Tech at the end of the period of suspension, the student shall be placed on Graduate Honor System Probation (penalty 1, part a only) until graduation or termination of enrollment.

3. **Suspension** (all parts mandatory)
   a. Suspension is immediate and the student shall not be allowed to complete the current semester. In addition, the referred shall be suspended for a period not to exceed two (2) successive academic semesters or one (1) full academic year following the current semester (as specified under Article VI, Section 1, item 3 of this Constitution).
   b. All credits shall be lost for work done during the semester in which the student is currently enrolled. The penalty shall automatically include a grade of "F for violation of the Graduate Honor Code" for the course (or equivalent) in which the offense occurred. This grade shall appear on the student's grade report and permanent record (transcript) as an "F*", and it shall be a permanent notation.
   c. The notation "suspended for violation of the Graduate Honor Code" shall appear on the student's permanent record (transcript) under the semester in which the violation occurred.
   d. Upon the referred student's re-enrollment at Virginia Tech at the end of the period of suspension, the student shall be placed on Graduate Honor System Probation (penalty 1, part a only) until graduation or termination of enrollment.

4. **Permanent Dismissal** (all parts mandatory)
   a. The referred shall be permanently dismissed from the University without being allowed to complete the current semester.
   b. All credits shall be lost for work done during the semester in which the student is currently enrolled. In addition, if the offense did not occur during the semester in which the hearing is held, then a grade of "F for violation of the Graduate Honor Code" shall also be assigned for the course in which the offense was committed. This grade shall appear on the student's grade report and permanent record (transcript) as an "F*", and it shall be a permanent notation.
   c. The referred may never re-enroll in the University.
   d. The notation "permanently dismissed for violation of the Graduate Honor Code" shall appear on the student's permanent record (transcript) under the semester in which the violation occurred.

**Section 2 - Acquittal**

In the event of acquittal by the Graduate Honor System, all records of any description in conjunction with the trial shall be completely destroyed, except the "charges" and the "Findings of the System," which shall be filed in the Chair’s confidential file.

**Section 3 - Announcement**

16
1. In cases where students are found in (or claim responsibility for) violation of the honor code, the penalty and specifications may be published without names, when the case is resolved, in such media as the GHS annual report and reports to the Graduate Student Assembly or Commission on Graduate Studies and Policies.

2. Exonerations may also be published (without names) if the referred so desires. A written release must be obtained from the referred prior to publication.

**ARTICLE VIII: RIGHTS AND OBLIGATIONS OF THE REFERRED STUDENT**

*Section 1 - Rights of the Referred Student*

A student referred for violating the Graduate Honor Code shall have certain procedural guarantees to ensure fair judicial hearing of evidence. These rights under the Graduate Honor Code shall be as follows:

1. Students shall be considered innocent until judged guilty.
2. Students shall have the right to refrain from speaking for or against themselves.
3. Students shall have the right to speak in their own behalf.
4. Students may choose a member of the university community, such as a fellow student, faculty member, or staff member who is willing to assist them in preparing their defense. This person may attend a Facilitated Discussion, but may only participate in an advisory capacity to the student. During a Review Panel, the student's representative shall only be allowed to address the Review Panel; they may not question witnesses. Lawyers retained by referred students shall not be permitted in Review Panel hearings or at Facilitated Discussions.
5. Students may terminate a Facilitated Discussion at any time, without reason.
6. Students shall have the right to review the report prepared by the Associate Chair, prior to the scheduling of a Preliminary Review Panel.
7. Students shall have the right to suggest corrections and/or additions to the report prepared by the Associate Chair, prior to the scheduling of a Preliminary Review Panel. All suggestions will be considered at the discretion of the Chair and the Associate Chair for the case.
8. Students may at any time privately seek counsel with their university community representative. Statements made at this time shall be confidential.
9. Students may have any Graduate Honor System function that they are entitled to attend stopped at any time for a point of clarification.
10. Students may leave any Graduate Honor System function at any time; however, it is in their best interest to remain until they are made aware of all the details.
11. Students shall have the right to receive written notice of the charges, the "Order of Events for Review Panel Hearings," and any other pertinent information sufficiently in advance of the Review Panel hearing and in reasonable enough detail to allow them to prepare a case in their behalf. Likewise, students shall have the right to examine all evidence collected during evidence gathering prior to the Review Panel hearing. The students and their representatives shall have a copy of the evidence during the Review Panel hearing.
12. Students shall have the right to be aware of all testimony.
13. Students shall have the right to face the referrer, when such opportunity exists, at the Review Panel hearing and to present a defense against the charges, including presenting
witnesses on their behalf. Consequently, students shall be consulted in the scheduling of the Review Panel hearing. However, students shall only be allowed to reschedule the Review Panel hearing once. Except under extenuating circumstances, Review Panel hearings shall not be rescheduled unless the Chair or the Graduate Honor System Advisor is notified of the requested change prior to three (3) days preceding the scheduled hearing date.

14. Failure of students to be present at Review Panel hearings, assuming reasonable effort has been made to ensure their presence, shall indicate that they are waiving their rights to face the referrer and to appear before the Review Panel.

15. Students may ask that a panel member be excused from the Review Panel hearing if they can give reasonable cause why that panel member may be biased or have some other conflict of interest. The Chair and the Graduate Honor System Advisor shall make a final ruling on any such request.

16. Students shall have the right to an appeal as specified under Article VI, Section 2.

Section 2 - Obligations of the Referred Student(s)

Students referred of Graduate Honor Code violations shall have the responsibility of cooperating with Graduate Honor System personnel. Furthermore, when a case involves other students, these students' rights to privacy should be observed. Students should be aware that the confidentiality of Honor System proceedings may be covered under the Family Educational Rights and Privacy Act (FERPA) as outlined on the University Registrar’s website.

Article IX: Rights and Obligations of the Referrer

Section 1 - Rights of the Referrer

A person referring charges of a Graduate Honor Code violation against a graduate student shall be accorded the following rights:

1. Discussion of the charges between the referrer and referred prior to the Review Panel hearing shall be allowed, although the referrer shall have the right to decline to discuss the case with the referred. The referrer shall have the right, with the permission of the referred, to have one witness present when talking with the referred about the alleged violation.

2. The referrer shall have the right to choose one person (any member of the university community, such as a graduate student, a faculty or staff member, or department head) to assist them in preparation of the case. This person is not allowed to be present at the Review Panel hearing or during a Facilitated Discussion.

3. The referrer shall have the right to terminate a Facilitated Discussion at any time, without reason.

4. The referrer shall have the right to review the report prepared by the Associate Chair, prior to the scheduling of a Preliminary Review Panel.

5. The referrer shall have the right to suggest corrections and/or additions to the report prepared by the Associate Chair, prior to the scheduling of a Preliminary Review Panel. The referrer shall have the right to receive a copy of the evidence collected during the evidence gathering, the "Order of Events for Review Panel Hearings," and any other
pertinent information, if the Preliminary Review Panel sends the case to the Review Panel.

6. The referrer shall have the right to receive written notification of the final disposition of the case.

7. The referrer shall have the right to be secure in person and property.

8. Professors referring charges of violations may opt to grade or refrain from grading any assignment referred to the Graduate Honor System. It is recommended that instructors, if they are able to do so, grade the assignment with the assumption that the student is innocent of the charge. However, an incomplete grade may be assigned to the referred student pending the decision of the Graduate Honor System. The incomplete grade will be removed when the case is resolved.

Section 2 - Obligations of the Referrer

A person referring a suspected of a Graduate Honor Code violation shall accept the following obligations:

1. The referrer shall cooperate with the Chair, the Graduate Honor System advisor, the Associate Chair, and any other personnel of the Graduate Honor System.

2. The referrer shall be expected to appear at the Review Panel hearing.

3. The referrer shall have the responsibility of maintaining confidentiality in all matters pertaining to the case. However, referrers may discuss the case with their counsel (see Article IX, Section 1, item 2). The referrer should be aware that the confidentiality of Honor System proceedings may be covered under the Family Educational Rights and Privacy Act (FERPA) as outlined on the University Registrar’s website.

ARTICLE X: OBLIGATIONS OF PARTIES INDIRECTLY INVOLVED IN HONOR SYSTEM CASES

1. Parties indirectly involved in Honor System cases include but are not limited to persons who witness alleged violations, witness discussions between referrers and referred students, and serve as members of the University community that help referrers and referred students prepare their case.

2. Parties indirectly involved in Honor System cases shall have the responsibility of maintaining confidentiality in all matters. Parties indirectly involved in Honor System Cases should be aware that the confidentiality of Honor System proceedings may be covered under the Family Educational Rights and Privacy Act (FERPA) as outlined on the University Registrar’s website.

ARTICLE XI: GENERAL

Section 1 - Reporting of Violations

It is the obligation of all members of the academic community to report alleged violations of the Graduate Honor Code. Reporting the observance of a Graduate Honor Code violation shall not be optional; it shall be mandatory. Reports should be submitted in writing to the Chair or the
Graduate Honor System Advisor on forms provided for that purpose, which are available at the Graduate Honor System website. The report form also may be obtained at the Graduate School.

Alleged violations of the Graduate Honor Code must be reported within ten (10) University business days after the date of discovery. Only under very special circumstances shall exceptions to this policy be granted, and then only at the discretion of the Chair and the Graduate Honor System Advisor. A possible reason for exception could include, but is not limited to, unavoidable delays in obtaining the evidence.

Section 2 - Violations at Extended Campuses

1. Students engaged in graduate studies at any of Virginia Tech’s extended campuses shall be subject to all provisions of this Constitution.
2. Designated panelists may assist in gathering evidence if it is not possible for an Associate Chair to do so. The evidence obtained shall be presented to the Preliminary Review Panel and shall be evaluated in a manner prescribed in Article IV of this Constitution.
3. Unless otherwise designated by the Chair, with the approval of the Dean of the Graduate School, all hearings shall be conducted at the Virginia Tech main campus in Blacksburg.

Section 3 - Summer

Because of the decreased availability of graduate student and faculty panelists during the summer, delays in processing and hearing cases may result. Thus, reasonable delays of this sort shall not be considered as violating the student's rights or as grounds for an appeal.

Section 4 - Graduate Students Enrolled in Undergraduate Classes

Graduate students shall be subject to stipulations within this Constitution regardless of whether they are enrolled in undergraduate or graduate classes. In cases in which the graduate student is referred in conjunction with an undergraduate student, the Graduate Honor System will work with the Office of Undergraduate Academic Integrity.

Section 5 - Undergraduate Students Enrolled in Graduate Classes

The undergraduate honor system, commonly referred to as The Virginia Tech Honor System, shall have jurisdiction over cases involving undergraduate students in graduate classes unless the student is also enrolled in the Graduate School and taking graduate classes for graduate credit under the classification of "Dual Student" or "Combined Student," and “Bachelor/Master’s Degree Student,” in which case the Graduate Honor System shall have jurisdiction. In cases in which an undergraduate student is referred with a graduate student, the Graduate Honor System will work with the Office of Undergraduate Academic Integrity.

Section 6 - Violations Involving Graduate Students Already Graduated

If the degree towards which the student was working at the time of the alleged violation has already been awarded, the case shall be referred to the Dean of the Graduate School who shall
convene a committee to review and investigate the charge and make recommendations. The committee composition shall be determined by the Dean of the Graduate School. The Chair of the Graduate Honor System shall be an ex officio member of this committee and shall have the same voting privileges as the other members of this committee.

Section 7 - Recruitment of Graduate Honor System Members

Recognizing that it is strongest when it fosters and reflects the support of all graduate students and faculty at the University, the Graduate Honor System shall seek to be as broadly representative of the graduate student and faculty bodies at Virginia Tech as possible. To this end, all qualified graduate students and faculty shall be encouraged to participate in the Graduate Honor System. No otherwise qualified graduate student or faculty may be excluded from membership on the basis of race, sex, handicap, age, veteran status, national origin, religion, political affiliation, or sexual orientation.

Section 8 - Clearance of Graduate Student Records

Graduate students volunteering or appointed to serve on the Graduate Honor System must receive clearance of their personal disciplinary records and their academic records through the Dean of the Graduate School. Such clearances shall be conducted consistent with the University's regulations on the confidentiality of records and shall assure a minimum academic quality credit average of 3.00 and no previous or current disciplinary action for each appointee.

Section 9 - Confidentiality

All investigations, hearings, reviews, and other associated activities of the Graduate Honor System shall conform to the University's "Confidentiality of Student Records" and FERPA policies.

Section 10 - Substitution of Graduate Honor System Personnel

The Chair or the Graduate Honor System Advisor shall be authorized, when circumstances dictate, to appoint substitutes for any Graduate Honor System personnel in any case before the Graduate Honor System. However, faculty may not be substituted for graduate students and vice versa.

Section 11 - University Policies

Where appropriate, the Graduate Honor System shall abide by all applicable policies, statements, and principles as contained in the University Policies for Student Life.

Section 12 – Definition of a “University business day”

A “University business day,” as referred to in this constitution, shall be defined as any day on which the main Virginia Tech campus is open and the Graduate School offices are open.
ARTICLE XII: AMENDMENTS

Proposed amendments to the Constitution of the Graduate Honor System may be initiated through one of the following channels: (1) by a majority vote of the Graduate Student Assembly, (2) by a majority vote of the Commission on Graduate Studies and Policies, or (3) by direct submission to the Chair or the Dean of the Graduate School. Also, at the discretion of the Chair and the Graduate Honor System advisor, amendments may be initiated through the Graduate Honor System. Upon receiving such proposals, the Dean of the Graduate School shall convene the Constitution Revision Committee. With the approval of two-thirds of this committee, proposed amendments shall be forwarded for approval by the Commission on Graduate Studies and Policies and thereafter through the proper channels of the University governance structure (which at the time of the 2008-09 revision is described in Policies and Procedures No. 8011). Any substantive changes in proposed amendments as they proceed through subsequent levels of approval shall be resubmitted to the Constitution Revision Committee for its approval.

The Constitution Revision Committee shall consist of the Chair, the Graduate Honor System Advisor, a minimum of six (6) panelists (minimum of four (4) graduate students and two (2) faculty), and up to two (2) other representatives from the graduate student body to be nominated by the Graduate Student Assembly.

2018 Revision

The Vice President and Dean of the Graduate School convened a Constitution Review Committee in the Spring of 2018. This revision was conducted by a panel of graduate students and faculty members in accordance with the constitution.

The goals of the revision were to address concerns about the path of appeals, update language within the constitution to better fit the Honor System’s values, and include penalties that fit the Honor System’s values and mission which were not available at the time of the last revision.

2008-09 Revision

At the request of the Dean of the Graduate School, a Constitution Review Committee was convened in 2008 to perform a periodic review to bring the GHS Constitution up to date with current University policies and the climate of the time. This revision was conducted by a panel of graduate students and faculty in accordance with the constitution.

The goals of the current revision were two-fold: First, revisions were intended to address substantive issues that have arisen since the 1991 revision. Second, revisions were intended to improve the efficiency and effectiveness of the Honor System. The Review Committee considered a number of changes and ultimately rejected those that did not meet either of the above mentioned goals. The committee has worked very hard to ensure that the revisions to this constitution stand for at least another 15 years.

1991 Revision
Following the conclusion of the 1987 University Self-Study, a Constitution Revision Committee was convened to evaluate the Graduate Honor System. Since the Constitution had not received serious scrutiny in a decade or more, and since the Graduate Honor System has now matured to a level where the old Constitution is hardly serviceable, the ultimate goal of this committee from the outset was a revision of the Constitution. Much work has gone into ensuring that this revision will stand the test of time and will be instructive in guiding the operation of the Graduate Honor System in the years ahead.

**Reference Material Used**

Revision of this document was based on a variety of materials; these include:


3. Several ideas and sentences from the following sources have been used with and without modification in the writing of the section "Purpose and Description of Graduate Honor Code" (Article I, Section 1):
   a. Reference 1.

4. Information used in defining "Misconduct in Research" (Article I, Section 3):
   a. Recommendations on "Research Misconduct and Graduate Students at VPI&SU" submitted to the Constitution Revision Committee by the Degree Requirements, Standards, Criteria and Academic Policies Committee (DRSCAPC) of the Commission on Graduate Studies, January 18, 1990.

5. "Computer Science Department Policy on Koofers, Old Programs, Cheating, and Microcomputer Use," CS Bits & Bytes (CS Dept. VPI&SU), Wednesday, February 15, 1989, pp. 7-8. (Ideas and and wording from this policy were used in Article I, Section 3.)
CONSTITUTION OF THE GRADUATE HONOR SYSTEM

Virginia Polytechnic Institute and State University
Passed by the Commission on Graduate Studies and Policies
Effective Fall 2009

Table of Contents

Article I: Purpose and Description 2
Article II: General Administration 4
Article III: Facilitated Discussion 6
Article IV: Investigative Board 7
Article V: Judicial Panel 8
Article VI: University Action 9
Article VII: Actions of the Graduate Honor System 10
Article VIII: Rights and Obligations of the Accused 12
Article IX: Rights and Obligations of the Referrer 12
Article X: Obligations of Parties Indirectly Involved in Cases 13
Article XI: General (Reporting of Violations; Jurisdiction; Membership) 13
Article XII: Amendments 15
Appendix: Plagiarism 16
ARTICLE I: PURPOSE AND DESCRIPTION

Section 1 - Graduate Honor Code

The Graduate Honor Code establishes a standard of academic integrity. As such, this code demands a firm adherence to a set of values. In particular, the code is founded on the concept of honesty with respect to the intellectual efforts of oneself and others. Compliance with the Graduate Honor Code requires that all graduate students exercise honesty and ethical behavior in all their academic pursuits here at Virginia Tech, whether these undertakings pertain to study, course work, research, extension, or teaching.

It is recognized that graduate students have very diverse cultural backgrounds. In light of this, the term ethical behavior is defined as conforming to accepted professional standards of conduct, such as codes of ethics used by professional societies in the United States to regulate the manner in which their professions are practiced. The knowledge and practice of ethical behavior shall be the full responsibility of the student. Graduate students may, however, consult with their major professors, department heads, International Graduate Student Services, or the Graduate School for further information on what is expected of them.

More specifically, all graduate students, while being affiliated with Virginia Tech, shall abide by the standards established by Virginia Tech, as these are described in this Constitution. Graduate students, in accepting admission, indicate their willingness to subscribe to and be governed by the Graduate Honor Code and acknowledge the right of the University to establish policies and procedures and to take disciplinary action (including suspension or expulsion) when such action is warranted. Ignorance shall be no excuse for actions which violate the integrity of the academic community.

The fundamental beliefs underlying and reflected in the Graduate Honor Code are that (1) to trust in a person is a positive force in making a person worthy of trust, (2) to study, perform research, and teach in an environment that is free from the inconveniences and injustices caused by any form of intellectual dishonesty is a right of every graduate student, and (3) to live by an Honor System, which places a positive emphasis on honesty as a means of protecting this right, is consistent with, and a contribution to, the University's quest for truth.

Section 2 - Implementation

The Graduate Honor System was established to implement the Graduate Honor Code, and its functions shall be:

1. To promote honesty and ethical behavior in all academic pursuits, including, but not limited to, study, research, teaching, and extension.
2. To disseminate information concerning the Graduate Honor System to all new graduate students, faculty, and other interested parties.
3. To investigate all suspected violations of the Graduate Honor Code in an impartial, thorough, and unbiased manner.
4. To try all cases involving academic infractions of the Graduate Honor Code brought before the System.
5. To assure that the rights of all involved parties are protected and assure due process in all proceedings.

Section 3 - Violations

All forms of academic work including, but not limited to, course work, lab work, thesis or dissertation work, research, teaching, and extension performed by any graduate student enrolled on a part-time or full-time basis under any of the admission categories listed in the Virginia Tech Graduate Catalog shall be subject to the stipulations of the Graduate Honor Code. Violations of the Graduate Honor Code are categorized as follows: Cheating, Plagiarism, Falsification, and Academic Sabotage. Violations are defined as follows:

1. **Cheating**: Cheating is defined as the giving or receiving of any unauthorized aid, assistance, or unfair advantage in any form of academic work. Cheating applies to the products of all forms of academic work. These products include, but are not limited to, in-class tests, take-home tests, lab assignments, problem sets, term papers, research projects, theses, dissertations, preliminary and qualifying examinations given for the fulfillment of graduate degrees, or any other work assigned by an instructor or professor, graduate committee, or department that pertains to graduate work or degrees.

Any student giving or receiving unauthorized information concerning a test, quiz, or examination shall be guilty of an Honor Code violation. Submitting work that counts towards the student's grade or degree which is not the sole product of that student's individual effort shall be considered cheating, unless, for example, the professor explicitly allows group work, use of out-of-class materials, or other forms of collective or cooperative efforts. In general, all academic work shall be done in accordance with the requirements specified by the instructor or professor. In the absence of specific allowances or instructions by the professor, students shall assume that all work must be done individually.
Some uses of permanently returned, graded material ("koofers") are cheating violations of the Code. By permanently returning graded materials, a faculty member or instructor demonstrates the intent that these materials should be accessible to all students. Such materials may be used for study purposes, such as preparing for tests or other assignments, and other uses explicitly allowed by the professor or course instructor. Once test questions have been handed out, koofers may not be used. Other specific examples of the illegal use of koofers include, but are not limited to, using koofers during closed-book exams, handing in any type of copy (e.g., a photocopy or a transcribed copy) of someone else's work (partial or complete) from a previous term, and copying a current answer key or one that was handed out in a previous term. Students may not copy and hand in as their own work answers taken from any kind of koofers. When in doubt of what may or may not be used, students should consult with the course instructor. In the absence of specific instructions concerning koofers from the instructor, students shall assume that all submitted work must be the product of their own efforts.

2. Plagiarism: Plagiarism is a specific form of cheating, and is defined as the copying of the language, structure, idea, and/or thoughts of another and claiming or attempting to imply that it is one's own original work. It also includes the omitting of quotation marks when references are copied directly, improper paraphrasing (see Appendix: Plagiarism, p. 16), or inadequate referencing of sources. Sources used in preparing assignments for classes, theses, dissertations, manuscripts for publication, and other academic work should be documented in the text and in a reference list, or as directed by the instructor or professor. Sources requiring referencing include, but are not limited to, information received from other persons that would not normally be considered common knowledge (Plagiarism), computer programs designed or written by another person, experimental data collected by someone else, graded permanently-returned materials such as term papers or other out-of-class assignments (koofers), as well as published sources. A more detailed discussion of plagiarism may be found at the end of this document under Plagiarism.

3. Falsification: Students who falsify, orally, in writing, or via electronic media, any circumstance relevant to their academic work shall be guilty of a violation of this Code. Included are such actions as forgery of official signatures, tampering with official records or documents, fraudulently adding or deleting information on academic documents, fraudulently changing an examination or testing period or due date of an assignment, and the unauthorized accessing of someone else's computer account or files. Violations also include willfully giving an improper grade or neglecting to properly grade submitted material, improperly influencing the results of course evaluations, and knowingly including false data or results in any paper or report submitted for a grade, as a degree requirement, or for publication.

4. Academic Sabotage: Academic sabotage is purposeful vandalism directed against any academic endeavor or equipment. It includes, but is not limited to, the destruction or theft of written material, laboratory or field experiments, equipment used in teaching or research, or computer files or programs. Unauthorized tampering with computer programs or systems shall constitute a violation. Academic sabotage includes deliberately crashing or attempting to crash a computer system or the use of files intended to cause or actually causing computer systems to behave atypically, thereby impeding another person's or group's efforts. In particular, knowingly infecting any system with a virus, worm, time bomb, trap door, Trojan horse, or any other kind of invasive program shall be considered a serious violation. Note that violations under this category may also lead to University judicial action or to criminal suits charged by the University.

Misconduct in research and teaching deserves special mention in the Code since it is an area of special interest to graduate students. It is not a separate violation category since it may involve cheating, plagiarism, falsification, and/or academic sabotage as discussed above. Misconduct in research does not include those factors intrinsic to the process of research, such as honest error, conflicting data, or differences in interpretation concerning data or experimental design. Likewise, misconduct in teaching does not include honest disagreement over the method of presentation of instructional material to a class or in the evaluation of the performance of a student. Research misconduct allegations may also be investigated by the Virginia Tech Office of Research Integrity.

Section 4 - Composition

The Graduate Honor System shall consist of an Advisor, a Chief Justice, one or more Investigators, GHS Facilitators, an Investigative Board, and a Judicial Panel. The Dean (or designee) of the Graduate School shall be responsible for the continued operation of the System. Appointment of Graduate Honor System personnel shall be made in accordance with Article XI, Section 7.
ARTICLE II: GENERAL ADMINISTRATION

Section 1 - Appointment of the Graduate Honor System Advisor

A member of the staff of the Dean of the Graduate School shall be appointed by the President to serve as the Graduate Honor System Advisor. The Advisor shall serve in an advisory capacity to the Chief Justice and shall be present (or represented) at all hearings of both the Investigative Board and the Judicial Panel.

Section 2 - Duties and Functions of the Advisor

The following duties and functions shall be performed by the Advisor:

1. The advisor shall have the responsibility to train the Chief Justice, Investigators, Facilitators, and new board and panel members.
2. The advisor shall provide counsel to the Chief Justice and Investigators in the preparation of cases.
3. The advisor shall provide staff for handling training sessions, scheduling meetings, and other matters related to the administration of the Graduate Honor System.
4. The advisor shall counsel faculty or students referring cases as well as those students charged with offenses.
5. The advisor (or designee) shall attend all hearings.
6. The advisor, in consultation with the Chief Justice, shall be responsible for appointing the Investigators.
7. The advisor, upon the receiving the recommendation of the Chief Justice, shall be responsible for approving the membership of the Investigative Board and Judicial Panel.

Section 3 - Appointment of the Chief Justice

1. Nominations for the position of Chief Justice shall be accepted from the Graduate Student Assembly, College Deans, and other members of the academic community, and applications by qualified persons shall be welcomed. Candidates for the position of Chief Justice must be graduate students in good standing and must have been in residence for at least one (1) semester immediately preceding nomination. Preferably, the nominee will have served as an Investigator or as a graduate student panel member of the Graduate Honor Court for at least one (1) semester prior to appointment.
2. The term of office shall be one (1) year, but if available and willing, the current Chief Justice may be re-appointed by the President of the University to serve subsequent terms, up to four (4) years, upon the recommendation of the Graduate Honor System Advisor.
3. The Chief Justice Nominating Committee shall be convened by the Dean upon the resignation of the current Chief Justice, upon completion of term of office, or upon termination of office. This committee shall consist of the Graduate Honor System Advisor (Chair), up to three (3) graduate student members of the Graduate Honor System, and one (1) faculty member having previously served on the Judicial Panel and appointed by the Dean of the Graduate School. All members shall have equal voting privileges. The function of this committee shall be to nominate a candidate for appointment by the President. The nomination process shall be: (1) to invite nominations and accept applications, (2) to review applications and conduct interviews with applicants, and (3) to recommend to the President of the University from among these applicants a nominee for the position of Chief Justice. The recommendation of this committee shall be by majority vote.
4. The recommendation of the nominating committee is voted on by the Graduate Student Assembly (GSA) and the Commission on Graduate Studies and Policies (CGS&P).
5. The Dean of the Graduate School will forward the nomination to the President conveying the vote of the GSA and CGS&P.
6. The President shall appoint the Chief Justice.
7. In the absence of a timely appointment, the President through the recommendation of the Dean, can appoint the nominee as an interim Chief Justice until the conclusion of the appointment process.

Section 4 - Duties and Functions of the Chief Justice

The Chief Justice shall perform the following duties and functions:

1. The Chief Justice shall receive reports of suspected violations and determine, in consultation with the GHS Advisor, if the accused student is eligible for a Facilitated Discussion.
2. The Chief Justice shall assign to the Investigative Board all cases not eligible for Facilitated Discussion.
3. The Chief Justice shall preside at all Judicial Panel hearings. The Chief Justice may request a member of the Judicial Panel to preside in his or her place.
4. The Chief Justice shall assure justice, fairness, and due process.
5. The Chief Justice shall secure nominations and select graduate student and faculty members for the Facilitated Discussion Process, the Investigative Board, and Judicial Panel, subject to approval by the Graduate Honor System Advisor.
6. The Chief Justice shall assume responsibility for the instruction and training of graduate student and
faculty members in the operation, function, and responsibility of the Graduate Honor System.

7. The Chief Justice shall orient entering graduate students and new faculty to the values and obligations of the Graduate Honor Code.

8. The Chief Justice shall conduct information activities and coordinate activities of the Graduate Honor System.

9. The Chief Justice shall administer the operation of the Graduate Honor System throughout the entire calendar year.

10. The Chief Justice shall keep the graduate community apprised of relevant activities of the Graduate Honor System.

11. The Chief Justice shall consult with the Graduate Honor System Advisor in the appointment of the Investigators and Graduate Honor System panelists for the Facilitated Discussion.

12. The Chief Justice shall select the Judicial Panel subcommittees to hear the cases.

Section 5 - Staff of the Chief Justice

The Chief Justice, with the approval of the Graduate Honor System Advisor, shall appoint sufficient staff to assist with the duties of the office.

Section 6 - Appointment of Investigators

1. The Graduate Honor System Advisor, in consultation with the Chief Justice, shall appoint one or more Investigators. Nominations for this position shall be accepted from the Graduate Student Assembly, College Deans, and other members of the academic community; and applications from qualified personnel shall be welcomed. Members of the Investigative Panel will be invited to apply. Students being considered for Investigator positions must be graduate students in good standing and must have been in residence for at least one (1) semester immediately preceding appointment. Preferably, the nominee will have served as a graduate student panel member of the Graduate Honor System for at least one (1) semester prior to the appointment. Investigators shall serve a one (1) year term but may be re-appointed to serve subsequent terms, up to four (4) years, if available and willing.

2. The appointment of new Investigators shall be made as necessary to meet the needs of the Honor System.

Section 7 - Duties of Investigators

Investigators shall perform the following duties:

1. Investigators shall gather evidence and conduct interviews with the referrer and the accused student(s).

2. Investigators shall prepare a brief report summarizing the evidence.

3. Investigators shall present the report summarizing the evidence to the referrer, accused student, and Chief Justice before presenting it for review by the Investigative Board.

4. Investigators shall select the Investigative Board subcommittee for reviewing the evidence.

5. Investigators shall convene and chair Investigative Board meetings.

6. Investigators shall prepare a brief report for the Chief Justice which summarizes the decision of the Investigative Board and shall brief the Chief Justice on all the details of the case at hand.

7. Investigators shall present the evidence before the Judicial Panel.

8. Investigators shall aid the Chief Justice in convening and conducting training sessions for Investigative Board members.

Section 8 – Appointment of Graduate Honor System Facilitators

1. The Graduate Honor System Advisor, in consultation with the Chief Justice, shall appoint one or more Graduate Honor System Facilitators. Applications for this position shall only be taken from current members of the Investigative Board and Judicial Panel. Graduate Honor System Facilitators must have significant experience with the Graduate Honor System as determined by the Graduate Honor System Advisor and Chief Justice before appointment as Discussion Facilitators. Facilitators shall serve a one (1) year term but may be re-appointed to serve subsequent terms, up to four (4) years, if available and willing.

2. The appointment of new Facilitators shall be made as necessary to meet the needs of the Honor System.

Section 9 – Duties of Graduate Honor System Facilitators

1. Graduate Honor System Facilitators shall facilitate a discussion meeting between the referrer, and the accused student(s).

2. Graduate Honor System Facilitators shall ensure that all applicable GHS guidelines are observed and followed.

3. Graduate Honor System Facilitators shall ensure that the rights of the accused and referrer are upheld.

4. Graduate Honor System Facilitators shall, upon examination of the facts of the case, have the authority to refer cases to the Chief Justice so that they may be assigned an Investigator.
Section 4 – Operation

1. The Chief Justice, after determining a case eligible for a Facilitated Discussion, will notify the referrer and the accused of this determination.

2. The referrer and accused will then have no more than ten (10) University business days to notify the Chief Justice of their desire to participate in a Facilitated Discussion; otherwise the case will be sent for investigation and panel review. Exceptions to the ten-day period will only be made under extenuating circumstances, as determined by the Chief Justice or Graduate Honor System Advisor.

3. If either the referrer or the accused student(s) does not agree to participate in the Facilitated Discussion, the case will be sent for investigation and panel review.

4. During the Facilitated Discussion, the referrer of the alleged violation and the accused student will attempt to reach a resolution to the case, with the assistance of the Graduate Honor System Facilitator. The question which the accused and the referrer must answer is “Is the student guilty of the alleged violation?” A determination of guilt shall require both the referrer and the accused student to agree that the student is guilty of the alleged violation. A determination of not guilty shall require both the referrer and the accused student to agree that the student is not guilty of the alleged violation. In the absence of such an agreement, the case shall be sent for an investigation and panel review.

5. If the referrer and student agree that the student is guilty of the alleged violation, the referrer and student may then decide upon an appropriate penalty. Sanctions for the Facilitated Discussion will be limited to those sanctions outlined in Article VII, Section 1, Item 1, Parts a-d of this Constitution. The referrer and accused must both come to an agreement on the appropriate penalty. In the absence of such an agreement, the case shall be sent for an investigation and panel review.

6. The GHS Facilitator shall keep a record of the outcome of the Facilitated Discussion. This record, the original report of the alleged violation, and any relevant evidence shall be held in the Chief Justice’s confidential file. The Chief Justice shall inform the Dean of the Graduate School (or designee), in writing, of the outcome of all Facilitated Discussions.

7. For cases in which the referrer or the accused withdraws from the Facilitated Discussion, no record shall be kept that either the referrer or accused participated in a Facilitated Discussion and the fact that they did participate in such a proceeding shall not be deemed relevant in any future Honor System proceedings.
Section 5 – Withdrawal from the Decision of the Facilitated Discussion

1. The accused or referrer may withdraw from a decision reached during a Facilitated Discussion for any reason.

2. If the accused or referrer wishes to withdraw from the Facilitated Discussion decision, the Chief Justice must be notified of the desire to withdraw from the decision within two (2) calendar days of the conclusion of the Facilitated Discussion.

3. If the accused or referrer withdraws from the Facilitated Discussion decision, the case shall be immediately sent for an investigation and panel review.

4. In these instances no record shall be kept that the Facilitated Discussion occurred and the fact that they did participate in such a proceeding shall not be deemed relevant in any future Honor System proceedings.

ARTICLE IV: INVESTIGATIVE BOARD

Section 1 – Investigative Board Waiver

1. The accused student(s) and referrer shall have the opportunity to review the report prepared by the Investigator, before it is presented to an Investigative Board.

2. If, after review of the materials presented in the report, the accused student(s) accepts that there is substantive evidence to support the charge and warrant a full hearing of the case by the Judicial Panel, the student may request an Investigative Board Waiver. This request must be submitted to the Chief Justice within five (5) University business days of the student(s) receiving the case packet.

3. A request for an Investigative Board Waiver must be received before an Investigative Board is scheduled.

4. A request for an Investigative Board Waiver does not, in any way, imply guilt on the part of the student(s).

5. In cases involving multiple accused students, if all accused students do not request an Investigative Board Waiver, the case will proceed to an Investigative Board.

6. Cases for which an Investigative Board waiver is granted shall proceed directly to a Judicial Panel for a hearing.

Section 2 - Composition

1. The Investigative Board shall consist of a minimum of one (1) graduate student from each College, a minimum of one (1) faculty member from each College, one or more Investigators, and the Graduate Honor System Advisor.

2. Student members shall be selected by the Chief Justice upon consultation with the College Deans and the Graduate Student Assembly and shall be approved by the Graduate Honor System Advisor. The term of office shall be one (1) year, from the date of the appointment. If available and willing, students may be re-appointed to serve subsequent terms, up to four (4) years.

3. Faculty members shall be selected by the Chief Justice upon consultation with the College Deans and shall be approved by the Graduate Honor System Advisor. The term of office shall be two (2) years from the date of the appointment. If available and willing, faculty may be re-appointed to serve subsequent terms, up to four (4) years.

4. Graduate student members of the Investigative Board shall have full voting privileges, whereas the faculty members shall serve in an advisory capacity to the student members and shall not have voting privileges.

5. The Investigators (or designees) shall chair Investigative Board meetings and shall not have voting privileges.

6. The Graduate Honor System Advisor shall be a non-voting member and shall serve in an advisory capacity to the Investigator and the Investigative Board.

Section 3 - Functions of the Investigative Board

The Investigative Board shall perform the following functions:

1. It shall gather and evaluate evidence.

2. It shall decide whether a hearing before the Judicial Panel should be held.

3. It shall select an individual from its membership to present the evidence before the Judicial Panel. This normally will be the Investigator, but it may be any member present at the Investigative Board meeting.

Section 4 - Operation

1. For each case without an Investigative Board Waiver, a hearing shall be conducted by a subcommittee of the Investigative Board, consisting of a minimum of five (5) graduate students and at least two (2) faculty members, to be selected by the Chief Justice. The Investigator managing the case shall serve as chair. In addition, the Graduate Honor System Advisor shall be a non-voting member and shall serve in an advisory capacity to the Investigator and the Investigative Board.

2. Investigations shall adhere to the basic tenets of due process for an academic honor violation as outlined in University Policies for Student Life.*
3. A decision to send the case to the Judicial Panel should be based upon substantive evidence to support the charge. The lack of such evidence should lead the Investigative Board to vote against sending the case to the Judicial Panel and consequently lead to the termination of the proceedings. Otherwise, the Investigative Board should send the case forward for the further scrutiny of the Judicial Panel. The fact that the case is forwarded to the Judicial Panel shall in no way imply guilt; the Investigative Board is simply stating that the case should be reviewed with the aid of personal testimonies.

4. The student members shall have full voting privileges while the faculty members serve in an advisory capacity. Recommendations of the Investigative Board must be by majority vote of the graduate student members present. In the event of a tie vote, the case will go forward.


ARTICLE V: JUDICIAL PANEL

Section 1 - Composition

1. The Judicial Panel shall consist of a minimum of one (1) graduate student from each College, a minimum of one (1) faculty member from each College, the Chief Justice, and the Graduate Honor System Advisor.

2. Graduate student members shall be selected by the Chief Justice upon consultation with the College Deans and the Graduate Student Assembly and shall be approved by the Graduate Honor System Advisor. The term of office shall be one (1) year from the time of the appointment. If available and willing, students may be re-appointed to serve subsequent terms, up to four (4) years.

3. Faculty members shall be selected by the Chief Justice upon consultation with the College Deans and shall be approved by the Graduate Honor System Advisor. The term of office shall be two (2) years from the time of the appointment. If available and willing, faculty may be reappointed to serve subsequent terms, up to four (4) years.

4. Both graduate student and faculty members of the Judicial Panel shall have full voting rights.

5. The Chief Justice (or designee) shall be a non-voting member and shall serve as the panel moderator.

6. The Graduate Honor System Advisor shall be a non-voting member and shall serve in an advisory capacity to the Chief Justice and the Judicial Panel.

Section 2 - Functions of the Judicial Panel

The Judicial Panel shall perform the following functions:

1. It shall hear evidence gathered by the Investigative Board.

2. It shall hear testimony of the referrer, accused, and witnesses.

3. It shall hear the remarks of the University community representative of the accused.

4. It shall assure that the rights of the accused and the referrer are protected and assure due process.

5. It shall determine guilt or innocence.

6. It shall recommend the penalty when the accused is determined to be guilty of the charge.

Section 3 - Operation

1. For each case, a hearing shall be conducted by a subcommittee of the Judicial Panel, consisting of the Chief Justice, a minimum of four (4) graduate students, a minimum of three (3) faculty members, and the Graduate Honor System Advisor. The number of voting faculty shall not exceed the number of voting graduate students present. The graduate students and faculty members shall be selected by the Chief Justice with the approval of the Graduate Honor System Advisor. Each graduate student and faculty member shall have full voting privileges, while the Chief Justice (or designee) shall be a non-voting member and shall serve as the moderator of the hearing. In addition, the Graduate Honor System Advisor shall be a non-voting member and shall serve in an Advisory capacity to the Chief Justice and the Judicial Panel.

2. All Judicial Panel hearings shall adhere to the basic tenets of due process of an academic honor violation as outlined in University Policies for Student Life.

3. All persons involved with the hearing have the right to be treated with respect. Persons displaying disrespect for another person at the hearing or contempt for the proceedings shall be dismissed, and the hearing shall be concluded in their absence.

4. All evidence regarding cases should be submitted to the Investigators during the investigation and interviewing process (prior to the Investigative Board meeting). If additional information is submitted after the case is sent forward by the Investigative Board, the Judicial Panel will decide the relevancy of that information.

5. The accused must be adjudged guilty before any consideration is given to the penalty, unless the accused pleads guilty, in which case the deliberations shall focus solely on the penalty.

6. In evaluating evidence and testimony regarding guilt or innocence, each member of the Judicial Panel shall consider whether or not there exists substantive evidence of guilt. The verdict of guilt or innocence
shall be determined solely on the basis of the facts regarding the charge, i.e., based on evidence collected and testimony presented at the Judicial Panel hearing.

7. At the conclusion of the deliberations on guilt or innocence for each charge against the student the Chief Justice shall poll the members of the Panel on the question: "Is the student guilty of the alleged violation?" An affirmative vote represents "guilty," while a negative vote represents "not guilty." A determination of guilt shall require a majority vote. In the absence of such a vote, the Panel shall be deemed to have found the student "not guilty." An abstention shall not be counted as a vote. In the unlikely event that a majority of the Judicial Panel members do not vote, then the current panel shall be dismissed and a new panel shall be convened to re-hear the case.

8. In determining the appropriate sanction, such factors as the accused student's past history of violations, attitude, intent, severity of the violation, and the degree of cooperation may be considered.

9. Recommendations of penalty shall be by majority vote. An abstention shall not be counted as a vote.

10. A taped recording of the proceedings, the confidential recommendations of the Judicial Panel, together with all submitted evidence and votes recorded, shall be held in the Chief Justice's confidential file. The Chief Justice shall inform the Dean of the Graduate School (or designee), in writing, of the findings and recommendations of the Judicial Panel.

ARTICLE VI: UNIVERSITY ACTION

Section 1 - Review and Decision

1. The recommendations (verdict, and penalty if required) of the Judicial Panel shall be submitted in writing by the Chief Justice to the Dean of the Graduate School (or designee) for review and decision.

2. No penalty shall be announced until an official decision shall have been rendered by the Dean of the Graduate School (or designee).

3. The official decision of the Dean of the Graduate School (or designee) shall be transmitted in writing to the accused, the referrer, and the course instructor (or major professor for a research-related violation). The accused shall also be notified of the right to appeal the decision.

4. When the Judicial Panel's recommendation is not accepted by the Dean (or designee), the Panel shall be notified of the final decision of the Dean (or designee).

Section 2 - Appeals

1. The accused may appeal the official decision to the Dean of the Graduate School on grounds of (1) failure of the Graduate Honor System to follow proper procedures, (2) introduction of new evidence, and/or (3) severity of the penalty. The imposition of the penalty shall be deferred until the termination of the appeals process.

2. The Dean of the Graduate School must be notified of an intention to appeal within five (5) University business days after the accused receives written notification of the verdict and penalty.

3. In the event of an appeal, the Dean of the Graduate School (or designee) shall convene an Appeals Board. The Board shall consist of two (2) members [one (1) graduate student and one (1) faculty] from the Commission on Graduate Studies and Policies and one (1) graduate student representative selected at large. The members of the Appeals Board shall be appointed by the Dean of the Graduate School. When convened, the Board shall serve in an advisory capacity and the Dean of the Graduate School shall preside.

4. The accused and the University community representative of the accused may present the argument of the defense before the Appeals Board. The case of the Graduate Honor System shall be presented by one (1) graduate student and one (1) faculty member, both selected by the Chief Justice, who were members of the Judicial Panel that considered the case. The Chief Justice and the Graduate Honor System advisor shall normally present the case findings of the Graduate Honor System.

5. The appeals hearing is not a retrial and must be focused solely upon one or more of the following: (1) failure of the Graduate Honor System to follow proper procedures, (2) introduction of new evidence, (3) severity of penalty. The hearing shall be limited to the consideration of the specific information pertaining to one or more of the above. The burden shall be placed on the appealing student to demonstrate why the original finding or sanction should be changed.

6. The decision of the appeals committee is limited to grounds of the appeal. Judgments are made according to the following guidelines:

   a. Failure of the Graduate Honor System to Follow Proper Procedures: Determine whether or not the Graduate Honor System followed proper procedures. If proper procedures were followed, then the official decision is enforced. If proper procedures were not followed, then the student is acquitted and the case is closed.

   b. Introduction of New Evidence: Determine whether or not the new evidence is relevant to the official
decision. In the event that the information is determined to be relevant, the appeals board would request a new judicial panel hearing with no members from a previous panel. If information is determined to be irrelevant, then the official decision is upheld.

c. Severity of Penalty: Determine if the penalty is too severe for the violations of which the student was found guilty. The finding of guilt is not appealable and the case will not be retried. In the event that the penalty is found to be too severe, a lower penalty may be given from those specified under Article VII of this Constitution.

7. The final determination of an appeal shall be the sole responsibility of the Dean (or designee) of the Graduate School. The student shall be notified in writing of the disposition of the appeal.

ARTICLE VII: ACTIONS OF THE GRADUATE HONOR SYSTEM

Section 1 - Penalties

Where guilt is determined, the Judicial Panel or Facilitated Discussion shall also be responsible for determining an appropriate sanction. There are four major penalty levels (1-4) with increasing severity. These penalties are (1) Graduate Honor System Probation, (2) Suspension in Abeyance, (3) Suspension, and (4) Permanent Dismissal. For each charge of a Graduate Honor Code violation for which a student is found (or pleads) guilty, one of these four penalties must be given.

For cases resolved through Facilitated Discussion, only penalty 1 (Graduate Honor System Probation), subparts a-d may be applied.

For those cases where suspension or dismissal is not warranted, the subparts of penalty 1 (Graduate Honor System Probation) provide a further gradation in the penalty action. Whereas penalties 2, 3, and 4 must be given as a whole (i.e., no parts may be given without the others), penalty 1 may be given in part or in full. However, if penalty 1 is selected, parts a and b must always be given. Only parts c-h of penalty 1 may be optional. The very minimum penalty given shall be penalty 1, parts a and b.

1. Graduate Honor System Probation (parts a and b mandatory, parts c-h optional)

   a. The accused shall not be suspended from the University, but shall be placed on Graduate Honor System Probation until graduation or termination of enrollment. The sentence of Probation is a warning and is intended to serve as a deterrent against future misconduct. In the event of any other University or Graduate Honor Code violation, the appropriate parties shall be notified of the previous history of the accused. In the event of resignation and re-enrollment within a period of one (1) year, the accused shall be reinstated on Graduate Honor System Probation (penalty 1, part a only) subsequent to re-enrollment.

   b. The accused shall also automatically receive a zero on the assignment on which the violation occurred. In cases other than those involving course work (or other similar work where a zero is applicable), action shall be taken to negate any advantages obtained by the violation.

   c. A record of the action shall be kept in the accused's folder (not the official transcript) in the Graduate School until graduation from the University or termination of enrollment.

   d. The accused shall be required to attend a meeting or meetings with the Chief Justice and the Dean of the Graduate School for the purpose of achieving a better understanding on the student’s part of the requirements and purpose of the Graduate Honor System. Failure to participate in this meeting(s) shall constitute grounds for the automatic invocation of part "f" below.

   e. The accused may be sanctioned to perform an appropriate number of hours (not to exceed 50) of service to the home academic department or other appropriate entities within the university. Failure to perform this service as specified by the Graduate Honor System shall constitute grounds for the automatic invocation of part "f" below.

   f. The notation "placed on Graduate Honor System Probation" shall appear on the student's permanent record (transcript) under the semester in which the violation occurred.

   g. If substantial unfair academic advantage was gained, that is to say, if the violation, undetected, would have led to an advantage over the other students (or if the accused thought it would), then a grade of "F# for violation of the Graduate Honor Code" for the course in which the offense occurred shall also be a penalty action under this part. This grade shall appear on the student's grade report and permanent record (transcript) as an "F#." The notation of "#" may be removed by either the student’s graduation
or if the student re-takes the course.

h. If substantial unfair academic advantage was gained, that is to say, if the violation, undetected, would have led to a substantial grade advantage over the other students (or if the accused thought it would), then a grade of "F for violation of the Graduate Honor Code" for the course in which the offense occurred shall also be a penalty action under this part. This grade shall appear on the student's grade report and permanent record (transcript) as an "F*", and it shall be a permanent notation.

c. The notation "suspended for violation of the Graduate Honor Code" shall appear on the student's permanent record (transcript) under the semester in which the violation occurred.

d. Upon the accused's re-enrollment at Virginia Tech at the end of the period of suspension, the student shall be placed on Graduate Honor System Probation (penalty 1, part a only) until graduation or termination of enrollment.

4. Permanent Dismissal (all parts mandatory)

a. The accused shall be permanently dismissed from the University without being allowed to complete the current semester.

b. All credits shall be lost for work done during the semester in which the student is currently enrolled. In addition, if the offense did not occur during the semester in which the hearing is held, then a grade of "F for violation of the Graduate Honor Code" shall also be assigned for the course in which the offense was committed. This grade shall appear on the student's grade report and permanent record (transcript) as an "F*", and it shall be a permanent notation.

c. The accused may never re-enroll in the University.

d. The notation "permanently dismissed for violation of the Graduate Honor Code" shall appear on the student's permanent record (transcript) under the semester in which the violation occurred.

Section 2 - Acquittal

In the event of acquittal by the Graduate Honor System, all records of any description in conjunction with the trial shall be completely destroyed, except the "charges" and the "Findings of the System," which shall be filed in the Chief Justice's confidential file.

Section 3 - Announcement

In cases where students are found (or plead) guilty, the penalty and specifications may be published without names when the case is resolved, in such media as the Collegiate Times or the GHS annual report. Exonerations may also be published (without names) if the accused so desires. A written release must be obtained from the accused prior to publication.
ARTICLE VIII: RIGHTS AND OBLIGATIONS OF THE ACCUSED

Section 1 - Rights of the Accused

A student accused of violating the Graduate Honor Code shall have certain procedural guarantees to ensure fair judicial hearing of evidence. These rights under the Graduate Honor Code shall be as follows:

1. Students shall be considered innocent until judged guilty.
2. Students shall have the right to refrain from speaking for or against themselves.
3. Students shall have the right to speak in their own behalf.
4. Students may choose a member of the university community, such as a fellow student, faculty member, or staff member who is willing to assist them in preparing their defense. This person may attend a Facilitated Discussion, but may only participate in an advisory capacity to the student. During a Judicial Panel, the student’s representative shall only be allowed to address the Judicial Panel; they may not question witnesses. Lawyers retained by accused students shall not be permitted in Judicial Panel hearings or at Facilitated Discussions.
5. Students may terminate a Facilitated Discussion at any time, without reason.
6. Students shall have the right to review the report prepared by the Investigator, prior to the scheduling of an Investigative Board.
7. Students shall have the right to suggest corrections and/or additions to the report prepared by the Investigator, prior to the scheduling of an Investigative Board. All suggestions will be considered at the discretion of the Chief Justice and the Investigator for the case.
8. Students may at any time privately seek counsel with their university community representative. Statements made at this time shall be confidential.
9. Students may have any Graduate Honor System function that they are entitled to attend stopped at any time for a point of clarification.
10. Students may leave any Graduate Honor System function at any time; however, it is in their best interest to remain until they are made aware of all the details.
11. Students shall have the right to receive written notice of the charges, the "Order of Events for Judicial Panel Hearings," and any other pertinent information sufficiently in advance of the Judicial Panel hearing and in reasonable enough detail to allow them to prepare a case in their behalf. Likewise, students shall have the right to examine all evidence collected during the investigation prior to the Judicial Panel hearing. The students and their representatives shall have a copy of the evidence during the Judicial Panel hearing.
12. Students shall have the right to be aware of all testimony.
13. Students shall have the right to face the referrer, when such opportunity exists, at the Judicial Panel hearing and to present a defense against the charges, including presenting witnesses on their behalf. Consequently, students shall be consulted in the scheduling of the Judicial Panel hearing. However, students shall only be allowed to reschedule the Judicial Panel hearing once. Except under extenuating circumstances, Judicial Panel hearings shall not be rescheduled unless the Chief Justice or the Graduate Honor System Advisor is notified of the requested change prior to three (3) days preceding the scheduled hearing date.
14. Failure of students to be present at Judicial Panel hearings, assuming reasonable effort has been made to ensure their presence, shall indicate that they are waiving their rights to face the referrer and to appear before the Judicial Panel.
15. Students may ask that a panel member be excused from the Judicial Panel hearing if they can give reasonable cause why that panel member may be biased or have some other conflict of interest. The Chief Justice and the Graduate Honor System Advisor shall make a final ruling on any such request.
16. Students shall have the right to an appeal as specified under Article VI, Section 2.

Section 2 - Obligations of the Accused

Students accused of Graduate Honor Code violations shall have the responsibility of cooperating with Graduate Honor System personnel. Furthermore, when a case involves other students, these students' rights to privacy should be observed. Students should be aware that the confidentiality of Honor System proceedings may be covered under the Family Educational Rights and Privacy Act (FERPA) as outlined on the University Registrar’s website at http://www.registrar.vt.edu/records/ferpa.php.

ARTICLE IX: RIGHTS AND OBLIGATIONS OF THE REFERRER

Section 1 - Rights of the Referrer

A person referring charges of a Graduate Honor Code violation against a graduate student shall be accorded the following rights:
1. Discussion of the charges between the referrer and accused prior to the Judicial Panel hearing shall be allowed, although the referrer shall have the right to decline to discuss the charge with the accused. The referrer shall have the right, with the permission of the accused, to have one witness present when talking with the accused about the alleged violation.
2. The referrer shall have the right to choose one person (any member of the university community, such as a graduate student, a faculty or staff member, or department head) to assist them in preparation of the case. This person is not allowed to be present at the Judicial Panel hearing or during a Facilitated Discussion.
3. The referrer shall have the right to terminate a Facilitated Discussion at any time, without reason.
4. The referrer shall have the right to review the report prepared by the Investigator, prior to the scheduling of an Investigative Board.
5. The referrer shall have the right to suggest corrections and/or additions to the report prepared by the Investigator, prior to the scheduling of an Investigative Board. The referrer shall have the right to receive a copy of the evidence collected during the investigation, the "Order of Events for Judicial Panel Hearings," and any other pertinent information, if the Investigative Board sends the case to the Judicial Panel.
6. The referrer shall have the right to receive written notification of the final disposition of the case.
7. The referrer shall have the right to be secure in person and property.
8. Professors referring charges of violations may opt to grade or refrain from grading any assignment under investigation by the Graduate Honor System. It is recommended that instructors, if they are able to do so, grade the assignment with the assumption that the student is innocent of the charge. However, an incomplete grade may be assigned to the accused student pending the decision of the Graduate Honor System. The incomplete grade will be removed when the case is resolved.

Section 2 - Obligations of the Referrer

A person bringing charges of a Graduate Honor Code violation against another shall accept the following obligations:

1. The referrer shall cooperate with the Chief Justice, the Graduate Honor System advisor, the Investigator, and any other personnel of the Graduate Honor System.
2. The referrer shall be expected to appear at the Judicial Panel hearing.
3. The referrer shall have the responsibility of maintaining confidentiality in all matters pertaining to the case. However, referrers may discuss the case with their counsel (see Article IX, Section 1, item 2). The referrer should be aware that the confidentiality of Honor System proceedings may be covered under the Family Educational Rights and Privacy Act (FERPA) as outlined on the University Registrar’s website at http://www.registrar.vt.edu/records/ferpa.php.

ARTICLE X: OBLIGATIONS OF PARTIES INDIRECTLY INVOLVED IN HONOR SYSTEM CASES

1. Parties indirectly involved in Honor System cases include but are not limited to persons who witness alleged violations, witness discussions between referrers and accused students, and serve as members of the University community that help referrers and accused students prepare their case.
2. Parties indirectly involved in Honor System cases shall have the responsibility of maintaining confidentiality in all matters. Parties indirectly involved in Honor System Cases should be aware that the confidentiality of Honor System proceedings may be covered under the Family Educational Rights and Privacy Act (FERPA) as outlined on the University Registrar’s website at http://www.registrar.vt.edu/records/ferpa.php.

ARTICLE XI: GENERAL

Section 1 - Reporting of Violations

It is the obligation of all members of the academic community to report alleged violations of the Graduate Honor Code. Reporting the observance of a Graduate Honor Code violation shall not be optional; it shall be mandatory. Reports should be submitted in writing to the Chief Justice or the Graduate Honor System Advisor on forms provided for that purpose, which are available at http://ghs.grads.vt.edu. The report form also may be obtained at the Graduate School.

Alleged violations of the Graduate Honor Code must be reported within ten (10) University business days after the date of discovery. Only under very special circumstances shall exceptions to this policy be granted, and then only at the discretion of the Chief Justice and the Graduate Honor System Advisor. A possible reason for exception could include, but is not limited to, unavoidable delays in obtaining the evidence.

Section 2 - Violations at Extended Campuses
1. Students engaged in graduate studies at any of Virginia Tech’s extended campuses shall be subject to all provisions of this Constitution.

2. Designated members of the Investigative Board shall gather evidence. The evidence obtained shall be presented to the Investigative Board and shall be evaluated in a manner prescribed in Article IV of this Constitution.

3. Unless otherwise designated by the Chief Justice, with the approval of the Dean of the Graduate School, all hearings shall be conducted at the Virginia Tech main campus in Blacksburg.

Section 3 - Summer School

Because of the decreased availability of graduate student and faculty board and panel members during the summer, delays in processing and hearing cases may result. Thus, reasonable delays of this sort shall not be considered as violating the student's rights or as grounds for an appeal.

Section 4 - Graduate Students Enrolled in Undergraduate Classes

Graduate students shall be subject to stipulations within this Constitution regardless of whether they are enrolled in undergraduate or graduate classes.

Section 5 - Undergraduate Students Enrolled in Graduate Classes

The undergraduate honor system, commonly referred to as The Virginia Tech Honor System, shall have jurisdiction over cases involving undergraduate students in graduate classes unless the student is also enrolled in the Graduate School and taking graduate classes for graduate credit under the classification of "Dual Student" or "Combined Student," and "Bachelor/Master’s Degree Student," in which case the Graduate Honor System shall have jurisdiction.

Section 6 - Violations Involving Graduate Students Already Graduated

If the degree towards which the student was working at the time of the alleged violation has already been awarded, the case shall be referred to the Dean of the Graduate School who shall convene a committee to review and investigate the charge and make recommendations. The committee composition shall be determined by the Dean of the Graduate School. The Chief Justice of the Graduate Honor System shall be an ex officio member of this committee and shall have the same voting privileges as the other members of this committee.

Section 7 - Recruitment of Graduate Honor System Members

Recognizing that it is strongest when it fosters and reflects the support of all graduate students and faculty at the University, the Graduate Honor System shall seek to be as broadly representative of the graduate student and faculty bodies at Virginia Tech as possible. To this end, all qualified graduate students and faculty shall be encouraged to participate in the Graduate Honor System. No otherwise qualified graduate student or faculty may be excluded from membership on the basis of race, sex, handicap, age, veteran status, national origin, religion, political affiliation, or sexual orientation.

Section 8 - Clearance of Graduate Student Records

Graduate students volunteering or appointed to serve on the Graduate Honor System must receive clearance of their personal disciplinary records and their academic records through the Dean of the Graduate School. Such clearances shall be conducted consistent with the University's regulations on the confidentiality of records and shall assure a minimum academic quality credit average of 3.00 and no previous or current disciplinary action for each appointee.

Section 9 - Confidentiality

All investigations, hearings, reviews, and other associated activities of the Graduate Honor System shall conform to the University's "Confidentiality of Student Records" as outlined on the University Registrar’s website at http://www.registrar.vt.edu/records/ferpa.php.

Section 10 - Substitution of Graduate Honor System Personnel

The Chief Justice or the Graduate Honor System Advisor shall be authorized, when circumstances dictate, to appoint substitutes for any Graduate Honor System personnel in any case before the Graduate Honor System. However, faculty may not be substituted for graduate students and vice versa.

Section 11 - University Policies

Where appropriate, the Graduate Honor System shall abide by all applicable policies, statements, and principles as contained in the University Policies for Student Life.

Section 12 – Definition of a “University business day”

A “University business day,” as referred to in this Constitution, shall be defined as any day on which the
main Virginia Tech campus is open and the Graduate School offices are open.

ARTICLE XII: AMENDMENTS

Proposed amendments to the Constitution of the Graduate Honor System may be initiated through one of the following channels: (1) by a majority vote of the Graduate Student Assembly, (2) by a majority vote of the Commission on Graduate Studies and Policies, or (3) by direct submission to the Chief Justice or the Dean of the Graduate School. Also, at the discretion of the Chief Justice and the Graduate Honor System Advisor, amendments may be initiated through the Graduate Honor System. Upon receiving such proposals, the Dean of the Graduate School shall convene the Constitution Revision Committee. With the approval of two-thirds of this committee, proposed amendments shall be forwarded for approval by the Commission on Graduate Studies and Policies and thereafter through the proper channels of the University governance structure (which at the time of the 2008-09 revision is described in Policies and Procedures No. 8011). Any substantive changes in proposed amendments as they proceed through subsequent levels of approval shall be resubmitted to the Constitution Revision Committee for its approval.

The Constitution Revision Committee shall consist of the Chief Justice (chair), the Graduate Honor System Advisor, a minimum of three (3) members of the Investigative Board (minimum of two (2) graduate students and one (1) faculty), a minimum of three (3) members of the Judicial Panel (minimum of two (2) graduate students and one (1) faculty), and up to two (2) other representatives from the graduate student body to be nominated by the Graduate Student Assembly.

2008-09 Revision

At the request of the Dean of the Graduate School, a Constitution Review Committee was convened in 2008 to perform a periodic review to bring the GHS Constitution up to date with current University policies and the climate and practices of the time. This revision was conducted by a panel of graduate students and faculty in accordance with the Constitution.

The goals of the current revision were two-fold: First, revisions were intended to address substantive issues that have arisen since the 1991 revision. Second, revisions were intended to improve the efficiency and effectiveness of the Honor System. The Review Committee considered a number of changes and ultimately rejected those that did not meet one or both of the above mentioned goals. The committee has worked very diligently to ensure that revisions enacted in 2009 would stand the test of time. All amendments recommended by the Constitution Revision Committee were unanimously approved by the Commission on Graduate Studies and Policies on April 15, 2009.

1991 Revision

Following the conclusion of the 1987 University Self-Study, a Constitution Revision Committee was convened to evaluate the Graduate Honor System. Since the Constitution had not received serious scrutiny in a decade or more, and since the Graduate Honor System has now matured to a level where the old Constitution is hardly serviceable, the ultimate goal of this committee from the outset was a revision of the Constitution. Much work has gone into ensuring that this revision will stand the test of time and will be instructive in guiding the operation of the Graduate Honor System in the years ahead.

Reference Material Used

Revision of this document was based on a variety of materials; these include:


3. Several ideas and sentences from the following sources have been used with and without modification in the writing of the section "Purpose and Description of Graduate Honor Code" (Article I, Section 1):
   a. Reference 1.

4. Information used in defining "Misconduct in Research" (Article I, Section 3):
   a. Recommendations on "Research Misconduct and Graduate Students at VPI&SU" submitted to the Constitution Revision Committee by the Degree
Requirements, Standards, Criteria and Academic Policies Committee (DRSCAPC) of the Commission on Graduate Studies, January 18, 1990.


APPENDIX: PLAGIARISM

The following text is reproduced with minor editorial changes, with permission, from the Constitution of the Virginia Tech [Undergraduate] Honor System.

DEFINITION

The Virginia Tech honor system constitution states that "Plagiarism includes the copying of the language, structure, ideas, and/or thoughts of another and passing off same as one's own, original work." The violation, then, consists of both copying and misrepresenting the material in question.

Generally, when a student places his or her name on any kind of work, whether it is specifically pledged or not, he or she claims responsibility for the originality of the contents except for those parts that are specifically attributed to another or that are considered common knowledge. (The concept of common knowledge poses a problem of definition, and the student should consult the section of this handbook that addresses that area.) Thus, if a student has consulted any outside source, whether published or not, and has incorporated any of its "language, structure, ideas, and/or thoughts" into his or her work without acknowledging that source, he or she may be guilty of misrepresenting the work's originality. [Furthermore, in citing a reference, the student must change both the sentence structure and the vocabulary (where possible) in expressing the original material in his or her own words.]

Copying includes a whole range of offenses. Everyone is familiar with stories involving a student who has "borrowed" or bought a term paper or laboratory report from a so-called research service, a fellow student, the Internet, or another similar source. Such wholesale copying is akin to the lifting of an assignment in its entirety from a book or journal article. In either case, the student in question submits work that is literally copied and transferred from one piece of paper to another; by claiming this work as his or her own, the student is clearly guilty of the most flagrant kind of plagiarism.

Another type of copying that is not as obvious, though equally serious, involves the translation of a part of a book, article, or other source into different words—paraphrasing. Although the language is not the same because the exact words of the source have been changed, the structure, ideas, and thoughts of the original author have been copied. Thus, the student who submits an assignment that simply paraphrases a source without identifying it may also be guilty of plagiarism.

Similarly, any combination of simple copying and paraphrasing, whether from one source or from many, is also a type of plagiarism, and the offender may be equally guilty as those students described above.

Because a person's ideas can be conveyed in many ways besides the written word, students should be aware that the copying of drawings, designs, photographs, maps, graphs, illustrations, tables, primary data, derived equations, computer programs, verbal communications of information and ideas, and other sources may also constitute plagiarism, unless the source is acknowledged and properly documented.

For the purposes of the Virginia Tech honor system, plagiarism can be broadly defined as the act of appropriating the literary composition, language, structure, ideas, and/or thoughts, drawings, laboratory reports, or computer programs of another or parts or passages thereof, and of passing them off as the original product of one's own mind. To be liable for plagiarism under the university's honor system, it is not necessary to duplicate another's literary work exactly; it being sufficient if unfair use of such work is made by lifting of substantial portions of it. Plagiarism is not confined to literal copying, but also includes any of the evasive variations and colorable alterations by which the plagiarist may disguise the source from which the material was copied. On the other hand, even an exact
counterpart of another's work does not constitute plagiarism if such counterpart was arrived at independently.

EXAMPLES OF CORRECT AND INCORRECT USES OF SOURCES

The following four examples provide illustrations of three kinds of plagiarism, as well as the proper use and acknowledgement of sources. The excerpt from Niccolo Machiavelli's The Prince is quoted from W. K. Marriott's translation (New York: E. P. Dutton, 1908), p. 37. The excerpts from student papers have been written for the purposes of this document.

FLAGRANT PLAGIARISM

Excerpt from The Prince

Whenever those states which have been acquired as stated have been accustomed to live under their own laws and in freedom, there are three courses for those who wish to hold them: the first is to ruin them, the next is to reside there in person, the third is to permit them to live under their own laws, drawing a tribute, and establishing within it an oligarchy which will keep it friendly to you. Because such a government, being created by the prince, knows that it cannot stand without his friendship and interest, and does its utmost to support him; and therefore he who would keep a city accustomed to freedom will hold it more easily by the means of its own citizens than in any other way.

Excerpt from a student paper

Whenever those nations which have been acquired have been accustomed to living under their own laws and in freedom, then there are three options for those who wish to keep them; the first is to ruin them, second is to reside there in person, and the last is to permit them to live under their own government, drawing a tribute, and establishing within it an oligarchy which will keep it friendly to you. Because such a government, being created by the ruler, knows that it cannot stand without his friendship and interest, and does its utmost to gain his support, and therefore, he who would keep a city accustomed to freedom will hold it more easily by the means of its own citizens than in any other way.

Comments

This student paper is an example of the most obvious form of plagiarism. The writer has copied Machiavelli almost verbatim without any acknowledgment. There have been some minor changes. For example, the italicized words have been changed. "States" becomes "nations," "courses" becomes "options," etc.

PLAGIARISM THROUGH PARAPHRASING

Excerpt from The Prince

Whenever those states which have been acquired as stated have been accustomed to live under their own laws and in freedom, there are three courses for those who wish to hold them: the first is to ruin them, the next is to reside there in person, the third is to permit them to live under their own laws, drawing a tribute, and establishing within it an oligarchy which will keep it friendly to you. Because such a government, being created by the prince, knows that it cannot stand without his friendship and interest, and does its utmost to support him; and therefore he who would keep a city accustomed to freedom will hold it more easily by the means of its own citizens than in any other way.

Excerpt from a student paper

There are basically three methods to maintain control over nations which formerly enjoyed their independence. First the nation can be completely destroyed. Second, the king can personally reside in the conquered territory. Finally, the king can permit them to live under their own rules; he would then levy a tax and establish a ruling clique which would be loyal to him. Since this government is created and maintained by the conquering power, the puppet government will do its utmost to support him in order to keep his friendship. In addition, by establishing a puppet government in such a manner, he will gain the allegiance of its citizens.

Comments

By paraphrasing the paragraph taken from Machiavelli, the student attempted to disguise the source of material. Nevertheless, it is quite obvious that the sentences of this writer parallel those of the Machiavelli text and are identical in meaning.
Excerpt from The Prince

Whenever those states which have been acquired as stated have been accustomed to live under their own laws and in freedom, there are three courses for those who wish to hold them: the first is to ruin them, the next is to reside there in person, the third is to permit them to live under their own laws, drawing a tribute, and establishing within it an oligarchy which will keep it friendly to you. Because such a government, being created by the prince, knows that it cannot stand without his friendship and interest, and does its utmost to support him; and therefore he who would keep a city accustomed to freedom will hold it more easily by the means of its own citizens than in any other way.

Excerpt from a student paper

When the British established their empire in Asia and Africa during the eighteenth and nineteenth centuries, they were faced with the problem of how to govern these formerly independent areas effectively. According to Niccolo Machiavelli, in The Prince, a ruler had three options. He could destroy them, "reside there in person," or "permit them to live under their own laws, drawing a tribute and establishing within it an oligarchy which will keep it friendly to you."1 Machiavelli felt that through this third method the conqueror gained the support of the former leaders and their subjects.2

The British seemed to apply this third method through their indirect rule concept. In other words, the British maintained control using the former leaders as figureheads. The former leaders realized that their position was now dependent upon the British. Consequently, their allegiance was assured and through them the British obtained substantial economic benefits. In addition, the people, seeing their leaders still in power, obediently supported the indirect rule of the British.

Comments

The student has used the ideas of Machiavelli in describing a historical event. Machiavelli lists three methods of governing and controlling a state that had formerly been independent, and then shows the relative advantage of pursuing the last method. The student does not acknowledge the use of the description of the three methods of control nor the advantages of the last method when applying Machiavelli's idea to a specific example.

CORRECT USE OF PARAPHRASING AND DIRECT QUOTATIONS

2 Machiavelli, p.37.

Comments

In this instance, the student has correctly footnoted the ideas of Machiavelli, which he has paraphrased and quoted. The writer has then applied Machiavelli's ideas to a more recent historical event.
THE PROBLEM OF COMMON KNOWLEDGE

The concept of common knowledge is one of the more difficult points to explain in any consideration of plagiarism. How can a student, often a novice in the subject, determine whether an idea or fact included in a paper is so widely known that it is considered common knowledge and requires no documentation? A few general guidelines for solving this dilemma can be suggested, but none is inviolate. Given the seriousness of plagiarism, the prudent writer cites a reference whenever he or she is uncertain.

1. Concepts and facts widely known outside of the specific area of study are generally considered common knowledge. These include undisputed dates (e.g. the adoption of the Declaration of Independence on July 4, 1776), scientific principles (e.g. Newton's Laws of Motion), and commonly accepted ideas (e.g., Hamlet's role as a tragic hero). Such data require no specific reference. Students should be aware, however, that the addition of minor informational embellishments might require documentation (e.g., that the Declaration of Independence was unanimously adopted by the American colonies on July 4, 1776, despite the abstention of New York).

2. The fact that material appears in a dictionary, encyclopedia, handbook, or other reference work or textbook does not guarantee that it is common knowledge. Such books are written by experts, and most of the information they contain is not widely known.

3. There is no simple test to determine whether information is common knowledge. In case of doubt, the student should consult his or her instructor.

DOCUMENTATION

To avoid plagiarism in writing, the student must be familiar with the concept of documentation. Terminology and methodology concerning proper ways to acknowledge sources are probably more confusing to students than any other aspect of research reporting. The purpose of documenting a source is first to give proper credit to others for their original words, thoughts, and ideas, and second to enable the interested reader to locate the original source in order to read or study further. Keeping this latter purpose in mind, one finds that the rules regarding documentation make more sense. Therefore, students should familiarize themselves with the proper methods of providing citations and bibliographies both to document their sources and to provide the reader with the necessary data to locate further information on the subject.

INDICATING QUOTATIONS

Whenever the exact wording of a source appears in a student paper, that fact must be made apparent to the reader. This goal can be accomplished in two ways. Brief quotations should be enclosed in quotation marks, whether complete sentences, phrases, or single significant words which have been incorporated into the student's own sentence or into a paraphrase or a longer excerpt of the source. The student should be careful to denote precisely where the source's exact wording begins and ends by the appropriate placing of opening and closing quotation marks.

Longer quotations (of more than three lines) should be indented ten spaces from the left-hand margin. Again, the beginning and ending of quoted material should be clearly indicated.

All direct quotations must be signified in one of these ways.

CITATIONS

Immediately following every piece of quoted or paraphrased material, some type of reference is required. The method used varies according to the field of study for which the paper is written; thus, students should ask instructors which style manual to use in preparing papers for their courses. Examples of two commonly used methods follow.

1. Footnotes or Endnotes: A small numeral in the text refers to a complete reference, similarly numbered, at the foot of the page or at the end of the paper. Notes should be numbered sequentially, beginning with "1."

Example:
"Congruence...between the self concept and the ideal self is one of the most fundamental conditions for both general happiness and for satisfaction in specific life areas."1

2. Author-Date Citation: Following a quotation or paraphrase, the author's name and the publication date of the work appear in parentheses and refer the reader to the bibliography at the end of the paper.

Example:
For a person to be truly happy, his or her self concept must more or less coincide with the ideal self he or she envisions (Brophy, 1959).

**BIBLIOGRAPHY OR LIST OF CITED REFERENCES**

A list of all sources used, arranged alphabetically by the authors' last names, should appear at the end of every paper. Each entry should contain all information necessary for a reader to retrieve the work. Book entries usually include author's name, book title, and publication data (city, publisher, and date). Entries for periodical articles generally include author's name, article title, periodical title, volume number, date of issue, and pages on which the article appears. Students should make whatever adjustments that are necessary to these general rules so that entries coincide with the format prescribed by an instructor or by a specific manual. (An example of one type of bibliography format can be found in the list of style manuals which follows.)

This appendix is not intended to suggest or endorse any specific method of documentation. Rather, its purpose is to remind the student that acknowledgment of sources is necessary. The examples given above are provided as illustrations of some of many possibilities. The final authority regarding methods of documentation is the course instructor; students should choose a system of documentation and use it consistently throughout a paper. The following style manuals are commonly used.

RESOLUTION TO CLARIFY FACULTY HANDBOOK LANGUAGE ON RESEARCH FACULTY PROMOTION PROCESS

WHEREAS, research is part of the core mission of Virginia Tech, and

WHEREAS, research faculty make significant ongoing contributions to the university mission, and

WHEREAS, Virginia Tech wants to recognize and reward the contributions of research faculty through a process of review, recognition, and promotion where appropriate, consistent with the process for recognizing contributions of other types of faculty, now

THEREFORE, BE IT RESOLVED, that section 6.2 of the Faculty Handbook be modified and a section 6.2.1 and a section 6.2.2 be added that define the process for research faculty promotions as indicated below (changes and new language indicated in red):

6.2 Research Faculty Appointments

Research faculty appointments are designated to promote and expedite university research activities. The rank descriptions create several series common to current sponsored research or outreach projects. For example, employees involved in conducting research are generally appointed as research associates or research scientists (or to the “senior” titles for either of these). Those individuals who are appointed to a research traineeship for a period of up to four years following receipt of their doctorate are usually appointed as postdoctoral associates. (See Guidelines for the Hiring of Postdoctoral Associates on the OVPRI Human Resources website.) Usually, postdoctoral associates work closely with a faculty mentor in preparation for a career in academe or research; if they remain involved with research projects at Virginia Tech over a period of time, they are appointed or promoted into another appropriate rank.

The "project associate" series was designed for employees involved in sponsored activity other than traditional research, such as delivery of service or technical assistance, consultation with particular clients, preparation of manuals and materials, and so on. The project associate series is also appropriate for personnel involved primarily in the administration of large and complex sponsored programs.

While there is logic to the progression between and among ranks, employees may change ranks as appropriate or necessary to reflect a change in role or project. Promotions from one rank to another in order to recognize a faculty member's increased responsibilities, credentials, and/or contributions to the program over time may be recommended by the supervisor. Recommendations for promotions are done during the annual evaluation and merit adjustment process. The promotions require approval by the department head, dean, and Office of the Vice President for Research and Innovation. Approval by a departmental committee is also required for certain ranks (see below). A faculty member may not serve on any committee that is evaluating a spouse, family member, or other
individual with whom the faculty member has a close personal relationship. (See chapter two, “Potential Conflicts Involving Spouses and Immediate Family Members.”)

Research faculty members may be assigned a functional title in addition to their official faculty rank in order to facilitate their work or clarify their role to internal or external constituencies. (A functional title may not be an official faculty rank other than that held by the research faculty member.) In some cases, increased responsibilities may lead to a change in functional title and possibly a salary adjustment rather than a promotion in faculty rank.

Appointments to research faculty ranks, except the rank of postdoctoral associate, are indefinitely renewable. However, tenure cannot be earned in any of the research faculty ranks and service is not applicable toward the pre-tenure probationary period if the employee is subsequently appointed to a tenure-track position.

The source of funds is not the determining factor as to whether a position carries a research faculty rank, but rather the nature and purpose of the assignment. Thus, a research faculty member may be funded by sponsored projects, overhead, state dollars, or other sources. Policies related to research faculty apply, regardless of the source of funding.

Research faculty may participate in activities outside of their direct source of funding, such as providing significant contributions to the conceptualization or writing of new proposals, or teaching; however, support for any time or effort spent on activities outside of their sponsored research must come from non-sponsored research funds. Special attention should be given in the development of position descriptions where funding is limited to only sponsored funding. (See chapter six, “Effort Certification Compliance Issues for Research Faculty Members,” and chapter ten, “Effort Certification and Salary Charges to Sponsored Grants and Contracts.”)

Original appointments and reappointments, including rank, salary, and other conditions, require the approval of the department head, dean (or next level administrator), and the Office of the Vice President for Research and Innovation before an offer is extended. Requests for principal investigator status may be submitted to the Office of the Vice President for Research and Innovation. Such requests require the approval of the department head, dean, and the Office of the Vice President for Research and Innovation.

6.2.1 Research Faculty Promotions: Non-professorial Ranks

While there is logic to the progression between and among ranks, employees may change ranks as appropriate or necessary to reflect a change in role or project. Promotions from one rank to another in order to recognize a faculty member’s increased responsibilities, credentials, and/or contributions to the program over time may be recommended by the supervisor.
Recommendations for promotions are done during the annual evaluation and merit adjustment process within the non-professorial ranks (such as project associates, research associates, and research scientist) may be requested at any time during the year in recognition of significant increases in responsibilities, credentials or contributions. The promotions require approval by the department head, dean, and Office of the Vice President for Research and Innovation. Approval by a departmental committee is also required for certain ranks (see below). A faculty member may not serve on any committee that is evaluating a spouse, family member, or other individual with whom the faculty member has a close personal relationship. (See chapter two, “Potential Conflicts Involving Spouses and Immediate Family Members.”) Following approval of the promotion request, a promotion letter signed by the department head should be presented to the employee.

6.2.2 Research Faculty Promotions: Professorial Ranks

Promotion recommendation into and within the research professorial faculty ranks (research assistant professor, research associate professor and research professor) should align with the annual timeline published by the university. Faculty members being considered for promotion have their dossiers reviewed by: (1) a departmental committee and the head or chair; (2) a college committee and the dean; and (3) the vice president for research and innovation. A parallel process for review, approved in advance by the executive vice president and provost and the vice president for research and innovation, is required for promotion of a member of the research professor series whose primary appointment is not in an academic department. A faculty member may not serve on any committee that is evaluating a spouse, family member, or other individual with whom the faculty member has a close personal relationship. (See chapter two, “Potential Conflicts Involving Spouses and Immediate Family Members.”) Following approval of the promotion request, a promotion letter signed by the vice president of research and innovation should be presented to the employee.

RECOMMENDATION:

That the above resolution be approved.

June 4, 2018
WHEREAS, Virginia Tech places a high value on the contributions to the instructional mission and student learning made by qualified members of the university community, and

WHEREAS, while the primary responsibility of research faculty is to conduct research and advance the university’s research mission, there are circumstances in which the university and its instructional program benefit from the occasional participation of research faculty members with appropriate expertise, and

WHEREAS, section 6.16 of the faculty handbook does not currently provide for additional compensation for research faculty members who teach a class in excess of their normal research assignment, and

WHEREAS, Virginia Tech has successfully piloted a process for compensating research faculty for teaching classes over and above their usual job responsibilities, now

THEREFORE, BE IT RESOLVED, that section 6.16 of the faculty handbook be modified to insert the third full paragraph below (new language indicated in red):

6.16 Instructional Responsibilities for Research Faculty Members

The primary responsibility of a research faculty appointment is to conduct research and contribute to the university’s research mission through the acquisition of and successful implementation of sponsored grants and contracts. Federal guidelines require truthful and auditable documentation of the faculty member’s efforts on a semester basis. If the faculty member’s salary is paid for by sponsored grants and contracts then there is a concomitant expectation that the faculty member’s time is allocated to those projects.

While keeping the primacy of the research role in mind, there are circumstances in which the university and its instructional programs benefit from the occasional participation of research faculty members who have the appropriate credentials, expertise, and interest. The usual limitation on teaching by research faculty members is one (three-credit) course per academic year, or no more than two courses in a two-year period. The principal investigator/supervisor, department head/chair, and dean must approve exceptions. The academic department provides instructional funding for the teaching appointment and research duties are adjusted accordingly. A three-credit course equates to .25 FTE during an academic semester; this is the usual basis for salary charges to the instructional budget.

Research faculty members may receive additional compensation to teach a class that is in excess of their normal research assignment. To qualify for additional compensation,
the research faculty member may not be 100% supported from sponsored funds, must be the instructor of record, and must usually be assigned to teach for the entire semester. For courses with block teaching, the research faculty member must have a formal teaching assignment for a specified portion of the course. The academic department responsible for the course must fund the payment from non-sponsored funds and initiate the payment as a temporary pay action. The payment must be approved jointly by the academic and home departments and colleges and by OVPRI.

**RECOMMENDATION:**

That the above resolution be approved.

June 4, 2018
RESOLUTION TO CLARIFY LANGUAGE IN FACULTY HANDBOOK
ON REMOVAL PROCESSES FOR
RESEARCH FACULTY MEMBERS

WHEREAS, research is part of the core mission of Virginia Tech, and

WHEREAS, research faculty make significant ongoing contributions to the university mission, and

WHEREAS, Chapter 6 of the Faculty Handbook describes policies and procedures related to the employment of research faculty, and

WHEREAS, language addressing removal of research faculty in Chapter 6 of the Faculty Handbook is in need of clarification, now

THEREFORE, BE IT RESOLVED that section 6.14 of the faculty handbook be modified as outlined below to clarify policies related to removal of research faculty (changes and new language in red).

6.14.1 Dismissal for Cause

Research faculty members may be removed for just cause. Stated causes for removal shall include, but are not limited to: professional incompetence; unacceptable or unsatisfactory performance after due notice; unethical conduct or misconduct that interferes with the capacity of the employee to perform effectively the requirements of the position; violation of university policy; falsification of credentials, experience, leave reports, or other official employment documents. Filing a grievance does not constitute just cause for termination.

When it becomes necessary to terminate a member of the research faculty for unsatisfactory performance prior to the end of the appointment period, the following procedures apply:

When the faculty supervisor determines that performance is unsatisfactory, the supervisor writes a letter to the individual detailing the areas of performance that are deficient. This letter should indicate specific expectations of improvement by the employee during a specified time period of not less than 30 calendar days. The department head and college dean receive copies. In cases where there is some likelihood of threat to health or safety, the 30-day period may be waived.

At the end of the above period, the faculty supervisor must again write the research faculty member with an evaluation of his/her performance during the interim since the first letter, with copies to the department head and college dean or equivalent senior-level manager. If performance continues to be unsatisfactory, this second letter may contain a termination notice. The termination notice has an effective date 45 calendar days from the date of the
second letter. In cases where there is a threat to health and safety, the 45-day period may be waived.

In the event of termination, the research faculty member may appeal to the department head. Should the appeal process be initiated, the termination is held in abeyance until the appeal process is complete.

The appeal must be made in writing within five working days of receipt of the letter. (If the department head has a conflict of interest, the head refers the matter to the college dean.)

The department head (or dean) must respond in writing within 10 working days. If the recommendations of the department head (or dean) are unsatisfactory to either party, an appeal may be made to the vice president for research and innovation in writing within five working days.

The vice president for research and innovation appoints a committee of three members of the general faculty who make recommendations to the executive vice president and provost within 10 working days.

The decision of the provost is final and is rendered within 10 working days of receiving the report. The above time limits of the appeal process may be altered by extenuating circumstances and the agreement of both parties.

If the research faculty member is a member of an interdisciplinary research center, the center director as well as the department head and college dean of the faculty supervisor are copied on all correspondence.

6.14.2 Termination of Appointment for Faculty on Restricted Contracts Non-reappointment of Research Faculty

The terms of faculty offer for a restricted appointment clearly defines the length of the appointment and also serves as a notice of termination. The terms of faculty offer also makes clear that continuation of appointment, even during the initial year, is subject to the availability of funds, the need for services, and satisfactory performance. (See section 6.9).

Research faculty members with regular appointment receive written notice of non-reappointment as described in chapter two, section 2.11, “Retirement, Resignation, and Non-Reappointment,” should it become necessary to end the appointment.

Occasionally a sponsor terminates funding before the end of a contract, or directs a change in the research program resulting in the need to terminate the services of an employee. While principal investigators and research centers are encouraged to make every effort to assure continuity of employment to individuals performing satisfactorily, there are circumstances in which this may not be possible or in the best interest of the research program or university. Research faculty appointments may be terminated in the
6.14.3 Termination Of Appointment For Faculty On Restricted Contracts of Position Because of Insufficient Funds or No Further Need for Services

Occasionally a sponsor terminates funding before the end of a contract, or directs a change in the research program resulting in the need to terminate the services of an employee. While principal investigators and research centers are encouraged to make every effort to assure continuity of employment to individuals performing satisfactorily, there are circumstances in which this may not be possible or in the best interest of the research program or university. Research faculty appointments may be terminated in the case where there are insufficient funds or no further need for services. The date of termination for a restricted faculty member is at least 30 calendar days from the date of notification. A faculty member on a regular appointment is entitled to notice of non-reappointment, as stated in chapter six, “Reappointment.” A proposed notice of termination because of insufficient funds or lack of need for services requires the approval of the department head, and dean (or appropriate administrator), and the OVPRI Human Resources.

**RECOMMENDATION:**

That the above resolution be approved.

June 4, 2018
RESOLUTION TO REVISE UNIVERSITY POLICIES REGARDING TEXTBOOKS AND CREATE GUIDELINES FOR OPEN EDUCATIONAL RESOURCES TO COMPLY WITH AMENDED CODE OF VIRGINIA §23.1-1308

WHEREAS, Virginia Tech has policies and procedures regarding the procurement and use of textbooks in accordance with both the federal Higher Education Authorization Act, Public Law 110-135 (HEOA 2008), and the Code of Virginia; and

WHEREAS, effective July 1, 2018 the Code of Virginia §23.1-1308 (attached) directs the Virginia Tech Board of Visitors to amend and/or implement, as appropriate, policies, procedures, and guidelines addressing the use and procurement of textbooks, and open educational resources; and

WHEREAS, the university’s current policies and procedures provide direction for the use and procurement of textbooks, and

WHEREAS, college and University Libraries faculty members have taken the initiative to be leaders in the production of open educational resources; now

THEREFORE, BE IT RESOLVED, effective July 1, 2018 and in accordance with Code of Virginia §23.1-1308 the Board of Visitors reaffirms the university’s policies and procedures regarding textbook sales and bookstores and directs the university’s administration to revise and amend, as necessary, the policies and procedures associated with textbook sales and bookstores, and

BE IT FURTHER RESOLVED, as outlined in Code of Virginia §23.1-1308, the Board of Visitors directs the university administration to “implement guidelines for the adoption and use of low-cost and no-cost open educational resources in courses offered…[including] provision for low-cost commercially published materials.”

RECOMMENDATION:
That the Board of Visitors approve the resolution regarding textbooks and open educational materials.

June 4, 2018
An Act to amend and reenact § 23.1-1308 of the Code of Virginia, relating to public institutions of higher education; governing boards; open educational resources.

1. That § 23.1-1308 of the Code of Virginia is amended and reenacted as follows:

§ 23.1-1308. Governing board procedures; textbook sales and bookstores; open educational resources.

A. No employee of a public institution of higher education shall demand or receive any payment, loan, subscription, advance, deposit of money, services, or anything, present or promised, as an inducement for requiring students to purchase a specific textbook required for coursework or instruction. However, such employee may receive (i) sample copies, instructor's copies, or instructional material not to be sold and (ii) royalties or other compensation from sales of textbooks that include such instructor's own writing or work.

B. The governing board of each public institution of higher education shall implement procedures for making available to students in a central location and in a standard format on the relevant institutional website listings of textbooks required or assigned for particular courses at the institution. The lists of those required or assigned textbooks for each particular course shall include the International Standard Book Number (ISBN) along with other relevant information.

C. Public institutions of higher education maintaining a bookstore supported by auxiliary services or operated by a private contractor shall post the listing of such textbooks when the relevant instructor or academic department identifies the required textbooks for order and subsequent student purchase.

D. The governing board of each public institution of higher education shall implement policies, procedures, and guidelines that encourage efforts to minimize the cost of textbooks for students while maintaining the quality of education and academic freedom. The guidelines shall ensure that:

1. Faculty textbook adoptions are made with sufficient lead time to university-managed or contract-managed bookstores so as to confirm availability of the requested materials and, when possible, ensure maximum availability of used textbooks;

2. In the textbook adoption process, the intent to use all items ordered, particularly each individual item sold as part of a bundled package, is affirmatively confirmed by the faculty member before the adoption is finalized. If the faculty member does not intend to use each item in the bundled package, he shall notify the bookstore, and the bookstore shall order the individualized items when their procurement is cost effective for both the institution and students and such items are made available by the publisher;

3. Faculty members affirmatively acknowledge the bookstore's quoted retail price of textbooks selected for use in each course;

4. Faculty members are encouraged to limit their use of new edition textbooks when previous editions do not significantly differ in a substantive way as determined by the appropriate faculty member; and

5. Provisions address the availability of required textbooks to students otherwise unable to afford the cost.

E. The governing board of each public institution of higher education shall implement guidelines for the adoption and use of low-cost and no-cost open educational resources in courses offered at such institution. Such guidelines may include provisions for low-cost commercially published materials.

F. No funds provided for financial aid from university bookstore revenue shall be counted in the calculation for state appropriations for student financial aid.
RESOLUTION TO APPROVE NEW AND REVISED LANGUAGE IN FACULTY HANDBOOK REGARDING ALUMNI DISTINGUISHED PROFESSORS

WHEREAS, the preeminently recognized rank of Alumni Distinguished Professor has grown since its inception many years ago; and

WHEREAS, the standards for and expectations of current and recently appointed Alumni Distinguished Professors have evolved with the vision of Virginia Tech as a global land-grant university; and

WHEREAS, the description and criteria for selection in Section 3.2.2 of the Faculty Handbook are no longer accurate in describing how the rank has evolved; and

WHEREAS, the current description and criteria for selection have somewhat limited the consideration of nominees; and

WHEREAS, the Alumni Distinguished Professor embodies the university’s mission by contributing extraordinary scholarly work across all three mission areas of the global land-grant university: teaching, research and/or creative activities, and engagement; now

THEREFORE, BE IT RESOLVED, that the new and revised language in the Faculty Handbook regarding Alumni Distinguished Professors be approved for inclusion in the university’s 2018 – 2019 Faculty Handbook as attached below.

RECOMMENDATION:

That the Board of Visitors approve the resolution.

June 4, 2018
Included below:

- Revised ADP Language for Inclusion in 2018 – 2019 Faculty Handbook
- Current ADP Language in 2017 – 2018 Faculty Handbook
- “Tracked” version of new and revised ADP language in 2017-2018 Faculty Handbook

**Revised ADP Language for Inclusion in 2018 – 2019 Faculty Handbook**

### 3.2.2 Alumni Distinguished Professor

**General conditions and definitions:** The Alumni Distinguished Professorship (ADP) is a preeminent faculty appointment, reserved by the Board of Visitors for recognition of faculty members who demonstrate extraordinary accomplishments and academic citizenship through substantive scholarly contributions across all three of Virginia Tech’s core mission areas of teaching, research or creative activity, and engagement. The provost determines the number of Alumni Distinguished Professors in consultation with the president and the Alumni Association. There is no quota by college or department.

**Eligibility and criteria for selection:** While no minimum number of years of service is required for eligibility, the selection committee places strong emphasis on the magnitude, character, and quality of each nominee’s scholarly accomplishments as they contribute to the global land-grant mission of the university. Nominees must have well-established outstanding records of substantive scholarly accomplishment in teaching, research or creative activities, and engagement at Virginia Tech.

**Responsibilities and perquisites:** Each Alumni Distinguished Professor shall continue making scholarly contributions in teaching, research or creative activities, and engagement at the same high level evident at the time of appointment. This includes continued contributions to the department and college and may include contributions to other departments, colleges, and units, subject to the professor’s interests and the ability of the department head or chair and college dean to accommodate such latitude. Alumni Distinguished Professors may also elect, in a given term, to divert energies from the usual activities or responsibilities to other valued scholarly pursuits appropriate to this university-level appointment.

Alumni Distinguished Professors embody the university’s land-grant mission in their scholarly work and are also crucial faculty ambassadors within and beyond the university community. As such, they may be called upon from time to time, individually and as a group, to share their scholarship with university alumni or other interested groups, as well as to render special service or to offer particular advice to the university at large.

Each Alumni Distinguished Professor receives a base salary supplement from the endowment established by the Alumni Association and operating funds for scholarly support, as available, from eminent scholar programs.
Given the high level of performance expected of this select group of faculty members, university and college administrators are cognizant of the particular needs of each individual Alumni Distinguished Professor for appropriate support personnel and sufficient space, within acknowledged fiscal and physical constraints.

**Nomination and selection procedures**: Each academic year the provost, in consultation with the president and the Alumni Association, determines if there will be one or more appointments to the Alumni Distinguished Professor rank and, if so, issues a call to the academic deans for nominations. The deans, in turn, invite nominations from academic departments. Screening procedures at departmental and collegiate levels involve appropriate personnel or executive committees. Nominations dossiers include a current curriculum vitae, letters of nomination from both the departmental and collegiate screening committees, letters of support, and other evidence attesting to the quality of the nominee’s scholarly contributions.

The provost appoints an Alumni Distinguished Professor Selection Committee that includes two current Alumni Distinguished Professors, one current University Distinguished Professor, and one faculty member recommended by the Commission on Faculty Affairs. The committee reviews the nominations and makes a recommendation to the provost. The provost’s subsequent recommendation is sent through the president to the executive committee of the Board of Directors of the Virginia Tech Alumni Association for its review and recommendation. The president makes the final recommendation to the Board of Visitors for its approval.

The Board of Visitors confers upon an individual the rank of Alumni Distinguished Professor for a period of 10 years; the appointment may be renewed.

**Procedures for renewal of appointments**: An ADP may request renewal of his or her appointment at the end of the initial, or any subsequent, 10-year appointment period. A current curriculum vitae and five-page personal statement of accomplishments during the appointment term is requested by the office of the provost and reviewed by two current ADPs. The reviewing ADPs each make a recommendation regarding reappointment to the provost, who then forwards a recommendation to the president and Alumni Association for consideration. Final reappointment recommendations are made to the Board of Visitors for its approval. Renewed appointments are also for a period of 10 years.
Current ADP Language in 2017 – 2018 Faculty Handbook

3.2.2 Alumni Distinguished Professor

**General conditions and definitions:** The Alumni Distinguished Professorship (ADP) recognizes extraordinary academic citizenship and distinguished service within the Virginia Tech community. In recognition of the importance of alumni to the university, the Alumni Distinguished Professorship is a pre-eminent faculty appointment, reserved by the Board of Visitors for recognition of faculty members who, over time, have made outstanding contributions to the instructional program of the university and, in so doing, have touched the lives of generations of Virginia Tech alumni.

The Board of Visitors confers upon an individual an appointment as Alumni Distinguished Professor for a period of 10 years; the appointment may be renewed. The number of Alumni Distinguished Professors is determined by the provost, in consultation with the president and Alumni Association. There is no quota by college or department.

**Eligibility and criteria for selection:** Since the hallmark of the Alumni Distinguished Professorship is distinguished contribution—over time—to Virginia Tech, newly arrived faculty are not eligible for nomination. And while there is no specified minimum number of years of service required for eligibility, the selection committee places strong emphasis on the magnitude and character of the candidate’s impact on academic programs at Virginia Tech. Nominees should also have established outstanding personal records of accomplishment in creative scholarship.

**Nomination and selection procedures:** Each academic year the provost determines if there will be one or more appointments to the Alumni Distinguished Professor group and, if appropriate, issues a call to the academic deans for nominations. The deans, in turn, invite nominations from academic departments. Screening procedures at departmental and collegiate levels involve appropriate personnel or executive committees in place. Nominations are accompanied by a full dossier of relevant materials including current curriculum vita, letters of nomination from both the departmental and collegiate screening committees, letters of support, and other evidence attesting to the quality of the contributions of the nominee(s).

The provost appoints an Alumni Distinguished Professor Selection Committee that includes two current Alumni Distinguished Professors, one current University Distinguished Professor, and one faculty member recommended by the Commission on Faculty Affairs. The committee reviews the nominations and makes a recommendation to the provost. The provost’s subsequent recommendation is sent through the president to the executive committee of the Board of Directors of the Virginia Tech Alumni Association for its review and recommendation. The president makes the final recommendation to the Board of Visitors for its approval.

**Perquisites and responsibilities:** Each Alumni Distinguished Professor is provided a base salary supplement from the endowment established by the Alumni Association and matched by available funds, if available, from the eminent scholar program. The ADPs receive a salary supplement and operating allocation from the university comparable to that provided for other endowed professorships.

Each Alumni Distinguished Professor is expected to continue in service to the department, the college, and the university at the same high level evident at the time of appointment. But in particular, within whatever latitude the department head or chair and college dean can accommodate, the Alumni Distinguished Professor is encouraged to teach, when invited, in other departments of the university or in collegiate or university courses (e.g., honors colloquia). He or she may also elect, in a given term, to divert energies from the usual classroom responsibilities to other valued activities, such as substantive curriculum revision or textbook preparation.

Alumni Distinguished Professors are also called upon from time to time, individually and also as a group, to render special service or to offer particular advice to the university at large.

Given the high level of performance expected of this select group of faculty members, university and college administrators are cognizant of the particular needs of each individual Alumni Distinguished Professor for appropriate support personnel and sufficient space, within acknowledged fiscal and physical constraints.
WHEREAS, the preeminently recognized rank of Alumni Distinguished Professor has grown since its inception many years ago; and

WHEREAS, the standards for and expectations of current and recently appointed Alumni Distinguished professors have evolved with the vision of Virginia Tech as a global land-grant university; and

WHEREAS, the description and criteria for selection in the existing Faculty Handbook Section 3.2.2 are no longer accurate in describing how the rank has evolved; and

WHEREAS, the current description and criteria for selection have somewhat limited the consideration of nominees; and

WHEREAS, the Alumni Distinguished Professor embodies the university’s mission by contributing extraordinary scholarly work across all three mission areas of the global land-grant university: teaching, research and/or creative activities, and engagement;

NOW, THEREFORE, BE IT RESOLVED that Faculty Handbook Section 3.2.2: Alumni Distinguished Professor be updated as attached:
3.2.2 Alumni Distinguished Professor

**General conditions and definitions:** The Alumni Distinguished Professorship (ADP) is a preeminent faculty appointment, reserved by the Board of Visitors for recognition of faculty members who demonstrate extraordinary accomplishments and academic citizenship through substantive scholarly contributions across all three of Virginia Tech’s core mission areas of teaching, research or creative activity, and engagement. The provost determines the number of Alumni Distinguished Professors in consultation with the president and the Alumni Association. There is no quota by college or department.

**Eligibility and criteria for selection:** While no minimum number of years of service is required for eligibility, the selection committee places strong emphasis on the magnitude, character, and quality of each nominee’s scholarly accomplishments as they contribute to the global land-grant mission of the university. Nominees must have well-established outstanding records of substantive scholarly accomplishment in teaching, research or creative activities, and engagement at Virginia Tech.

**Responsibilities and perquisites:** Each Alumni Distinguished Professor shall continue making scholarly contributions in teaching, research or creative activities, and engagement at the same high level evident at the time of appointment. This includes continued contributions to the department and college and may include contributions to other departments, colleges, and units, subject to the professor’s interests and the ability of the department head or chair and college dean to accommodate such latitude. Alumni Distinguished Professors may also elect, in a given term, to divert energies from the usual activities or responsibilities to other valued scholarly pursuits appropriate to this university-level appointment.

Alumni Distinguished Professors embody the university’s land-grant mission in their scholarly work and are also crucial faculty ambassadors within and beyond the university community. As such, they may be called upon from time to time, individually and as a group, to share their scholarship with university alumni or other interested groups, as well as to render special service or to offer particular advice to the university at large.

Each Alumni Distinguished Professor receives a base salary supplement from the endowment established by the Alumni Association and operating funds for scholarly support, as available, from eminent scholar programs.

Given the high level of performance expected of this select group of faculty members, university and college administrators are cognizant of the particular needs of each individual Alumni Distinguished Professor for appropriate support personnel and sufficient space, within acknowledged fiscal and physical constraints.

**Nomination and selection procedures:** Each academic year the provost, in consultation with the president and the Alumni Association, determines if there will be one or more appointments to the Alumni Distinguished Professor rank and, if so, issues a call to the academic deans for nominations. The deans, in turn, invite nominations from academic departments. Screening procedures at departmental and collegiate levels involve appropriate personnel or executive committees. Nominations dossiers include a current curriculum vitae, letters of nomination...
from both the departmental and collegiate screening committees, letters of support, and other evidence attesting to the quality of the nominee’s scholarly contributions.

The provost appoints an Alumni Distinguished Professor Selection Committee that includes two current Alumni Distinguished Professors, one current University Distinguished Professor, and one faculty member recommended by the Commission on Faculty Affairs. The committee reviews the nominations and makes a recommendation to the provost. The provost’s subsequent recommendation is sent through the president to the executive committee of the Board of Directors of the Virginia Tech Alumni Association for its review and recommendation. The president makes the final recommendation to the Board of Visitors for its approval.

The Board of Visitors confers upon an individual the rank of Alumni Distinguished Professor for a period of 10 years; the appointment may be renewed.

**Procedures for renewal of appointments:** An ADP may request renewal of his or her appointment at the end of the initial, or any subsequent, 10-year appointment period. A current curriculum vitae and five-page personal statement of accomplishments during the appointment term is requested by the office of the provost and reviewed by two current ADPs. The reviewing ADPs each make a recommendation regarding reappointment to the provost, who then forwards a recommendation to the president and Alumni Association for consideration. Final reappointment recommendations are made to the Board of Visitors for its approval. Renewed appointments are also for a period of 10 years.
3.2.2 Alumni Distinguished Professor

General conditions and definitions: The Alumni Distinguished Professorship (ADP) is a pre-eminent faculty appointment, reserved by the Board of Visitors for recognition of faculty members who demonstrate extraordinary accomplishments and academic citizenship through substantive scholarly contributions across all three of Virginia Tech’s core mission areas of teaching, research or creative activity, and engagement. The provost determines the number of Alumni Distinguished Professors in consultation with the president and the Alumni Association. There is no quota by college or department.

The Board of Visitors confers upon an individual an appointment as Alumni Distinguished Professor for a period of 10 years; the appointment may be renewed. The number of Alumni Distinguished Professors is determined by the provost, in consultation with the president and Alumni Association. There is no quota by college or department.

Eligibility and criteria for selection: Since the hallmark of the Alumni Distinguished Professorship is distinguished contribution—over time—to Virginia Tech, newly arrived faculty are not eligible for nomination. While there is no specified minimum number of years of service required for eligibility, the selection committee places strong emphasis on the magnitude, and character, and quality of the candidate’s scholarly accomplishments as they contribute to the global land-grant mission on academic programs at Virginia Tech. Nominees should also have well-established outstanding personal records of substantive scholarly accomplishment in teaching, research or creative scholarship activities, and engagement at Virginia Tech.

Nomination and selection procedures: Each academic year the provost determines if there will be one or more appointments to the Alumni Distinguished Professor group and, if appropriate, issues a call to the academic deans for nominations. The deans, in turn, invite nominations from academic departments. Screening procedures at departmental and collegiate levels involve appropriate personnel or executive committees in place. Nominations are accompanied by a full dossier of relevant materials including current curriculum vita, letters of nomination from both the departmental and collegiate screening committees, letters of support, and other evidence attesting to the quality of the contributions of the nominee(s).

The provost appoints an Alumni Distinguished Professor Selection Committee that includes two current Alumni Distinguished Professors, one current University Distinguished Professor, and one faculty member recommended by the Commission on Faculty Affairs. The committee reviews the nominations and makes a recommendation to the provost. The provost’s subsequent recommendation is sent through the president to the executive committee of the Board of Directors of the Virginia Tech Alumni Association for its review and recommendation. The president makes the final recommendation to the Board of Visitors for its approval.

Updated 4/3/2018 per discussion from CFA first reading, Provost feedback, and further review by ADPs
Perquisites and Responsibilities: Each Alumni Distinguished Professor is provided a base salary supplement from the endowment established by the Alumni Association and matched by available funds, if available, from the eminent scholar program. The ADPs receive a salary supplement and operating allocation from the university comparable to that provided for other endowed professorships.

Each Alumni Distinguished Professor is expected to continue making scholarly contributions in teaching, research or creative activities, and engagement in service to the department, the college, and the university at the same high level evident at the time of appointment. This includes continued contributions to the department and college and may include contributions to other departments, colleges, and units, subject to the professor’s interests and the ability of But in particular, within whatever latitude the department head or chair and college dean can to accommodate such latitude, the Alumni Distinguished Professor is encouraged to teach, when invited, in other departments of the university or in collegiate or university courses (e.g., honors colloquia). Alumni Distinguished Professors may also elect, in a given term, to divert energies from the usual classroom activities or responsibilities to other valued scholarly activities appropriate to this university-level appointment, e.g., such as substantive curriculum revision or textbook preparation.

Alumni Distinguished Professors embody the university’s land-grant mission in their scholarly work and are also crucial faculty ambassadors within and beyond the university community. As such, they are also called upon from time to time, individually and also as a group, to share their scholarship with university alumni or other interested groups, as well as to render special service or to offer particular advice to the university at large.

Nomination and selection procedures: Each academic year the provost, in consultation with the president and the Alumni Association, determines if there will be one or more appointments to the Alumni Distinguished Professor group and, if appropriate, issues a call to the academic deans for nominations. The deans, in turn, invite nominations from academic departments. Screening procedures at departmental and collegiate levels involve appropriate personnel or executive committees in place. Nominations dossiers include a dossier of relevant materials including a current curriculum vitae, letters of nomination from both the departmental and collegiate screening committees, letters of support, and other evidence attesting to the quality of the contributions of the nominee(s)’ scholarly contributions.

Updated 4/3/2018 per discussion from CFA first reading, Provost feedback, and further review by ADPs
The provost appoints an Alumni Distinguished Professor Selection Committee that includes two current Alumni Distinguished Professors, one current University Distinguished Professor, and one faculty member recommended by the Commission on Faculty Affairs. The committee reviews the nominations and makes a recommendation to the provost. The provost's subsequent recommendation is sent through the president to the executive committee of the Board of Directors of the Virginia Tech Alumni Association for its review and recommendation. The president makes the final recommendation to the Board of Visitors for its approval.

The Board of Visitors confers upon an individual the rank of Alumni Distinguished Professor for a period of 10 years; the appointment may be renewed.

**Procedures for renewal of appointments:** An ADP may request renewal of his or her appointment at the end of the initial, or any subsequent, 10-year appointment period. A current curriculum vitae and five-page personal statement of accomplishments during the appointment term is requested by the office of the provost and reviewed by two current ADPs. The reviewing ADPs each make a recommendation regarding reappointment to the provost, who then forwards a recommendation to the president and Alumni Association for consideration. Final reappointment recommendations are made to the Board of Visitors for its approval. Renewed appointments are also for a period of 10 years.

*Updated 4/3/2018 per discussion from CFA first reading, Provost feedback, and further review by ADPs*
The university continues to use the parameters provided in the “Consolidated Salary Authorization for Faculty Positions in Institutions of Higher Education” document from the Secretary of Education to develop the annual Faculty Compensation Plan. This document defines the qualification criteria for teaching and research faculty and administrative and professional faculty, provides guidance on the authorized salary average for full-time teaching and research faculty positions, and requires board approval.

In accordance with the most recent Consolidated Salary Authorization, the 2018-19 Faculty Compensation Plan provides information about (1) the 2018-19 pay structure, (2) the promotion and tenure process, (3) the annual evaluation and salary adjustment process for teaching and research faculty and administrative and professional faculty, and (4) salary adjustments within the evaluation period.

This faculty compensation plan covers only faculty positions. The compensation plan for staff is administered separately by the university administration in accordance with the Board of Visitors’ approval of the university’s Management Agreement, effective July 1, 2006, as well as guidance from the commonwealth and the state Department of Human Resource Management.

**Authorized Salary Average**

The Authorized Salary Average applies to all full-time teaching and research positions with the rank of professor, associate professor, assistant professor, instructor, or lecturer that are engaged in teaching and research for 50 percent or more of the time. As noted in the Consolidated Salary Authorization document, “Institutions are expected to award differential salary increases to their faculty based on performance and other circumstances such as promotions, tenure, and changes in responsibility. The net effect of all salary actions should be an average salary that approximates the state authorized salary average.”

The commonwealth measures the adequacy of faculty salaries by comparing the institutional average with the average of a unique benchmark group for each public college and university. The benchmark groups are constructed by matching characteristics of colleges and universities, such as size of the student body, percentage of degrees granted in various disciplines, percentage of graduate degrees conferred, and research activity levels. The General Assembly established an objective in the late 1980s to fund a faculty salary average at all institutions that would approximate the salary average at the 60th percentile in the ranking of salary averages in individual benchmark groups. The State Council of Higher Education for Virginia (SCHEV) last reviewed and
updated each institution’s Faculty Salary Peer Group in 2007. The current benchmarking of Virginia Tech’s Faculty Salary Average is made using the peer group established in 2007.

The Authorized Salary Average is updated from time to time by SCHEV. However, given that the University’s Actual Salary Average currently exceeds the Authorized Salary Average, the university’s current focus is the comparison of the Actual Salary Average to peer averages to determine the university’s competitive position. This is consistent with Joint Legislative Audit and Review Commission’s recent review and recommendations.

**Actual Salary Average**

For Fall 2016, Virginia Tech's Actual Salary was $100,552. This placed Virginia Tech at the 35th percentile of its peer group for Fall 2016, based on the most recent peer salary data available data from the Integrated Postsecondary Education Data System (IPEDS). Fall 2017 peer salary data is not yet available; however, based upon SCHEV's forecast of salary escalation at peer institutions, the university estimates that the Actual Salary Average will rank at the 33rd percentile of peer institutions for Fall 2017. Summary statistics are provided in the table below. The university’s competitive positioning among peers for Fall 2017 will be recomputed once IPEDS data becomes available.

<table>
<thead>
<tr>
<th></th>
<th>Fall 2016</th>
<th>Fall 2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>60th Percentile</td>
<td>$109,878</td>
<td>$112,955*</td>
<td>2.8%</td>
</tr>
<tr>
<td>Actual Average Salary</td>
<td>$100,552</td>
<td>$102,470</td>
<td>1.9%</td>
</tr>
<tr>
<td>Rank - Actual</td>
<td>18 of 26</td>
<td>20 of 26*</td>
<td>-2</td>
</tr>
<tr>
<td>Percentile - Actual</td>
<td>35th</td>
<td>33rd*</td>
<td>-2</td>
</tr>
</tbody>
</table>

*IPEDS peer salary data for Fall 2017 is not yet available. Estimates are based on the State Council of Higher Education’s forecast of 2.8% salary escalation at peer institutions.

Attachment A provides a list of the university’s peer group and the comparative estimated salary averages for Fall 2016.

**2018-19 Pay Structure**

In accordance with the intent of the Consolidated Salary Authorization, a pay structure for the teaching and research faculty for 2018-19 is presented in Attachment B. This plan is derived from the 2017-18 approved plan. It incorporates the proposed merit adjustment for 2018-19. The attachment also displays the normal entrance rate for each faculty category along with the change from the approved compensation rate for each rank, along with the distribution of faculty across the ranks.

The salary average for administrative and professional faculty may not exceed the authorized salary average for the teaching and research faculty by more than 35 percent.
Promotion, Tenure, and Continued Appointment

Promotion to a higher rank and appointment with tenure may be granted to faculty members on a regular faculty appointment who have demonstrated outstanding accomplishments in an appropriate combination of learning, discovery, and engagement. A current curriculum vitae together with student and peer evaluations of teaching, reprints of publications, evaluations by external reviewers from the same or a related field, and other similar documents comprise a dossier which furnishes the principal basis for promotion and tenure decisions. Faculty members being considered for either promotion or the awarding of tenure will have their dossiers reviewed at three levels: by a departmental committee and the head or chair; by a college committee and the dean; and by a university committee and the provost. Each candidate for promotion or tenure will be evaluated in the light of the tripartite mission of the university: learning, discovery, and engagement. Although not all candidates can be expected to have equal levels of commitment or equal responsibilities in each of these missions, a high level of general competence is expected in recognition of the need for flexibility in the future establishment of priorities in academic programs. Beyond that basic foundation of competence, decisions related to tenure or promotion to associate professor will require evidence of excellence in at least one area.

The university’s mission and commitment as a major research institution require high accomplishment for promotion to professor. Faculty members must demonstrate a high level of competence in an appropriate combination of instruction, outreach, and professional activities relevant to their assignment. Because of the university’s mission and commitment as a major research institution, successful candidates for the rank of professor must demonstrate excellence in research, scholarship, or creative achievement, as appropriate for the candidate’s discipline and assignment. Promotion to the rank of professor is contingent upon national or international recognition as an outstanding scholar and educator.

In addition to the material contained in this section, the Faculty Handbook provides detailed policies and procedures for the departmental evaluation, the college evaluation, and the university evaluation.

Members of the Library faculty and Cooperative Extension faculty not holding appointments in a collegiate department may be considered for continued appointment or for promotion in faculty rank in recognition of appropriate professional accomplishments. Candidates for promotion or continued appointment will be reviewed at two levels: first by the University Libraries or Extension promotion and continued appointment committee and dean of University Libraries or director of Virginia Cooperative Extension, and second by the University Promotion and Continued Appointment Committee and the provost.
The following raises are recommended for promotions to:

- Professor $7,000
- Associate Professor $5,000
- Assistant Professor $3,000

For academic-year faculty members who have Research Extended Appointments (10, 11, or 12 month appointments funded by sponsored projects) with salaries adjusted in accordance with formulas in Policy 6200 - Policy on Research Extended Appointments, or for those who have a limited-term appointment as department head or other administrator, the stipend is adjusted by the same conversion rate to preserve its value when the faculty member returns to the academic-year base appointment.

**Clinical Faculty**

The clinical faculty track provides for long-term, full-time or part-time faculty appointments to individuals whose primary responsibilities are instruction and/or service in a clinical setting, such as veterinary medicine. Tenure cannot be earned in these ranks, and time spent in one of these ranks is not applicable toward probationary tenure-track faculty service. There are four clinical ranks beginning with Clinical Instructor. Those clinical faculty members with outstanding performance may be considered for promotion in rank by the relevant departmental and college promotion and tenure committees, with administrative approval by the provost.

The following raises are recommended for promotions to:

- Clinical Professor $7,000
- Clinical Associate Professor $5,000
- Clinical Assistant Professor $3,000

**Collegiate Faculty**

The collegiate professor series provides for short- or long-term, full- or part-time, non-tenure-track faculty appointments for individuals who bring specialized expertise to the instructional programs of the university, thereby complementing the qualifications and contributions of tenure-track faculty. There are three collegiate professor ranks, beginning with Collegiate Assistant Professor. Tenure will not be awarded at any of these ranks and service at these ranks is excluded from the pre-tenure probationary period if the faculty member is subsequently appointed to a tenure-track position. Collegiate professors with a record of significant scholarly and/or professional achievement may be considered for promotion in rank by the relevant departmental and college promotion and tenure committees, with administrative approval by the provost.

- Collegiate Professor $7,000
- Collegiate Associate Professor $5,000
- Collegiate Assistant Professor $3,000
**Professor of Practice**

The professor of practice series provides for short- or long-term, full- or part-time, non-tenure-track faculty appointments for individuals who bring specialized expertise to the instructional programs of the university, thereby complementing the qualifications and contributions of tenure-track faculty. There are three professor of practice ranks, beginning with Assistant Professor of Practice. Tenure will not be awarded at any of these ranks and all service at one of these ranks will be excluded from the probationary period should the faculty member later be appointed to a tenure-track position. Professor of practice faculty members with a record of outstanding performance may be considered for promotion in rank by the relevant departmental and college promotion and tenure committees, with administrative approval by the provost.

<table>
<thead>
<tr>
<th>Ranks</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professor of Practice</td>
<td>$7,000</td>
</tr>
<tr>
<td>Associate Professor of Practice</td>
<td>5,000</td>
</tr>
<tr>
<td>Assistant Professor of Practice</td>
<td>3,000</td>
</tr>
</tbody>
</table>

**Instructors**

The instructor track provides for full- and part-time appointments to individuals whose primary responsibilities are to the undergraduate instructional program. Tenure will not be awarded at any of these ranks and all service at any instructor rank will be excluded from the probationary period should the faculty member later be appointed to a tenure track position. There are three ranks in the series: Instructor, Advanced Instructor, and Senior Instructor. Those instructors with outstanding performance may be considered for promotion in rank by the relevant departmental and college promotion and tenure committees, with administrative approval by the provost.

The following raises are recommended for promotions to:

<table>
<thead>
<tr>
<th>Ranks</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Instructor</td>
<td>$5,000</td>
</tr>
<tr>
<td>Advanced Instructor</td>
<td>3,000</td>
</tr>
</tbody>
</table>

**Extension Agents**

There are three ranks for extension agents: Associate Extension Agent, Extension Agent, and Senior Extension Agent. Criteria for promotion in rank include educational preparation, performance, and professionalism. The Director of Cooperative Extension makes a recommendation to the Provost based on an evaluation of the candidate’s dossier and recommendations of the Peer Review Committees, District Director, and Associate Directors of Cooperative Extension.

The following raises are recommended for promotions within Cooperative Extension:

<table>
<thead>
<tr>
<th>Ranks</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Extension Agent</td>
<td>$5,000</td>
</tr>
<tr>
<td>Extension Agent</td>
<td>3,000</td>
</tr>
</tbody>
</table>
In addition to the rank promotions within the faculty categories described above, faculty may be promoted to ranks within other faculty categories, as appropriate (for example, an Instructor may be promoted to a rank within the Professor of Practice or Collegiate Faculty categories.)

At the June meeting each year, the university will submit to the Board of Visitors a report of recommended promotion, tenure, and continued appointment actions for review and approval.

**Annual Evaluation and Salary Adjustments**

**Teaching and Research Faculty**

An evaluation of every faculty member’s professional performance is held each year. All persons holding non-temporary faculty appointments are asked to prepare a report at the end of each academic year (or other appropriate 12-month period) citing their instructional activities, creative scholarship, and other professional activities and recognitions during the year. Salary recommendations are based upon performance documented in these annual reports, which are reviewed by departmental personnel committees in some cases, by the department head or chair, and the dean.

Salary adjustments are based on merit; they are not automatic. Recommendations for salary adjustments originate with the department head or chair and are reviewed by the dean. At the university level, the dean reviews the salary adjustment recommendations at a formal salary hearing with the president, the provost, the chief financial officer, and others as needed.

**Administrative and Professional Faculty**

Administrative and Professional Faculty are comprised of Senior Administrators and Managers and Professionals. Senior Administrators perform work directly related to management of the educational and general activities of the institution at least 50 percent or more of their contractual time, and typically serve in executive leadership roles such as vice president, dean, and assistant or associate vice president or dean. Managers have responsibility for supervision and evaluation of a significant number of staff and/or professional faculty, and budgetary responsibility for their unit or a substantive program. Professionals provide direct service to students, other university constituencies, or clients external to the university as part of the university’s missions of learning, discovery, and engagement. Professionals include, but are not limited to, extension agents, librarians, coaches, physicians, lawyers, engineers, architects, student or academic affairs professionals, development officers, specialists in public relations, human resources, information technology, and financial specialists.

Evaluations are based upon standards set by the supervisor with the participation of the faculty member and relate closely to the duties inherent in the functional title and job description of the position. Annually set expectations become one of the important criteria
for judging professional job performance in the subsequent year. In addition to maintaining a high level of performance in carrying out their job-related duties and responsibilities, senior administrators, managers, and professionals are expected to participate in and provide leadership of departmental, divisional, or university-wide committees, special university-wide assignments, or similar activity on behalf of important university priorities.

Salary adjustments are based on merit; they are not automatic. Recommendations for salary adjustments originate with the supervisor and are reviewed as appropriate by the department head, dean, and vice president. At the university level, the dean or vice president reviews the salary adjustment recommendations at a formal salary hearing with the president, the provost, the chief financial officer, and others as needed.

Research Faculty

Research faculty are those with the titles of research associate, senior research associate, postdoctoral associate, research scientist, senior research scientist, research assistant professor, research associate professor, research professor, project associate, senior project associate, or project director. Research faculty appointments are intended to promote and expedite the research activities of the university. Tenure cannot be earned in these ranks and service is not applicable toward probationary faculty service.

Each research faculty member is evaluated and given a merit adjustment on the same schedule for evaluations and raise recommendations as the other faculty groups. Salary adjustments are based on merit; they are not automatic. An annual performance review by the principal investigator and/or department head becomes part of the basis for salary adjustments. Recommendations for salary adjustments originate with the supervisor (usually the principal investigator or the department head or chair) and are reviewed as appropriate by the department head or chair, dean, and vice president for research and innovation. At the university level, the dean or vice president reviews the salary adjustment recommendations at a formal salary hearing with the president, the provost, the chief financial officer, and others as needed.

Other Salary Adjustments

Faculty salary adjustments are normally reviewed and approved by the Board of Visitors in two phases: adjustments for promotion are recommended at the June meeting and adjustments based on performance are recommended at the fall meeting. In addition to this process, it is sometimes necessary to adjust the salaries of specific faculty members at other times during the fiscal year. These adjustments are primarily for changes in duties and responsibilities, for special temporary assignments, for retention or other exceptional needs, and for faculty selected for a different position as part of a search. Adjustments on the anniversary date of appointment for a restricted faculty member may also be approved in lieu of the normal merit process.
To recognize continued educational attainment, faculty members may receive a base salary adjustment of up to $3,000 for completion of the doctorate effective upon official certification by the degree-granting institution that all requirements have been met for award of the degree.

The president, provost, and chief financial officer are authorized to administer the faculty compensation plan during the year and act upon requests for salary adjustments. The President has issued a set of guidelines establishing the parameters for approval of special salary adjustments. By separate resolution, the Board has delegated authority to the President or designee for approval of changes in employment status that do not involve any salary action, salary adjustments made in accordance with existing policies and standard formulas, off-cycle salary adjustments less than 10 percent, new appointments and salary adjustments for faculty members on restricted contracts, and new appointments of non-tenure track instructional faculty or administrative and professional faculty below the level of senior administrator and their direct reports. The quarterly Personnel Changes Report will reflect those actions of strategic importance to the institution as identified in the resolution.

**Faculty Research Incentive Plan**

During 2011-12, a university workgroup developed a university savings program by incentivizing faculty research activities. This effort resulted in the Board’s creation of a Faculty Research Incentive Program (FRIP) that has similarities to programs at peer institutions. This plan was implemented in 2012-13 and will be continued in 2018-19.

The goal of the FRIP is to provide an incentive for principal or co-principal investigators to secure additional competitively awarded, externally sponsored activities. Through the leveraging of appropriately charged time to competitive grants and contracts, research time that is funded by departments or colleges can be reduced, resulting in salary savings that can be used to both support the incentive program as well as to support academic initiatives.

One-time research incentive payments are made from department or college salary savings and are based on a minimum savings threshold that is applied equitably within departments or colleges. Faculty must apply in advance to be considered for the program. Research incentive payments must be approved by the department head or chair, the dean, and the vice president for research and innovation (or the appropriate administrators based on reporting structure); all disapprovals must also be reviewed by each management level. When salary savings result in a reduction in faculty assignments, those salary savings are excluded from the program.

**Implementation of the 2018-19 Merit Review and Compensation Process**

Recognizing the critical nature of faculty compensation, the university’s standing relative to the 60th percentile of the university’s peer group average salary, the higher levels of competing offers being received by key faculty, and to minimize the high cost of turnover,
the university proposes continuing the traditional annual merit-based faculty salary increase program in 2018-19.

This plan authorizes management to plan and budget for the resource allocations necessary to support a merit-based faculty salary increase averaging 2.0 percent for faculty for 2018-19.

To implement the merit review and compensation program the Budget Office will develop salary pools for each academic and administrative area based upon 2.0 percent of the actual salary expenses prior to this 2018-19 merit process.

The university may also elect to create a supplemental pool to achieve certain targeted salary compensation or retention needs. For example, in some years the university has worked to address issues such as salary compression and equity needs. For 2018-19 such changes may result from one or more of the following processes:

- The university establishes a special pool of funds to address salary inequity and retention issues for specific faculty, such as national distinction. If implemented, the funding will only be used to make adjustments based on evaluations of specific circumstances surrounding individual faculty members. As such, these adjustments would not be available to all faculty members and may occur at any time during the year, subject to approval by the Board. Based on the uncertainty of the State Budget for 2018-19, the university currently envisions funding in the range of zero to 0.7 percent in support of the national distinction program.

- The President may use a special pool of funds to adjust individual salary recommendations made by the vice presidents and deans when he determines that a different adjustment is warranted.

**RECOMMENDATION:**

That the proposed 2018-19 Faculty Compensation Plan be approved.

June 4, 2018
## VIRGINIA TECH

Peer Salary Benchmarking

**Fall 2016**

<table>
<thead>
<tr>
<th>Institution</th>
<th>Average Salary (1)</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>California-Berkeley, University of</td>
<td>$146,987</td>
<td>1</td>
</tr>
<tr>
<td>Cornell University</td>
<td>132,028</td>
<td>2</td>
</tr>
<tr>
<td>Southern California, University of</td>
<td>125,227</td>
<td>3</td>
</tr>
<tr>
<td>California-Davis, University of</td>
<td>123,211</td>
<td>4</td>
</tr>
<tr>
<td>Maryland-College Park, University of</td>
<td>115,676</td>
<td>5</td>
</tr>
<tr>
<td>Ohio State University-Main Campus</td>
<td>109,660</td>
<td>6</td>
</tr>
<tr>
<td>Washington-Seattle Campus, University of</td>
<td>107,873</td>
<td>7</td>
</tr>
<tr>
<td>Illinois at Urbana-Champaign, University of</td>
<td>107,091</td>
<td>8</td>
</tr>
<tr>
<td>Purdue University-Main Campus</td>
<td>106,817</td>
<td>9</td>
</tr>
<tr>
<td>Wisconsin-Madison, University of</td>
<td>106,320</td>
<td>10</td>
</tr>
<tr>
<td>Rutgers University-New Brunswick/Piscataway</td>
<td>105,693</td>
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</tr>
<tr>
<td>Minnesota-Twin Cities, University of</td>
<td>104,978</td>
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</tr>
<tr>
<td>Michigan State University</td>
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<td>Michigan-Ann Arbor, University of</td>
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<td>Florida, University of</td>
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<tr>
<td>Pennsylvania State University-Main Campus</td>
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<td>Texas A&amp;M University</td>
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<td><strong>Virginia Tech</strong></td>
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</tr>
<tr>
<td>Colorado at Boulder, University</td>
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<td>Iowa State University</td>
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</tr>
<tr>
<td>North Carolina State University at Raleigh</td>
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</tr>
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<td>Pittsburgh-Main Campus, University of</td>
<td>95,398</td>
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</tr>
<tr>
<td>SUNY at Buffalo</td>
<td>92,257</td>
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</tr>
<tr>
<td>Missouri-Columbia, University of</td>
<td>83,236</td>
<td>25</td>
</tr>
<tr>
<td>Texas at Austin, University of</td>
<td>79,998</td>
<td>26</td>
</tr>
</tbody>
</table>

**Virginia Tech Actual Salary Average Percentile** 35th

---

1 Average salary of peer institutions is based on the latest available data (Fall 2016) from IPEDS
<table>
<thead>
<tr>
<th></th>
<th>9-Month Faculty</th>
<th></th>
<th>12-Month Faculty</th>
<th></th>
<th>Distribution</th>
<th>Approximate % of Total Faculty By Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Entrance</td>
<td>Change</td>
<td>Entrance</td>
<td>Change</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professor</td>
<td>$91,587</td>
<td>2%</td>
<td>$111,704</td>
<td>2%</td>
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<td>30%</td>
</tr>
<tr>
<td>Associate Professor</td>
<td>70,049</td>
<td>2%</td>
<td>84,880</td>
<td>2%</td>
<td></td>
<td>27%</td>
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<tr>
<td>Assistant Professor</td>
<td>57,948</td>
<td>2%</td>
<td>70,486</td>
<td>2%</td>
<td></td>
<td>29%</td>
</tr>
<tr>
<td>Senior Instructor</td>
<td>49,699</td>
<td>2%</td>
<td>64,668</td>
<td>2%</td>
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<td>3%</td>
</tr>
<tr>
<td>Advanced Instructor</td>
<td>44,310</td>
<td>2%</td>
<td>57,483</td>
<td>2%</td>
<td></td>
<td>2%</td>
</tr>
<tr>
<td>Instructor</td>
<td>40,613</td>
<td>2%</td>
<td>52,841</td>
<td>2%</td>
<td></td>
<td>9%</td>
</tr>
</tbody>
</table>
Report of Closed Session Items  
ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE  

June 4, 2018  

The Academic, Research, and Student Affairs Committee met in closed session to ratify the Faculty Personnel Changes Report for the quarter ending March 31, 2018, and to consider:  

• Four appointments to Emeritus/Emerita status  
• One appointment to Endowed Chair, Professorship, or Fellowship  
• 125 Promotion and Tenure Appointments  
• One Special faculty leave, and  
• Two exceptions to the Virginia Conflict of Interests Act  

These matters will be brought for a vote to the full board during its Closed Session.
Living & Learning

PATTY PERILLO
Vice President for Student Affairs

FRANCES KEENE
Interim Director, Housing and Residence Life
What is a Living-Learning Community (LLC)?

- Organized around a common experience, course, interest, and goal
- Students apply to participate
- Led by a program director from academic or student affairs and supported by residence life
- Peer mentorship
2015 Task Force
Strategic Recommendation:

Grow living-learning and residential college programmatic initiatives to involve at least two-thirds of undergraduate residential students over the next decade by promoting benefits and reducing financial barriers (currently 37% of the undergraduate on-campus population, including the Corps of Cadets).
Discipline-Specific Model

- Focused on a specific area of study
- Multigenerational
- Led by a program director
Academic/Interest Based Model

- Focused on a common interest or common course
- Multigenerational
- Led by a program director
- Coming in fall 2018: Ujima
Residential College Model

- Interdisciplinary
- Multigenerational
- Led by a live-in faculty principal
Summary

Living-Learning Communities:
- Benefit students academically and socially.
- Currently serve 37% of Virginia Tech’s undergraduate, on-campus population.
- Diverse identities represented in Living Learning Communities.

Because of the rich experience LLCs offer, we seek to grow the living-learning and residential college initiatives to engage at least two-thirds of our undergraduate, residential population.
Bachelor of Arts and Bachelor of Science in Science, Technology, and Society

DANIEL BRESLAU
Department of Science, Technology, and Society (STS)
What is STS?

- Studies the relationship of science and technology to society, culture, politics
- Draws on concepts and methods from the Social Sciences and Humanities
- Emphasizes empirical research
- Provides practical ideas for managing the social and ethical consequences of emerging knowledge and technologies
STS asks questions like:

- How will our society and lifestyles change with the transition to renewable sources of energy?
- What are the ethical issues raised by recent developments in genetics?
- How has the organization of tech workplaces resulted in the marginalization of women?
Upon completing the program, students will be able to:

- Identify ways in which science, medicine and technology influence, and are influenced by, social, cultural and political contexts.

- Apply STS concepts and frameworks in the analysis of contemporary developments within scientific, technological, and medical domains.

- Evaluate and formulate policies directed at contemporary problems in science, technology, and medicine.
Student Demand

- Average annual enrollment in Intro to STS, last 5 years: 164
- Student demand survey (Spring, 2017):
  - 45% of surveyed University Studies (undeclared) students would be Extremely Likely or Somewhat Likely to enroll in the proposed program
  - 37% of surveyed students in Introduction to STS would be Extremely Likely or Somewhat Likely to enroll in the proposed program

The program is a good fit for students with strong skills and interests in liberal arts (writing, speaking, collaborative work, research, critical thinking) and an abiding interest in science and technology
Careers for STS Graduates

Public engagement
- Museum and non-profit work
- Environmental research and advocacy
- Science communication

Tech sector
- Product development
- Marketing
- Research Analyst

Graduate and professional school
- Law School
- Pre-Health Professions
- Information Science
- Environmental Policy
**Employer Interest**

Including, but not limited to:

- US Department of Agriculture, Deputy Administrator for Organic Program
- Sierra Club, Director of Beyond Coal Campaign
- Chemical Heritage Foundation, Director, Institute for Research
- Mitre Corporation (Federal Government Research Contractor), Portfolio Manager
What potential employers have said

There will be a strong demand for graduates with an STS degree in the metro Washington DC area where questions of policy and expertise permeate every aspect of a wide range of industries, from biotech, public health, cyber, management consulting, big data, advanced manufacturing, remote surveillance, defense, and homeland security.

There are many skills we can develop in our new employees, but the ability and willingness to move fluidly between the languages and cultures of science and the social sciences needs to be in place before they arrive. Students who can confidently move between these worlds are few and far between -- especially at the undergraduate level.
Thank you!
RESOLUTION TO APPROVE NEW DEGREE, BACHELOR OF ARTS IN SCIENCE,
TECHNOLOGY, AND SOCIETY

WHEREAS, emerging science and technology present new and unanticipated social,
political, and ethical consequences; and

WHEREAS, science, technology, and society (STS) is a growing interdisciplinary field
that brings together conceptual and methodological frameworks from the social sciences
and humanities to develop ways of understanding and intervening in the relationship of
science and technology to society; and

WHEREAS, public and private organizations increasingly require management,
communication, marketing, and research personnel who have a thorough knowledge of
the social and ethical dimensions of emerging science and technology; and

WHEREAS, there is currently no undergraduate degree in science, technology, and
society offered at institutions of higher education in Virginia; and

WHEREAS, the bachelor of arts in STS embodies the elements of the “VT-shaped
Individual” with depth in the specialized concepts and frameworks of STS,
transdisciplinary skills, and problem-driven, experiential learning; and

WHEREAS, the Department of Science, Technology, and Society at Virginia Tech is a
leading department in graduate instruction and research in the field and already offers a
range of undergraduate courses, providing about 2,000 credit hours of undergraduate
instruction per year; now

THEREFORE, BE IT RESOLVED, that the bachelor of arts in science, technology, and
society be approved effective spring 2019 and the proposal forwarded to the State Council
of Higher Education for Virginia (SCHEV) for approval.

RECOMMENDATION:

That the above resolution recommending the establishment of the bachelor of arts in
science, technology, and society be approved.

June 4, 2018
Virginia Tech Degree Proposal
Bachelor of Arts/Bachelor of Science in Science, Technology, and Society
(CIP: 30.1501)
Type of degree action: New

Program Description
The Department of Science, Technology, and Society is proposing a new Undergraduate Degree Program in Science, Technology, and Society. The program will offer both a Bachelor of Arts and a Bachelor of Science. The program anticipates admitting its first students in spring of 2019, and will begin awarding degrees in 2021.

The field of Science, Technology, and Society studies the relationship of science and technology to their social, political, and cultural contexts. It examines the ways that the development of technologies and the course of scientific research are shaped by their social settings, and in turn, the ways that scientific and technological developments impact society.

As an interdisciplinary field, Science, Technology, and Society draws from the social sciences and humanities, particularly from Anthropology, Sociology, History, and Philosophy. The field has also developed its own concepts and frameworks, which have proven particularly revealing in the study of the social dimensions of technical fields. Central concerns of the field include the politics of expertise, public deliberation on science and technology policy, the social consequences of molecular biology and associated technologies, innovation as a social process, information technologies and social change.

In addition to advancing knowledge of this subject area, the field of STS has a strong tradition of practical involvement in the interface between society and the technical fields of science and technology. STS scholars and practitioners work with scientists and engineers to incorporate a greater awareness of the social and ethical consequences of their work into their professional work itself. And STS-trained professionals work with citizens’ groups and other stakeholders to translate and interpret scientific and technological developments in terms of their risks, benefits, and other social consequences. They can often facilitate informed public involvement in deliberation over policy responses. Faculty in STS at Virginia Tech are already working on projects involving reshaping the training of engineers, developing strategies for disaster response, and involving citizens in research on environmental health risks.

The program will build on existing strengths of faculty in the Department of Science, Technology, and Society and the graduate program in Science and Technology Studies. Active scholarship of faculty, with strengths in science and technology policy, energy and environmental issues, engineering studies, biomedicine and society, will expose undergraduates to the state of the art in STS research and public outreach.

The Undergraduate Degree Program in STS has six emphases:
1. The study of STS as a set of perspectives, concepts, and methods that apply across a broad range of issues for research and active intervention involving science and technology.
2. A focus on contemporary problems involving science and technology, developing approaches to those problems that take into account their social dimensions and social consequences.
3. Real-world engagement through experiential and collaborative learning.
4. Acquisition of a set of transdisciplinary skills, including technological literacy, professional presentations, research design, critical thinking, and managing collaborative projects.

5. **For the Bachelor of Arts degree**, advanced knowledge in humanistic and social science perspectives on science and technology.

6. **For the Bachelor of Science degree**, technical literacy at an advanced undergraduate level, in a specialized area of science and technology.

In the degree’s core, students will learn general conceptual tools and perspectives of STS. But beyond the introductory course (STS 1504), these are taught in conjunction with specific contemporary problem areas: environment, biomedicine and the life sciences, global science and technology policy, and innovation.

The core includes an innovative course on the practice of collaborative research (STS 3504 Collaborative Research in Science, Technology, and Society). The course combines research methods with hands-on experience in collaborative work on a social problem involving science and/or technology. During alternate years, the collaborative methods course will be coupled with the STS Department’s Choices and Challenges Forum. This is a public forum on an area of science and technology that is of pressing public concern. Students in the STS Collaborative Methods course will participate in developing information materials for the forum, designing background sessions, and will interact with invited panelists in a closed workshop setting.

Furthermore, all students in the program will specialize in a focus area, where they will take 9 credit hours to acquire technical literacy and deeper knowledge of one area. The focus areas will initially consist of Energy and Environment, Medicine and Life Sciences, and Engineering and Innovation, with a fourth option consisting of a custom focus area that students design in consultation with their advisor.

The capstone, STS 4304, will provide an opportunity to pursue supervised individual research related to the student’s focus area, while gaining experience in presentation and critique in a seminar setting. Students in the STS program will compile a research portfolio based on their projects in the Collaborative Methods course and the STS Capstone.

Students will complete the program with either a Bachelor of Arts or a Bachelor of Science degree. The BA is appropriate for students seeking a broad liberal arts degree, requiring additional upper-level courses in perspectives on science and technology from the humanities, social science and arts. The Bachelor of Science allows students to combine the STS requirements with a more advanced program of study in a scientific or technological area that is linked to their STS focus area.

**Curriculum Summary**

I. **Pathways to General Education (45 credits)**

   Distributive Pathway:
   - Discourse (9 credits)
   - Quantitative and Computational Thinking (9 credits)
   - Reasoning in the Natural Sciences (6 credits)
   - Critique and Practice in Design and the Arts (6 credits)
   - Reasoning in the Social Sciences (6 credits)
Critical Thinking in the Humanities (6 credits)
Critical Analysis of Identity and Equity in the United States (3 credits)
Pathways requirements may also be fulfilled through a Pathways Minor or Alternative Pathway.

II. **STS Degree Core Requirement (21 credit hours)**

**STS Core Sequence**
- STS 1504: Introduction to Science, Technology, and Society (3 cr)
- STS 3504: The Practice of Collaborative Research in STS (3 cr)
- STS 4304: Contemporary Issues in Science, Technology, and Society (3 cr)

**Core area requirements**
- STS 2154: Humanities, Technology and the Life Sciences (3 cr)
- STS 2254: Innovation in Context (3 cr)
- STS 2454: Science, Technology, and the Environment (3 cr)
- STS 2444: Global Science and Technology Policy (3 cr)

III. **Focus Area Restricted Electives (9 credit hours)**

**Nine credit hours in one of the following focus areas**

**Energy and Environment (three of the following):**
- ENGL 3534: Literature and Ecology (3 cr)
- GEOG/NR 1115-1116: Seeking Sustainability\(^1\) (3 cr)
- GEOG 3104: Environmental Problems, Population, and Development (3 cr)
- HIST 3144: American Environmental History (3 cr)
- PHIL 2304: Global Ethics (3 cr)
- STS 3334: Energy and Society (3 cr)
- UAP/PSCI 3344: Global Environmental Issues: Interdisciplinary Perspectives (3 cr)
- UAP 3354: Introduction to Environmental Policy and Planning (3 cr)

**Engineering and Innovation (three of the following):**
- ENGL 3844: Writing and Digital Media (3 cr)
- HIST/SOC/STS 2604: Introduction to Data in Social Context (3 cr)
- HIST/STS 2715, 2716: History of Technology (3 cr)
- HIST 3114: United States Business History (3 cr)
- MGT 3064: Cornerstones of Entrepreneurship and Innovation (3 cr)
- STS/HIST 2054: Engineering Cultures (3 cr)

**Life Sciences and Biomedicine (three of the following):**
- ENGL 3154: Literature, Medicine, and Culture (3 cr)
- ENGL/STS 4314: Narrative Medicine (3 cr)
- HIST 3624: Health and Illness in African History (3 cr)
- HIST 3714: War and Medicine (3 cr)
- HIST 3724: History of Disease, Medicine, and Health (3 cr)
- HIST/STS 3734: History of Modern Biology (3 cr)
- PHIL 3324: Biomedical Ethics (3 cr)
- PHIL 4604: Philosophy of Biology (3 cr)

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\(^1\) Only one course of the two-course sequence can be counted toward the STS focus area requirement.
IV. **For the Bachelor of Arts Degree: Advanced perspectives from the humanities and social sciences (6 credit hours)**
Two additional courses at the 3000-level or higher, and approved by the academic advisor, related to science and technology from the perspective of humanities, social sciences, or the arts. For example, a student in the Engineering and Innovation focus area might fulfill this requirement with CINE 3224 Documentary Cinema Production and CINE 3184 Cinema Production Topics.

**For the Bachelor of Science Degree: Specialized study in science and technology (6 credits)**
Two additional courses at the 3000-level or higher in a technical area outside of social sciences and humanities related to the student’s focus area, and approved by the academic advisor. These must be courses with subject matter in science, mathematics, technology, or engineering. For example, a student in the Energy and Environment focus area pursuing the Bachelor of Science Degree might fulfill this requirement with BIOL 3114: Field and Laboratory Ecology (3), and BIOL 4004: Freshwater Ecology (3).

V. **Free electives (39 credits)**

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**Relevance to university mission and strategic planning**
The BA/BS in Science, Technology, and Society is designed to harmonize with the university’s goals of developing “VT-shaped individuals.” First, it will provide disciplinary knowledge in the form of STS as a comprehensive way of thinking about the relationship of science and technology to society. This involves a set of specialized concepts and frameworks developed expressly for studying and understanding technical fields as thoroughly intertwined with social, cultural, and political realities.

Second, the curriculum will provide cross-cutting skills such as research design, managing collaborative projects, policy development and evaluation, writing and speaking skills for public engagement. Focus areas and specialization requirements will provide students with literacy in a specific problem area. Students in the Bachelor of Science option will undertake further study in a technical area.

Third, the program will provide guided experiential learning in the 3000-level core course on the practice of collaborative research and in the STS capstone. Students will be encouraged to pursue internships related to their STS studies. The STS Department has piloted a summer course for students pursuing internships in the National Capital Region.
Finally, the program will promote informal communal learning through co-curricular activities using existing departmental resources: undergraduate research symposia, guest speakers, presentations of student work in the ST Global student meeting held annually in the National Capital Region.

**Destination areas:** Students in the STS program will be able to combine their degree requirements in STS with a major in any of the planned Destination Areas. The STS program will complement work in a Destination Area by providing social science and humanities perspectives on the area’s subject matter. The major will also include courses that fit within specific destination areas, allowing students to count STS courses toward a Destination Area major. For instance, our courses in Engineering and Innovation might count toward a major in Intelligent Infrastructures and Human-Centered Design.

Other planned features of the program that relate directly to the VT mission and strategic plan:
- With our department’s presence in the National Capitol Region, we will initiate undergraduate activities there, offering summer courses that will provide an opportunity to combine internships with classroom study and research.
- The program combines transdisciplinary competence with specialization. It pursues general learning outcomes, with regard to interdisciplinary and transdisciplinary perspectives and methods of STS, and specialized learning outcomes, requiring the application of those tools in the process of developing deep knowledge of a particular focus area.

**Justification**

The establishment of a Bachelor of Arts/Bachelor of Science in Science, Technology, and Society at Virginia Tech will answer two related and growing demands. On one hand, Virginia Tech attracts many students with strong interests in science and technology, but who are not interested in majoring in engineering or in specializing solely in a scientific field. They are drawn to science and technology through personal interest and an awareness of the pervasive influence of science and technology in modern life. They will be seeking the range of skills typically acquired in a liberal arts degree, such as writing, public speaking, research, but coupled with technological literacy and a focus on specific areas of science and technology.

On the other hand, employers and graduate programs are increasingly placing a high value on college graduates who are neither engineers nor science majors, but who are effective problem solvers due to their understanding of the ways that science and technology interact with social life, culture, and politics.

Science, Technology, and Society (STS) bridges these two growing demands. It provides students with an understanding of the ways that science and technology are embedded in social life, as well as practical conceptual frameworks and methods for pursuing interdisciplinary solutions to contemporary problems. Combined with literacy in one or more areas of science and technology, analytic and writing abilities, and experience in collaborative work, these students will acquire a highly valued and marketable set of competencies.

An undergraduate STS degree is excellent preparation for any career that calls for a liberal arts degree, but with special relevance to science and technology-rich fields, such as science communication, technology marketing and management, environmental organizations, research
administration, science policy, military careers, and museum work. And it prepares students for graduate and professional study in areas such as Business, Law, Health Professions, Information Science, and Environmental Policy.

**Student demand**

Science, Technology, and Society is a growing field, nationally and internationally. The College Board lists STS undergraduate programs at 68 higher education institutions in the U.S., including public land-grant schools such as Penn State, University of California at Davis, and North Carolina State University. Ohio State University has recently added a concentration in STS within its Comparative Studies major. In our region, at North Carolina State University, the STS undergraduate degree program has over 110 students currently enrolled. There are no undergraduate degree programs in Science, Technology, and Society in public higher education institutions in Virginia.

The department’s undergraduate courses have experienced consistently high enrollment. The introductory course in STS has filled to its capacity of 120 students for the past two years. Other courses that will be included in the degree program indicate a strong student interest in the subject matter.

We recently surveyed students enrolled in STS 1504, Introduction to Science, Technology, and Society. Out of 67 responses, 30, or 45% indicated that they were “extremely interested” or “somewhat interested” in the degree program in STS. Of the 25 students who had not yet declared a major 12, or 48% indicated that they were either “extremely interested” or “somewhat interested” in the STS degree program.

**Market demand**

The STS degree program combines instruction and real-world application of communication skills, both written and oral; powerful conceptual frameworks for understanding the social and cultural dimensions of science and technology; and focused knowledge of a particular problem domain. Graduates of the program will be well prepared for positions that require writing, speaking, research, and analytic skills in science- and technology-rich settings.

A growing body of knowledge suggests that pay is not only growing for graduates of liberal arts programs, but that their long-term earning potential is comparable to, or outpacing that of graduates of STEM programs. The *Wall Street Journal* writes, “When asked to define the résumé traits that matter most, however, the NACE-surveyed employers rated technical skills 10th. Four of the top five traits were hallmarks of a traditional liberal-arts education: teamwork, clear writing, problem-solving aptitude and strong oral communications. Mindful of those longer-term needs, some employers end up hiring humanities and social-sciences graduates, even if such majors aren’t explicitly singled out when recruiting.”

The *World Economic Forum* report, ‘The Future of Jobs,’ confirms the importance of these skills. The top five desired traits for employees in 2020 include complex problem solving, critical thinking, creativity, people management, and coordinating with others – all trademarks of degree programs emerging from the liberal arts.

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Yet these traits must be tailored for a rapidly changing and evolving world marketplace. The same report from which the above skills are derived notes that technological developments are driving commerce, development, and production in disruptive ways. “Developments in previously disjointed fields such as artificial intelligence and machine learning, robotics, nanotechnology, 3D printing and genetics and biotechnology are all building on and amplifying one another. Smart systems—homes, factories, farms, grids or entire cities—will help tackle problems ranging from supply chain management to climate change. Concurrent to this technological revolution are a set of broader socioeconomic, geopolitical and demographic developments.” Thus, not only do graduates need to build desirable traits, they must be familiar with new and emerging scientific and technological environments.

**Required resources**
The program can be implemented with existing departmental resources. As enrollment reaches our five-year target, it may require a half-time academic advisor and an additional graduate teaching assistantship. A future faculty position in STS approaches to information technology would allow us to add an additional focus area, but is not necessary for initiating the program.

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<tr>
<th>RESOURCE</th>
<th>ESTIMATED COSTS</th>
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<td>Faculty</td>
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</tr>
<tr>
<td>Administrative Staff</td>
<td>$15000/yr., starting in year 5</td>
</tr>
<tr>
<td>Graduate Teaching/Graduate Research Assistant</td>
<td>$32000/yr., starting in year 5 (includes tuition and stipend)</td>
</tr>
<tr>
<td>Space</td>
<td>$0</td>
</tr>
<tr>
<td>Library</td>
<td>$0</td>
</tr>
<tr>
<td>Equipment</td>
<td>$0</td>
</tr>
<tr>
<td>Other</td>
<td>$1000 (printing, web design, publicity, information events)</td>
</tr>
</tbody>
</table>
I. **STS Degree Core Requirements (21 credit hours)**

<table>
<thead>
<tr>
<th>Course</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>STS 1504 Introduction to Science, Technology, and Society</td>
<td>3 cr</td>
</tr>
<tr>
<td>STS 3504 The Practice of Collaborative Research for Science, Technology, and Society (Pre: 1504, and one of 2154 or 2444 or 2454 or 2254)</td>
<td>3 cr</td>
</tr>
<tr>
<td>STS 4304 Contemporary Issues in Science, Technology, and Society (Pre: 1504)</td>
<td>3 cr</td>
</tr>
<tr>
<td>STS 2154 Humanities, Technology, and the Life Sciences</td>
<td>3 cr</td>
</tr>
<tr>
<td>STS 2254 Innovation in Context</td>
<td>3 cr</td>
</tr>
<tr>
<td>STS 2444 Global Science and Technology Policy</td>
<td>3 cr</td>
</tr>
<tr>
<td>STS 2454 Science, Technology, and the Environment</td>
<td>3 cr</td>
</tr>
</tbody>
</table>

II. **STS Focus Area Restricted Electives (9 credit hours)**

Complete 9 hours of courses in **one** of the following areas

1. **Engineering and Innovation**

<table>
<thead>
<tr>
<th>Course</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>ENGL 3844: Writing and Digital Media (Pre: ENGL 1106 or 1204H or COMM 1016)</td>
<td>3 cr</td>
</tr>
<tr>
<td>HIST/SOC/STS 2604: Introduction to Data in Social Context</td>
<td>3 cr</td>
</tr>
<tr>
<td>HIST/STS 2715, 2716: History of Technology</td>
<td>3 cr</td>
</tr>
<tr>
<td>HIST 3114: United States Business History</td>
<td>3 cr</td>
</tr>
<tr>
<td>MGT 3064: Cornerstones of Entrepreneurship and Innovation</td>
<td>3 cr</td>
</tr>
<tr>
<td>STS/HIST 2054: Engineering Cultures</td>
<td>3 cr</td>
</tr>
</tbody>
</table>

2. **Energy and Environment**

<table>
<thead>
<tr>
<th>Course</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>ENGL 3534: Literature and Ecology (Pre: ENGL 1106 or 1204H or COMM 1016)</td>
<td>3 cr</td>
</tr>
<tr>
<td>GEOG/NR 1115-1116: Seeking Sustainability(^1) (Pre: 1115 for 1116)</td>
<td>3 cr</td>
</tr>
<tr>
<td>GEOG 3104: Environmental Problems, Population, and Development</td>
<td>3 cr</td>
</tr>
</tbody>
</table>

\(^1\) Only one course of the two-course sequence can be counted toward the STS focus area requirement.
HIST 3144: American Environmental History
PHIL 2304: Global Ethics
STS 3334: Energy and Society
UAP/PSCI 3344: Global Environmental Issues: Interdisciplinary Perspectives
UAP 3354: Introduction to Environmental Policy and Planning

3. Life Sciences and Biomedicine
ENGL 3154: Literature, Medicine, and Culture (Pre: ENGL 1106 or 1204H or COMM 1016) 3 cr
ENGL/STS 4314: Narrative Medicine (Pre: ENGL 3154 or 3324) 3 cr
HIST 3624: Health and Illness in African History 3 cr
HIST 3714: War and Medicine
HIST 3724: History of Disease, Medicine, and Health
HIST/STS 3734: History of Modern Biology
PHIL 3324: Biomedical Ethics
PHIL 4604: Philosophy of Biology
SOC 3714: Sociology of Aging (Pre: 1004)
SOC 4704 Medical Sociology (Pre: 1004)
STS 3284: Technology and Disability
STS 3314: Medical Dilemmas and Human Experience
WGS/SOC/STS 3324: Perspectives on the Biology of Women (Pre: WGS 1824)
WGS/SOC/STS 4334 Sexual Medicine (Pre: WGS 1824)
WGS/STS 4704: Gender and Science (Pre: WGS 2244 or STS 1504)

4. Custom Focus Area
Nine credit hours in a selected specialty of Science, Technology, and Society, approved by academic advisor 3 cr

III. Specialized Study in Science and Technology (6 credit hours)
Two additional courses at the 3000-level or higher in a technical area outside of social sciences and humanities related to the student’s focus area, and approved by the academic advisor. These must be courses with subject matter in science, mathematics, technology, or engineering. Please refer to the Prerequisites section, below.

IV. Pathways to General Education (45 credit hours)
STS courses outside of the 21-credit core may be counted toward the Pathways requirements.
Discourse (9 credit hours)  
3 cr ______________
3 cr ______________
3 cr ______________

Quantitative and Computational Thinking (9 credit hours)  
3 cr ______________
3 cr ______________
3 cr ______________

Reasoning in the Natural Sciences (6 credit hours)  
3 cr ______________
3 cr ______________

Critique and Practice in Design and the Arts (6 credit hours)  
3 cr ______________
3 cr ______________

Reasoning in the Social Sciences (6 credit hours)  
3 cr ______________
3 cr ______________

Critical Thinking in the Humanities (6 credit hours)  
3 cr ______________
3 cr ______________

Critical Analysis of Identity and Equity in the United States  
3 cr ______________

Pathways to General Education Credits can also be fulfilled through a Pathways Minor or Alternative Pathway

V. Free electives (39 credit hours)

________________________________________________________________________

________________________________________________________________________

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VI. Foreign Language
Students who did not successfully complete at least two years of a single foreign, classical, or sign language during high school must successfully complete six semester hours of a single foreign, classical, or sign language at the college level. Courses taken to meet this requirement do not count toward the hours required for graduation. Please consult the Undergraduate Catalog for details.

Prerequisites
Some courses listed on this checksheet have prerequisites, please consult the University Course Catalog, or check with your advisor.

**Graduation Requirements**

- Minimum of 120 credit hours for the degree
- In-major GPA (courses in sections I, II, III, above) must be 2.0 or higher.
- Minimum overall GPA of 2.0.

**Satisfactory Progress Policy**

In addition to the satisfactory progress toward a degree policy required by the University, satisfactory progress toward a B.S. in STS requires that upon having attempted 72 semester hours (including transfer, AP, advanced standing, and credit by exam) an STS student must have:

- Completed at least 9 credits of the STS core requirements (Section I, above)
- At least a 2.0 overall GPA
- At least a 2.0 in-major GPA.

In-major courses include all STS core courses (Section I), Focus Area requirements (II), and Specialized Study in Science and Technology (III).
RESOLUTION TO APPROVE NEW DEGREE, BACHELOR OF SCIENCE IN SCIENCE, TECHNOLOGY, AND SOCIETY

WHEREAS, emerging science and technology present new and unanticipated social, political, and ethical consequences; and

WHEREAS, science, technology, and society (STS) is a growing interdisciplinary field that brings together conceptual and methodological frameworks from the social sciences and humanities to develop ways of understanding and intervening in the relationship of science and technology to society; and

WHEREAS, organizations of many kinds are reporting a need for college graduates with a combination of liberal arts skills – writing, research, critical thinking, collaboration – and advanced scientific or technological literacy; and

WHEREAS, there is currently no undergraduate degree in science, technology, and society offered at institutions of higher education in Virginia; and

WHEREAS, the bachelor of science in STS embodies the elements of the “VT-shaped Individual,” with depth in the specialized concepts and frameworks of STS, transdisciplinary skills, and problem-driven, experiential learning; and

WHEREAS, the Department of Science, Technology, and Society at Virginia Tech is a leading department in graduate instruction and research in the field and already offers a range of undergraduate courses, providing about 2,000 credit hours of undergraduate instruction per year: now,

THEREFORE, BE IT RESOLVED that the bachelor of science in science, technology, and society be approved effective spring 2019 and the proposal forwarded to the State Council of Higher Education for Virginia (SCHEV) for approval.

RECOMMENDATION:

That the above resolution recommending the establishment of the bachelor of science in science, technology, and society be approved.

June 4, 2018
Virginia Tech Degree Proposal
Bachelor of Arts/Bachelor of Science in Science, Technology, and Society
(CIP: 30.1501)

Type of degree action: New

Program Description
The Department of Science, Technology, and Society is proposing a new Undergraduate Degree Program in Science, Technology, and Society. The program will offer both a Bachelor of Arts and a Bachelor of Science. The program anticipates admitting its first students in spring of 2019, and will begin awarding degrees in 2021.

The field of Science, Technology, and Society studies the relationship of science and technology to their social, political, and cultural contexts. It examines the ways that the development of technologies and the course of scientific research are shaped by their social settings, and in turn, the ways that scientific and technological developments impact society.

As an interdisciplinary field, Science, Technology, and Society draws from the social sciences and humanities, particularly from Anthropology, Sociology, History, and Philosophy. The field has also developed its own concepts and frameworks, which have proven particularly revealing in the study of the social dimensions of technical fields. Central concerns of the field include the politics of expertise, public deliberation on science and technology policy, the social consequences of molecular biology and associated technologies, innovation as a social process, information technologies and social change.

In addition to advancing knowledge of this subject area, the field of STS has a strong tradition of practical involvement in the interface between society and the technical fields of science and technology. STS scholars and practitioners work with scientists and engineers to incorporate a greater awareness of the social and ethical consequences of their work into their professional work itself. And STS-trained professionals work with citizens’ groups and other stakeholders to translate and interpret scientific and technological developments in terms of their risks, benefits, and other social consequences. They can often facilitate informed public involvement in deliberation over policy responses. Faculty in STS at Virginia Tech are already working on projects involving reshaping the training of engineers, developing strategies for disaster response, and involving citizens in research on environmental health risks.

The program will build on existing strengths of faculty in the Department of Science, Technology, and Society and the graduate program in Science and Technology Studies. Active scholarship of faculty, with strengths in science and technology policy, energy and environmental issues, engineering studies, biomedicine and society, will expose undergraduates to the state of the art in STS research and public outreach.

The Undergraduate Degree Program in STS has six emphases:

1. The study of STS as a set of perspectives, concepts, and methods that apply across a broad range of issues for research and active intervention involving science and technology.
2. A focus on contemporary problems involving science and technology, developing approaches to those problems that take into account their social dimensions and social consequences.
3. Real-world engagement through experiential and collaborative learning.
4. Acquisition of a set of transdisciplinary skills, including technological literacy, professional presentations, research design, critical thinking, and managing collaborative projects.

5. **For the Bachelor of Arts degree**, advanced knowledge in humanistic and social science perspectives on science and technology.

6. **For the Bachelor of Science degree**, technical literacy at an advanced undergraduate level, in a specialized area of science and technology.

In the degree’s core, students will learn general conceptual tools and perspectives of STS. But beyond the introductory course (STS 1504), these are taught in conjunction with specific contemporary problem areas: environment, biomedicine and the life sciences, global science and technology policy, and innovation.

The core includes an innovative course on the practice of collaborative research (STS 3504 Collaborative Research in Science, Technology, and Society). The course combines research methods with hands-on experience in collaborative work on a social problem involving science and/or technology. During alternate years, the collaborative methods course will be coupled with the STS Department’s Choices and Challenges Forum. This is a public forum on an area of science and technology that is of pressing public concern. Students in the STS Collaborative Methods course will participate in developing information materials for the forum, designing background sessions, and will interact with invited panelists in a closed workshop setting.

Furthermore, all students in the program will specialize in a focus area, where they will take 9 credit hours to acquire technical literacy and deeper knowledge of one area. The focus areas will initially consist of Energy and Environment, Medicine and Life Sciences, and Engineering and Innovation, with a fourth option consisting of a custom focus area that students design in consultation with their advisor.

The capstone, STS 4304, will provide an opportunity to pursue supervised individual research related to the student’s focus area, while gaining experience in presentation and critique in a seminar setting. Students in the STS program will compile a research portfolio based on their projects in the Collaborative Methods course and the STS Capstone.

Students will complete the program with either a Bachelor of Arts or a Bachelor of Science degree. The BA is appropriate for students seeking a broad liberal arts degree, requiring additional upper-level courses in perspectives on science and technology from the humanities, social science and arts. The Bachelor of Science allows students to combine the STS requirements with a more advanced program of study in a scientific or technological area that is linked to their STS focus area.

**Curriculum Summary**

I. **Pathways to General Education (45 credits)**
   Distributive Pathway:
   - Discourse (9 credits)
   - Quantitative and Computational Thinking (9 credits)
   - Reasoning in the Natural Sciences (6 credits)
   - Critique and Practice in Design and the Arts (6 credits)
   - Reasoning in the Social Sciences (6 credits)
Critical Thinking in the Humanities (6 credits)
Critical Analysis of Identity and Equity in the United States (3 credits)
Pathways requirements may also be fulfilled through a Pathways Minor or Alternative Pathway.

II. STS Degree Core Requirement (21 credit hours)
STS Core Sequence
- STS 1504: Introduction to Science, Technology, and Society (3 cr)
- STS 3504: The Practice of Collaborative Research in STS (3 cr)
- STS 4304: Contemporary Issues in Science, Technology, and Society (3 cr)
Core area requirements
- STS 2154: Humanities, Technology and the Life Sciences (3 cr)
- STS 2254: Innovation in Context (3 cr)
- STS 2454: Science, Technology, and the Environment (3 cr)
- STS 2444: Global Science and Technology Policy (3 cr)

III. Focus Area Restricted Electives (9 credit hours)
Nine credit hours in one of the following focus areas
Energy and Environment (three of the following):
- ENGL 3534: Literature and Ecology (3 cr)
- GEOG/NR 1115-1116: Seeking Sustainability1 (3 cr)
- GEOG 3104: Environmental Problems, Population, and Development (3 cr)
- HIST 3144: American Environmental History (3 cr)
- PHIL 2304: Global Ethics (3 cr)
- STS 3334: Energy and Society (3 cr)
- UAP/PSCI 3344: Global Environmental Issues: Interdisciplinary Perspectives (3 cr)
- UAP 3354: Introduction to Environmental Policy and Planning (3 cr)

Engineering and Innovation (three of the following):
- ENGL 3844: Writing and Digital Media (3 cr)
- HIST/SOC/STS 2604: Introduction to Data in Social Context (3 cr)
- HIST/STS 2715, 2716: History of Technology (3 cr)
- HIST 3114: United States Business History (3 cr)
- MGT 3064: Cornerstones of Entrepreneurship and Innovation (3 cr)
- STS/HIST 2054: Engineering Cultures (3 cr)

Life Sciences and Biomedicine (three of the following):
- ENGL 3154: Literature, Medicine, and Culture (3 cr)
- ENGL/STS 4314: Narrative Medicine (3 cr)
- HIST 3624: Health and Illness in African History (3 cr)
- HIST 3714: War and Medicine (3 cr)
- HIST 3724: History of Disease, Medicine, and Health (3 cr)
- HIST/STS 3734: History of Modern Biology (3 cr)
- PHIL 3324: Biomedical Ethics (3 cr)
- PHIL 4604: Philosophy of Biology (3 cr)

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1 Only one course of the two-course sequence can be counted toward the STS focus area requirement.
IV. **For the Bachelor of Arts Degree: Advanced perspectives from the humanities and social sciences (6 credit hours)**

Two additional courses at the 3000-level or higher, and approved by the academic advisor, related to science and technology from the perspective of humanities, social sciences, or the arts. For example, a student in the Engineering and Innovation focus area might fulfill this requirement with CINE 3224 Documentary Cinema Production and CINE 3184 Cinema Production Topics.

**For the Bachelor of Science Degree: Specialized study in science and technology (6 credits)**

Two additional courses at the 3000-level or higher in a technical area outside of social sciences and humanities related to the student’s focus area, and approved by the academic advisor. These must be courses with subject matter in science, mathematics, technology, or engineering. For example, a student in the Energy and Environment focus area pursuing the Bachelor of Science Degree might fulfill this requirement with BIOL 3114: Field and Laboratory Ecology (3), and BIOL 4004: Freshwater Ecology (3).

V. **Free electives (39 credits)**

### Relevance to university mission and strategic planning

The BA/BS in Science, Technology, and Society is designed to harmonize with the university’s goals of developing “VT-shaped individuals.” First, it will provide disciplinary knowledge in the form of STS as a comprehensive way of thinking about the relationship of science and technology to society. This involves a set of specialized concepts and frameworks developed expressly for studying and understanding technical fields as thoroughly intertwined with social, cultural, and political realities.

Second, the curriculum will provide cross-cutting skills such as research design, managing collaborative projects, policy development and evaluation, writing and speaking skills for public engagement. Focus areas and specialization requirements will provide students with literacy in a specific problem area. Students in the Bachelor of Science option will undertake further study in a technical area.

Third, the program will provide guided experiential learning in the 3000-level core course on the practice of collaborative research and in the STS capstone. Students will be encouraged to pursue internships related to their STS studies. The STS Department has piloted a summer course for students pursuing internships in the National Capital Region.
Finally, the program will promote informal communal learning through co-curricular activities using existing departmental resources: undergraduate research symposia, guest speakers, presentations of student work in the ST Global student meeting held annually in the National Capital Region.

**Destination areas:** Students in the STS program will be able to combine their degree requirements in STS with a major in any of the planned Destination Areas. The STS program will complement work in a Destination Area by providing social science and humanities perspectives on the area’s subject matter. The major will also include courses that fit within specific destination areas, allowing students to count STS courses toward a Destination Area major. For instance, our courses in Engineering and Innovation might count toward a major in Intelligent Infrastructures and Human-Centered Design.

Other planned features of the program that relate directly to the VT mission and strategic plan:

- With our department’s presence in the National Capitol Region, we will initiate undergraduate activities there, offering summer courses that will provide an opportunity to combine internships with classroom study and research.
- The program combines transdisciplinary competence with specialization. It pursues general learning outcomes, with regard to interdisciplinary and transdisciplinary perspectives and methods of STS, and specialized learning outcomes, requiring the application of those tools in the process of developing deep knowledge of a particular focus area.

**Justification**

The establishment of a Bachelor of Arts/Bachelor of Science in Science, Technology, and Society at Virginia Tech will answer two related and growing demands. On one hand, Virginia Tech attracts many students with strong interests in science and technology, but who are not interested in majoring in engineering or in specializing solely in a scientific field. They are drawn to science and technology through personal interest and an awareness of the pervasive influence of science and technology in modern life. They will be seeking the range of skills typically acquired in a liberal arts degree, such as writing, public speaking, research, but coupled with technological literacy and a focus on specific areas of science and technology.

On the other hand, employers and graduate programs are increasingly placing a high value on college graduates who are neither engineers nor science majors, but who are effective problem solvers due to their understanding of the ways that science and technology interact with social life, culture, and politics.

Science, Technology, and Society (STS) bridges these two growing demands. It provides students with an understanding of the ways that science and technology are embedded in social life, as well as practical conceptual frameworks and methods for pursuing interdisciplinary solutions to contemporary problems. Combined with literacy in one or more areas of science and technology, analytic and writing abilities, and experience in collaborative work, these students will acquire a highly valued and marketable set of competencies.

An undergraduate STS degree is excellent preparation for any career that calls for a liberal arts degree, but with special relevance to science and technology-rich fields, such as science communication, technology marketing and management, environmental organizations, research
administration, science policy, military careers, and museum work. And it prepares students for
graduate and professional study in areas such as Business, Law, Health Professions, Information
Science, and Environmental Policy.

**Student demand**

Science, Technology, and Society is a growing field, nationally and internationally. The College
Board lists STS undergraduate programs at 68 higher education institutions in the U.S., including
public land-grant schools such as Penn State, University of California at Davis, and North
Carolina State University. Ohio State University has recently added a concentration in STS
within its Comparative Studies major. In our region, at North Carolina State University, the STS
undergraduate degree program has over 110 students currently enrolled. There are no
undergraduate degree programs in Science, Technology, and Society in public higher education
institutions in Virginia.

The department’s undergraduate courses have experienced consistently high enrollment. The
introductory course in STS has filled to its capacity of 120 students for the past two years. Other
courses that will be included in the degree program indicate a strong student interest in the
subject matter.

We recently surveyed students enrolled in STS 1504, Introduction to Science, Technology, and
Society. Out of 67 responses, 30, or 45% indicated that they were “extremely interested” or
“somewhat interested” in the degree program in STS. Of the 25 students who had not yet
declared a major 12, or 48% indicated that they were either “extremely interested” or “somewhat
interested” in the STS degree program.

**Market demand**

The STS degree program combines instruction and real-world application of communication
skills, both written and oral; powerful conceptual frameworks for understanding the social and
cultural dimensions of science and technology; and focused knowledge of a particular problem
domain. Graduates of the program will be well prepared for positions that require writing,
speaking, research, and analytic skills in science- and technology-rich settings.

A growing body of knowledge suggests that pay is not only growing for graduates of liberal arts
programs, but that their long-term earning potential is comparable to, or outpacing that of
graduates of STEM programs. The *Wall Street Journal* writes, “When asked to define the résumé
traits that matter most, however, the NACE-surveyed employers rated technical skills 10th. Four
of the top five traits were hallmarks of a traditional liberal-arts education: teamwork, clear
writing, problem-solving aptitude and strong oral communications. Mindful of those longer-term
needs, some employers end up hiring humanities and social-sciences graduates, even if such
majors aren’t explicitly singled out when recruiting.”² The *World Economic Forum* report, ‘The
Future of Jobs,’ confirms the importance of these skills. The top five desired traits for employees
in 2020 include complex problem solving, critical thinking, creativity, people management, and
coordinating with others – all trademarks of degree programs emerging from the liberal arts.

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forever-1473645902
Yet these traits must be tailored for a rapidly changing and evolving world marketplace. The same report from which the above skills are derived notes that technological developments are driving commerce, development, and production in disruptive ways. “Developments in previously disjointed fields such as artificial intelligence and machine learning, robotics, nanotechnology, 3D printing and genetics and biotechnology are all building on and amplifying one another. Smart systems—homes, factories, farms, grids or entire cities—will help tackle problems ranging from supply chain management to climate change. Concurrent to this technological revolution are a set of broader socioeconomic, geopolitical and demographic developments.” Thus, not only do graduates need to build desirable traits, they must be familiar with new and emerging scientific and technological environments.

**Required resources**

The program can be implemented with existing departmental resources. As enrollment reaches our five-year target, it may require a half-time academic advisor and an additional graduate teaching assistantship. A future faculty position in STS approaches to information technology would allow us to add an additional focus area, but is not necessary for initiating the program.

<table>
<thead>
<tr>
<th>RESOURCE</th>
<th>ESTIMATED COSTS</th>
</tr>
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<tbody>
<tr>
<td>Faculty</td>
<td>$0</td>
</tr>
<tr>
<td>Administrative Staff</td>
<td>$15000/yr., starting in year 5</td>
</tr>
<tr>
<td>Graduate Teaching/ Graduate Research Assistant</td>
<td>$32000/yr., starting in year 5 (includes tuition and stipend)</td>
</tr>
<tr>
<td>Space</td>
<td>$0</td>
</tr>
<tr>
<td>Library</td>
<td>$0</td>
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<tr>
<td>Equipment</td>
<td>$0</td>
</tr>
<tr>
<td>Other</td>
<td>$1000 (printing, web design, publicity, information events)</td>
</tr>
</tbody>
</table>
I. STS Degree Core Requirements (21 credit hours)

<table>
<thead>
<tr>
<th>Course</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>STS 1504 Introduction to Science, Technology, and Society</td>
<td>3 cr</td>
</tr>
<tr>
<td>STS 3504 The Practice of Collaborative Research for Science, Technology, and Society (Pre: 1504, and one of 2154 or 2444 of 2454 or 2254)</td>
<td>3 cr</td>
</tr>
<tr>
<td>STS 4304 Contemporary Issues in Science, Technology, and Society (Pre: 1504)</td>
<td>3 cr</td>
</tr>
<tr>
<td>STS 2154 Humanities, Technology, and the Life Sciences</td>
<td>3 cr</td>
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<tr>
<td>STS 2254 Innovation in Context</td>
<td>3 cr</td>
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<tr>
<td>STS 2444 Global Science and Technology Policy</td>
<td>3 cr</td>
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<tr>
<td>STS 2454 Science, Technology, and the Environment</td>
<td>3 cr</td>
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</tbody>
</table>

II. STS Focus Area Restricted Electives (9 credit hours)

Complete 9 hours of courses in one of the following areas

1. Engineering and Innovation

<table>
<thead>
<tr>
<th>Course</th>
<th>Credits</th>
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</thead>
<tbody>
<tr>
<td>ENGL 3844: Writing and Digital Media (Pre: ENGL 1106 or 1204H or COMM 1016)</td>
<td>3 cr</td>
</tr>
<tr>
<td>HIST/SOC/STS 2604: Introduction to Data in Social Context</td>
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<td>STS/HIST 2054: Engineering Cultures</td>
<td>3 cr</td>
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</table>

2. Energy and Environment

<table>
<thead>
<tr>
<th>Course</th>
<th>Credits</th>
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</thead>
<tbody>
<tr>
<td>ENGL 3534: Literature and Ecology (Pre: ENGL 1106 or 1204H or COMM 1016)</td>
<td>3 cr</td>
</tr>
<tr>
<td>GEOG/NR 1115-1116: Seeking Sustainability(^1) (Pre: 1115 for 1116)</td>
<td>3 cr</td>
</tr>
<tr>
<td>GEOG 3104: Environmental Problems, Population, and Development</td>
<td>3 cr</td>
</tr>
</tbody>
</table>

\(^1\) Only one course of the two-course sequence can be counted toward the STS focus area requirement.
HIST 3144: American Environmental History
PHIL 2304: Global Ethics
STS 3334: Energy and Society
UAP/PSCI 3344: Global Environmental Issues: Interdisciplinary Perspectives
UAP 3354: Introduction to Environmental Policy and Planning

3. Life Sciences and Biomedicine
ENGL 3154: Literature, Medicine, and Culture (Pre: ENGL 1106 or 1204H or COMM 1016) 3 cr
ENGL/STS 4314: Narrative Medicine (Pre: ENGL 3154 or 3324) 3 cr
HIST 3624: Health and Illness in African History 3 cr
HIST 3714: War and Medicine
HIST 3724: History of Disease, Medicine, and Health
HIST/STS 3734: History of Modern Biology
PHIL 3324: Biomedical Ethics
PHIL 4604: Philosophy of Biology
SOC 3714: Sociology of Aging (Pre: 1004)
SOC 4704 Medical Sociology (Pre: 1004)
STS 3284: Technology and Disability
STS 3314: Medical Dilemmas and Human Experience
WGS/SOC/STS 3324: Perspectives on the Biology of Women (Pre: WGS 1824)
WGS/SOC/STS 4334 Sexual Medicine (Pre: WGS 1824)
WGS/STS 4704: Gender and Science (Pre: WGS 2244 or STS 1504)

4. Custom Focus Area
Nine credit hours in a selected specialty of Science, Technology, and Society, approved by academic advisor

III. Advanced Perspectives in the Humanities and Social Sciences (6 credit hours)
Two additional courses at the 3000-level or higher, and approved by the academic advisor, related to science and technology from the perspective of humanities, social sciences, or the arts. Please refer to the Prerequisites section, below.
### IV. Pathways to General Education (45 credit hours)

STS courses outside of the 21-credit core may be counted toward the Pathways requirements.

<table>
<thead>
<tr>
<th>Course</th>
<th>Credits</th>
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<tbody>
<tr>
<td>Discourse (9 credit hours)</td>
<td>3 cr</td>
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<tr>
<td>Quantitative and Computational Thinking (9 credit hours)</td>
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<td>Critical Thinking in the Humanities (6 credit hours)</td>
<td>3 cr</td>
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<td>Critical Analysis of Identity and Equity in the United States (3 credit hours)</td>
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Pathways to General Education Credits can also be fulfilled through a Pathways Minor or Alternative Pathway.

### V. Free electives (39 credit hours)

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### VI. Foreign Language

Students who did not successfully complete at least two years of a single foreign, classical, or sign language during high school must successfully complete six semester hours of a single foreign, classical, or sign language at the college level. Courses taken to meet this requirement
do not count toward the hours required for graduation. Please consult the Undergraduate Catalog for details.

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Some courses listed on this checksheet have prerequisites, please consult the University Course Catalog, or check with your advisor.

**Graduation Requirements**

- Minimum of 120 credit hours for the degree
- In-major GPA (courses in sections I, II, III, above) must be 2.0 or higher.
- Minimum overall GPA of 2.0.

**Satisfactory Progress Policy**

In addition to the satisfactory progress toward a degree policy required by the University, satisfactory progress toward a B.A. in STS requires that upon having attempted 72 semester hours (including transfer, AP, advanced standing, and credit by exam) an STS student must have:

- Completed at least 9 credits of the STS core requirements (Section I, above)
- At least a 2.0 overall GPA
- At least a 2.0 in-major GPA.

In-major courses include all STS core courses (Section I), Focus Area requirements (II), and Advanced Perspectives in the Humanities and Social Sciences requirements (III).
In June of 2012, the Enrollment Management Group (EMG) was established to consider programs and practices associated with enrollment management. In addition to matters pertaining to financial aid, student success, and admissions, the EMG continues to annually review the progress of the university in achieving its diversity efforts through the continued narrowly-tailored consideration of race and ethnicity in admissions selections, and to make recommendations for incremental changes in practice, policy and funding that ensure the success of enrollment management. The results of the annual review of the Enrollment Management Group are shared annually with the Academic Affairs Committee of the Board of Visitors as an information item.

RECOMMENDATION:
That the Academic, Research, and Student Affairs Committee of the Board of Visitors accept the Annual Report of the Enrollment Management Group.

June 4, 2018
Undergraduate Enrollment Management Update
The Class of 2022

Luisa M. Havens Gerardo, Ph.D.
Vice Provost for Enrollment Management
Strategic Conversations

- **Student Life**
- **Student Services**

**Capacity**
- Modeling scenarios
- Balancing needs

**Budget**
- Translating budget scenario into enrollment goals
- Refining enrollment goals by major

**Setting Enrollment Goals**
Action Planning

Set offer rate needed
- Determine pool of qualified students
- By college, by major, by student type

Set accepted offer yield needed
- Extend predetermined number of admission offers
- Set benchmark expectation by date and volume

Set wait listing strategy
- Request response to waitlist offer
- Extend offers from accepted waitlist offers if benchmark not reached
Historic UG Admissions Cycle: Offers extended

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>In-State</th>
<th>Out-of-state</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>17,619</td>
<td>9,155</td>
<td>7,116</td>
<td>1,348</td>
</tr>
<tr>
<td>2017</td>
<td>18,808</td>
<td>8,907</td>
<td>8,021</td>
<td>1,880</td>
</tr>
<tr>
<td>2018</td>
<td>19,963</td>
<td>9,116</td>
<td>8,917</td>
<td>1,930</td>
</tr>
</tbody>
</table>

Change:
- Total: +6.7% +6.1%
- In-State: -2.6% +2.3%
- Out-of-state: +12.7% +11.1%
- International: +39.4% +2.65%
Historic UG Admissions Cycle: Offers accepted

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>In-State</th>
<th>Out-of-state</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,898</td>
<td>6,807</td>
<td>6,428</td>
<td>4,275</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+15.4%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-5.5%</td>
</tr>
</tbody>
</table>

Virginia Tech
2018 Admissions Cycle Points to Note
**Diversity Benchmarks: Overall Underserved/ Underrepresented**

**In-State**
- 2017: 1,491
- 2018: 1,534
- Increase: +2.8%

**Out-of-state**
- 2017: 423
- 2018: 475
- Increase: +12.2%
Students who identify as American Indian/Alaska Native, African American, Hispanic, and two or more races as applicable.
Diversity Benchmarks: Underserved: First-Generation

Applications
- 2017: 4,210
- 2018: 4,746
  Increase: +12.8%

Offers
- 2017: 2,315
- 2018: 2,799
  Increase: +20.9%

Accepted
- 2017: 969
- 2018: 1,043
  Increase: +8.4%
<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applications</td>
<td>1,430</td>
<td>1,559</td>
</tr>
<tr>
<td>Offers</td>
<td>1,383</td>
<td>1,479</td>
</tr>
<tr>
<td>Accepted</td>
<td>748</td>
<td>723</td>
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</table>
Diversity Benchmarks: Underserved: Out-of-state, Pell Grant-Eligible

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
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</thead>
<tbody>
<tr>
<td>Applications</td>
<td>879</td>
<td>1,093</td>
</tr>
<tr>
<td>Offered Increase: +24.3%</td>
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<td></td>
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<tr>
<td>Offers</td>
<td>850</td>
<td>1,007</td>
</tr>
<tr>
<td>Offered Increase: +18.4%</td>
<td></td>
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<tr>
<td>Accepted</td>
<td>209</td>
<td>175</td>
</tr>
<tr>
<td>Acceptance Rate: -16.2%</td>
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<td></td>
</tr>
</tbody>
</table>
Diversity Benchmarks: Underserved: Veterans

Applications: 2017 - 37, 2018 - 39 (increase of +5.4%)

Offers: 2017 - 16, 2018 - 13 (decrease of -18.75%)

Accepted: 2017 - 8, 2018 - 6 (decrease of -25%)
Corps of Cadets

- Total accepts: 410, + 13%
- Female: 87, + 22%
- First-Generation: 71, + 51%
- Hispanic: 55, + 129%
Legacy Applications Offers Accepted

<table>
<thead>
<tr>
<th>Year</th>
<th>Applications</th>
<th>Offers</th>
<th>Accepted</th>
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<tbody>
<tr>
<td>2017</td>
<td>4,364</td>
<td>3,182</td>
<td>1,802</td>
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<tr>
<td>2018</td>
<td>4,825</td>
<td>3,241</td>
<td>1,684</td>
</tr>
</tbody>
</table>

2017-2018: +10.5% Applications, +1.8% Offers, -6.5% Accepted
2018: Freshman Class Profile

- Higher population underrepresented/underserved vs. 2017
- Higher average GPA vs. 2017
- Higher percentage with GPA over 4.0

4.05 2018
Higher average GPA vs. 2017

4.0 2017

Higher percentage with GPA over 4.0

2017: 46%
2018: 56%
First-Year Scholars

49 COLLEGE ACCESS COLLABORATIVE

50 UT PROSIM

110 BEYOND BOUNDARIES

43 VIRGINIA TECH SCHOLARS
First-Year Scholars

- 84 Presidential Scholarship Initiative
- 63 Burruss Scholars
- 23 Inclusive VT Excellence
- 50 Presidential Campus Enrichment Grant
- 10 Clark Scholars
First-Year Scholars

VIRGINIA TECH GRANT
- 328 IN-STATE
- 324 OUT-OF-STATE

FEDERAL PELL GRANT
- 1422

FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT
- 420

VIRGINIA STUDENT ASSISTANCE PROGRAMS
- 994
Summary and Next Steps

- Enrollment target was set to 6426 with an assumption of no more than 3% melt to achieve an entering cohort of 6237 for Fall 2018.

- Strategic conversations and planning to start June and July this year to set enrollment goals for fall 2019.

- Strategic recruitment planning for the class of 2023 is already underway, focusing on accelerating 2022 goals and on optimizing strategies for veteran, corps, legacy and transfer populations.

- Redesigning the recruitment viewbook, communication plan and visitor experience.

- Implementing new admissions platform and integrating non-cognitive factors in the admissions review process.

- Finalizing the financial aid leveraging model this summer, for full implementation in fall 2018.

- Launched the scholarship platform Raise.me, focusing effort on all Virginia high schools with at least 70% free or reduced lunch enrollments.
COLLEGE OF ENGINEERING: a collective vision and update

JULIA M. ROSS
Paul and Dorothea Torgersen Dean of Engineering
BY THE NUMBERS

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
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<tbody>
<tr>
<td>Staff</td>
<td>222</td>
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<tr>
<td>Tenure/Tenure Track Faculty</td>
<td>367</td>
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<tr>
<td>Undergraduate Students</td>
<td>8,331</td>
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<tr>
<td>Graduate Students</td>
<td>2,227</td>
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*FY 2018 Student Enrollment based fall census
**FY 2018 Faculty Staff Numbers based on ASEE
Student Numbers Tend Undergraduate and Graduate Enrollment

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<thead>
<tr>
<th>Fiscal Year</th>
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<th>Graduate Student</th>
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<td>2017</td>
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<td>2000</td>
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<tr>
<td>2018</td>
<td>2000</td>
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</tbody>
</table>

Total College of Engineering Enrollment

*FY Student Enrollment based fall census
HANDS-ON, MINDS-ON EDUCATION
experiential learning
## RESEARCH EXPENDITURES

### ENGINEERING colleges/schools

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<thead>
<tr>
<th>Rank</th>
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<td>1</td>
<td>Johns Hopkins</td>
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<tr>
<td>2</td>
<td>Georgia Tech</td>
</tr>
<tr>
<td>3</td>
<td>MIT</td>
</tr>
<tr>
<td>4</td>
<td>SUNY-Nano S&amp;E</td>
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<tr>
<td>5</td>
<td>Penn State</td>
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<td>6</td>
<td>Texas A&amp;M</td>
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<td>7</td>
<td>Michigan</td>
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<tr>
<td>8</td>
<td><strong>Virginia Tech</strong></td>
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<tr>
<td>9</td>
<td>Texas-Austin</td>
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<td>10</td>
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<td>14</td>
<td>NC State</td>
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<tr>
<td>15</td>
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<td>16</td>
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<tr>
<td>17</td>
<td>Washington</td>
</tr>
<tr>
<td>18</td>
<td>UC-San Diego</td>
</tr>
<tr>
<td>19</td>
<td>Maryland</td>
</tr>
<tr>
<td>20</td>
<td>Cornell</td>
</tr>
</tbody>
</table>
$5 million gift from alumnus, Joe May and family creates pathway for 60 first-generation students per year
FY17 FUNDRAISING | PHILANTHROPY

record breaking year

69% increase up from FY16

$43.57 million new gifts & commitments
Open Session Agenda

BUILDINGS AND GROUNDS COMMITTEE

8:30 a.m. Bus Departs from The Inn for Tour
(meet in lobby 5 minutes before departure)

10:00 a.m. Open Session meeting begins in Room 130A, New Classroom Building

Monday, June 4, 2018

Agenda Item Reporting Responsibility

1. Tour of English Field at Union Park, Rector Field House, and O’Shaughnessy Hall. Mr. Mike Quillen, Chair

2. Welcome Mr. Mike Quillen, Chair

3. Consent Agenda Mr. Mike Quillen, Chair
   a. Approval of the Minutes from the March 26, 2018 Meeting
   * b. Resolution for an Ingress and Egress Easement to the New River Valley Regional Water Authority
   * c. Resolution on Appointment to the New River Valley Regional Water Authority
   d. Acceptance of Capital Project Status Report

4. Overview of Environmental Health and Safety Dr. Lance Franklin

5. Report on Public Hearing for Solid Waste Authority Amendment Dr. Sherwood Wilson

* 6. Resolution to Amend Solid Waste Authority Articles of Incorporation Dr. Sherwood Wilson

* 7. Resolution on Appointments to Solid Waste Authority Dr. Sherwood Wilson

8. Design Review for Holden Hall Renovation Mr. Jason Soileau

9. Design Review for Bovine Extension, Teaching, and Research Facility Mr. Jason Soileau

10. Annual Report of the University Building Official Ms. Elaine Gall

11. August Agenda Discussion Mr. Mike Quillen, Chair

* Requires full Board approval.
Open Session

1. **Tour:** The Committee will tour English Field at Union Park, Rector Field House, and O’Shaughnessy Hall.

2. **Welcome**

3. **Consent Agenda:** The Committee will consider for approval and acceptance the items listed on the Consent Agenda:
   
   a. **Approval of the Minutes for the March 26, 2018 meeting.**
   
   b. **Resolution for an Ingress and Egress Easement to the New River Valley Regional Water Authority:** The Committee will review for approval a resolution authorizing the Vice President for Operations to execute a non-exclusive easement for ingress and egress to the New River Valley (NRV) Regional Water Authority. The NRV Regional Water Authority requested that the university grant this easement along a roadway partially located on university owned property to provide access to a Montgomery County Public Service Authority water tank.
   
   c. **Resolution on Appointment to the New River Valley Regional Water Authority:** The Committee will review for approval a resolution recommending William R. Knocke as the new at-large member to the Authority. Dr. Knocke is the W.C. English Professor and Program Coordinator in the Charles E. Via, Jr. Department of Civil and Environmental Engineering at Virginia Tech.
   
   d. **Acceptance of Capital Project Status Report:** The Committee will review for acceptance the quarterly capital project status report.

4. **Overview of Environmental Health and Safety:** The Committee will receive an overview of the university’s environmental health and safety function from Dr. Lance Franklin, Assistant Vice President for Environmental Health and Safety.

5. **Report on Public Hearing for Solid Waste Authority Amendment:** The Vice President for Operations was appointed by the Board of Visitors at its March 2018 meeting to serve as the university’s representative at any public hearings required for changes to the governing documents of the Authority. A public hearing regarding a proposed amendment to the Authority’s Articles of Incorporation, which will provide staggered terms of office for the Authority’s Board members, was held on May 10, 2018. The Committee will receive a report from Dr. Sherwood G. Wilson on comments received at the public hearing.

6. **Resolution to Amend Solid Waste Authority Articles of Incorporation:** The Committee will review for approval an agreement to amend the articles of
incorporation, to provide staggered terms of office for the members of the Authority's Board of Directors, and to extend the User Agreement with the Authority.

7. **Resolution on Appointments to Solid Waste Authority:** The Committee will review and consider approval for two reappointments - one joint member and one university representative - to the Montgomery Regional Solid Waste Authority Board of Directors, as a result of changes to the Articles of Incorporation.

8. **Design Review for Holden Hall Renovation:** The Committee will receive for approval the design review of the Holden Hall Renovation. This approximately 101,000 gross square foot renovation and new construction project includes renovation of the 1940s-era southern wing and the demolition and replacement of the existing, dilapidated north and east wings. The facility will support the College of Engineering and create a showcase venue for the Department of Materials Science and Engineering and the Department of Mining and Minerals Engineering.

9. **Design Review for Bovine Extension, Teaching, and Research Facility:** The Committee will receive for approval the design review of the Bovine Extension, Teaching, and Research (BETR) Facility. Part of the three-building Improve Kentland Facilities project, the BETR Facility provides approximately 10,200 gross square feet of additional classroom, animal interaction, and demonstration space for the College of Agriculture and Life Sciences. While the BETR Facility’s design was approved in August 2015, a redesign effort is underway as part of a cost-management effort.

10. **Annual Report of the University Building Official:** The Committee will review for acceptance the annual summary report of activities from the University Building Official. As set forth in university policy 5407, the annual report identifies the code enforcement and building permit activities performed during the prior year.

11. **August Agenda Discussion:** The Committee will discuss potential topics for inclusion on the August meeting agenda.
CONSENT AGENDA

The Committee will consider for approval and acceptance the items listed on the Consent Agenda.

Consent Agenda

Mr. Mike Quillen, Chair

a. Approval of the Minutes from the March 26, 2018 Meeting

* b. Resolution for an Ingress and Egress Easement to the New River Valley Regional Water Authority

* c. Resolution on Appointment to the New River Valley Regional Water Authority

d. Acceptance of Capital Project Status Report

* Requires full Board approval.
Committee Minutes
BUILDINGS AND GROUNDS COMMITTEE
The Inn at Virginia Tech – Duck Pond Room
March 26, 2018

Closed Session
10:00 a.m.

Board Members Present: Mr. Mike Quillen, Mr. C.T. Hill, Mr. Robert Mills, Mr. Dennis Treacy

VPI & SU Staff: Mr. Mark Gess, Dr. Chris Kiwus, Ms. Kayla Smith, Dr. Sherwood Wilson

1. Motion for Closed Session.

2. Briefing by Legal Counsel on Probable Litigation: The Committee received a briefing from Legal Counsel on Probable Litigation.

3. Motion to Reconvene in Open Session.

Open Session
10:30 a.m.

Board Members Present: Mr. Mike Quillen, Mr. C.T. Hill, Mr. Robert Mills

VPI & SU Staff: Ms. Jennifer Altman, Dr. Ruben Avagyan, Mr. Mac Babb, Mr. Whit Babcock, Mr. John Beach, Ms. Kim Briele, Mr. Bob Broyden, Dr. David Clark, Mr. Nick Clements, Mr. Van Coble, Mr. Joe Crane, Mr. Brian Daniels, Mr. Bob Dellinger, Mr. Billy Dudding, Mr. Kevin Foust, Dr. Lance Franklin, Mr. Tom Gabbard, Ms. Elaine Gall, Mr. Mark Gess, Dr. Chris Kiwus, Mr. Bob Massengale, Ms. Heidi McCoy, Ms. Robin McCoy, Ms. Sarah McCoy, Mr. Grant Morris, Mr. Mike Mulhare, Dr. Ed Nelson, Mr. Mark Owczarski, Mr. Charlie Phlegar, Mr. Todd Robertson, Mr. Robert Sebek, Dr. Frank Shushok, Ms. Karlee Siepierski, Ms. Kayla Smith, Mr. Jason Soileau, Mr. Dwyn Taylor, Mr. Jack Washington, Dr. Erik Westman, Dr. Sherwood Wilson

1. Tour of Holden Hall and the Power Plant: The Committee toured Holden Hall and the Power Plant.

2. Consent Agenda: The Committee approved or accepted the items listed on the Consent Agenda:
a. Approval of the Minutes for the November 5, 2017 meeting. The Committee approved the minutes from the last meeting.

b. Resolution for Appalachian Power Company Easement: The Committee approved a resolution to execute an easement requested by Appalachian Power approximately seventeen feet (17') in width by approximately seventeen feet (17') in length for an underground electrical facility vault, and fifteen feet (15') in width by approximately two hundred five feet (205') in length for an underground electric transmission line, over, under, upon and across university property adjoining Prices Fork Road on the Moore Farm in the Prices Fork Magisterial District of Montgomery County, Virginia.


3. Utilities and Energy Management Presentation: The Committee received a presentation from Dr. Chris Kiwus regarding campus utilities and from Dr. Ruben Avagyan regarding energy management initiatives. Highlights included an overview of the university’s steam, chilled water and electric service operations as well as energy conservation measures completed through the five-year energy action plan.

4. Resolution for Issuance of a Quitclaim Deed: The Committee approved a request to issue a Quitclaim Deed to Northampton County, Virginia relative to an approximately one (1) acre parcel of land on U. S. Highway 13 near Fairview, in Northampton County, Virginia in which Northampton County believes Virginia Tech holds an interest.

5. Resolution on Appointment to Sanitation Authority: The Committee received and approved a resolution requesting approval for Lucius Merrit’s reappointment as a joint representative to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority Board of Directors.

6. Resolution on Representation of the Board at Public Hearings for Authorities: The Committee approved a resolution to appoint the Vice President for Operations as the Board of Visitors’ representative to any public hearings required for proposed modifications to the governing documents of five public service Authorities (sanitation, solid waste, emergency communications, water, and airport).

7. Design Preview for Student-Athlete Performance Center: The Committee previewed the design underway for the Student-Athlete Performance Center.

8. Introduction of the Interim University Building Official: The Committee was introduced to the Interim University Building Official, Ms. Elaine Gall.
9. June Agenda Discussion: The Committee discussed potential topics for inclusion on the June meeting agenda.

Joint Open Session with Finance and Resource Management
11:30 a.m.

Board Members Present: Ms. Greta Harris, Ms. Anna James, Mr. C. T. Hill, Mr. Robert Mills, Mr. Mike Quillen, Mr. Robert Sebek – staff representative, Mr. Horacio Valeiras

VPI & SU Staff: Ms. Jennifer Altman, Mr. Mac Babb, Mr. Whit Babcock, Mr. Bob Broyden, Mr. Nick Clements, Mr. John Cusimano, Mr. Brian Daniels, Dr. John Dooley, Dr. Lance Franklin, Mr. Tom Gabbard, Mr. Mark Gess, Dr. Robin Jones, Dr. Chris Kiwus, Mr. Bob Massengale, Ms. Robin McCoy, Ms. Sarah McCoy, Ms. Nancy Meacham, Mr. Grant Morris, Mr. Mark Owczarski, Mr. Charlie Phlegar, Dr. Scot Ransbottom, Dr. Tim Sands, Ms. Savita Sharma, Mr. M. Dwight Shelton Jr., Dr. Frank Shushok, Jr., Ms. Kayla Smith, Mr. Jason Soileau, Mr. Dwyn Taylor, Mr. Jack Washington, Dr. Sherwood Wilson

* 1. Approval of Resolution for Student-Athlete Performance Center: The university’s Six-Year Capital Outlay Plan approved by the Board of Visitors included a project for an Athlete Nutrition Center, currently known as the Student-Athlete Performance Center.

The desired program will enhance the student experience of athletes in all 22 intercollegiate sports; approximately 580 students, and can be accommodated with a complete renovation of the fourth floor of the Jamerson Center with the addition of a balcony. The renovation and expansion will provide state-of-the-art spaces for dining, nutrition, recruiting, donor hospitality, and allow for a seamless transition to the Cassell Coliseum concourse. The project schedule anticipates major construction to start in Summer 2019 with occupancy by early 2021.

The Athletics program has received $16.165 million in private gifts for the designated capital improvements and to create an endowment for the upkeep and maintenance of the Student-Athlete Performance Center. This resolution seeks approval to proceed with planning, constructing, and equipping activities to implement the program at a total project cost not to exceed $15.165 million. The Athletics program is continuing its efforts to raise additional private funds to enhance the space. This resolution includes authorization to adjust the total project budget up by 10 percent and not more than new private gifts designated to the project beyond the existing $15.165 million.

The Committees recommended the Resolution for the Student-Athlete Performance Center to the full Board for approval.

* 2. Approval of Resolution for ACC Network Studio: The university’s Six-Year Capital Outlay Plan approved by the Board of Visitors included a project for an ACC
Broadcast Studio expansion. As a member of the Atlantic Coast Conference, Virginia Tech will participate in the new ACC Network channel to be launched in 2019. Improved and expanded broadcasting facilities are needed to meet required telecasts of athletic events on the new channel.

The scope of work to establish the necessary broadcasting facilities include interior renovations to an existing control room, constructing two new control rooms, two new studios, and installing other infrastructure and equipment.

To meet the schedule expectations of the ACC network for a Fall 2019 launch, the Athletics program desires to start the renovations in Spring 2018, complete the project by early Spring 2019, and operate the studios for several months prior to network broadcasting. The estimated project cost inclusive of design, construction, infrastructure improvements, and equipment is $10 million. This request is for authorization to proceed with the design, construction, and infrastructure improvements for a $10 million ACC Network Studio project.

The Committees recommended the Resolution for the ACC Network Studio to the full Board for approval.

* 3. Approval of Resolution for Commonwealth Ballroom Improvements: The Commonwealth Ballroom, located on the second floor of the Squires Student Center, is the largest ballroom on campus and was originally built in 1937 with renovations and additions occurring in 1969 and 1991. It hosts approximately 160 events each year including major activities such as orientation, career fairs, Gobbler Nights, and Ring Dance. The ballroom has reached an age and condition with deferred maintenance that requires repairs and improvements to meet the university’s expectations for event hosting.

The proposed scope of work for the Commonwealth Ballroom project includes replacing outdated and nonfunctioning lighting systems, stage systems, ceiling tiles, and air handlers and installation of a Skyfold dividing wall. Construction is anticipated to start in Fall 2018 and be complete in Spring 2019 in time for commencement.

The total project costs for Improvements is $3.246 million. This request seeks authorization to complete the Squires Commonwealth Ballroom Improvements project.

The Committees recommended the Resolution for Commonwealth Ballroom Improvements to the full Board for approval.

There being no further business, the meeting adjourned at 11:50 a.m.

* Requires full Board approval.
RESOLUTION FOR AN INGRESS AND EGRESS EASEMENT
TO THE NEW RIVER VALLEY REGIONAL WATER AUTHORITY

The New River Valley Regional Water Authority has requested that the university grant an easement for ingress and egress along a roadway partially located on university owned property in the Prices Fork Magisterial District of Montgomery County, Virginia, to provide access to the Montgomery County Public Service Authority’s water tank located on Price Mountain.
RESOLUTION FOR AN INGRESS AND EGRESS EASEMENT
TO THE NEW RIVER VALLEY REGIONAL WATER AUTHORITY

WHEREAS, on June 3, 2002, the Board of Visitors authorized Virginia Polytechnic Institute and State University (“Virginia Tech”) to grant an easement to the Montgomery County Public Service Authority (“PSA”) for ingress and egress, along a well-defined roadway partially located on Virginia Tech’s Fishburn tract, to the PSA’s water tank on Price Mountain; and

WHEREAS, Virginia Tech granted an easement for the purposes of ingress and egress to the water tank on Price Mountain to the PSA by deed of easement dated October 10, 2002, which deed of easement is recorded in the Clerk’s Office of the Circuit Court for Montgomery County, Virginia, at Instrument Number 2002016354; and

WHEREAS, said easement for ingress and egress along the well-defined roadway located on Virginia Tech’s Fishburn tract is more particularly shown and described on the Anderson & Associates, Inc. plat dated March 4, 2002 and signed by the surveyor on September 20, 2002, entitled “Plat of Lease Parcel, Water Line & Ingress/Egress Easements To Be Acquired By Montgomery County Public Service Authority From Virginia Tech Foundation, Inc. And V.P.I. & S. U. Located in Prices Fork Magisterial District Montgomery County, Virginia,” a copy of which plat is attached hereto, and which non-exclusive ingress and egress easement area would be approximately 3.46 acres; and

WHEREAS, the New River Valley (NRV) Regional Water Authority has requested that Virginia Tech grant it an easement, similar to the easement granted to the PSA, for ingress and egress to install, operate, and maintain the Supervisory Control and Data Acquisition (“SCADA”) equipment at the Price Mountain PSA water tank; and

WHEREAS, the Virginia Tech College of Natural Resources and Environment and the PSA have stated support for the NRV Regional Water Authority’s request for an easement for ingress and egress along the same well-defined roadway to and from the PSA water tank on Price Mountain; and

WHEREAS, Virginia Tech desires to grant said non-exclusive easement for ingress and egress to and from the PSA water tank to the NRV Regional Water Authority;

NOW, THEREFORE BE IT RESOLVED, that the Vice President for Operations be authorized to execute a non-exclusive easement for ingress and egress to the NRV Regional Water Authority in accordance with applicable procedures for said easement as permitted by the Higher Education Restructuring Act and Management Agreement with the Commonwealth of Virginia, and the Code of Virginia (1950), as amended.
RECOMMENDATION:

That the above resolution authorizing the Vice President for Operations to execute a non-exclusive easement for ingress and egress to the NRV Regional Water Authority be approved.

June 4, 2018
The New River Valley Regional Water Authority (the Authority) consists of five members who are responsible for the management and operation of the Authority. One member is appointed by each of the participating political subdivisions, and the other member is appointed jointly by the Virginia Tech Board of Visitors, the Blacksburg and Christiansburg Town Councils, and the Montgomery County Board of Supervisors. The jointly appointed member of the Authority has a term that expires on June 30, 2018.

The members of the authority recommend William R. Knocke as the new at-large member to the Authority. Dr. Knocke is the W.C. English Professor and Program Coordinator in the The Charles E. Via, Jr. Department of Civil & Environmental Engineering at Virginia Tech. Dr. Knocke is a licensed Professional Engineer, specializes in Environmental and Water Resources Engineering, and his areas of interest include: physical-chemical treatment of water and wastewater, chemistry of aquatic systems, sludge treatment and disposal, and hazardous waste assessment and treatment. Knocke's Bachelor of Science, Master of Science, and Ph.D. are in civil engineering from the University of Missouri, with a concentration in environmental engineering.
RESOLUTION ON APPOINTMENT TO THE
NEW RIVER VALLEY REGIONAL WATER AUTHORITY

WHEREAS, the New River Valley Regional Water Authority (the Authority) consists of five members who are responsible for the management and operation of the Authority; and

WHEREAS, one member is appointed by each of the political subdivisions, and the other member is appointed jointly by the Virginia Tech Board of Visitors, the Blacksburg and Christiansburg Town Councils, and the Montgomery County Board of Supervisors; and

WHEREAS, the jointly appointed member of the Authority has a term that expires on June 30, 2018; and

WHEREAS, the members of the authority desire to appoint William R. Knocke as the at-large member for a four-year term;

NOW, THEREFORE, BE IT RESOLVED, that William R. Knocke be appointed as joint member of the New River Valley Regional Water Authority for a four-year term expiring June 30, 2022.

RECOMMENDATION:

That the above resolution appointing William R. Knocke as joint representative to the New River Valley Regional Water Authority through June 30, 2022 be approved.

June 4, 2018
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<tr>
<td>Global Business Analytics Complex</td>
<td>The Feasibility Study for the Global Business Analytics Complex (G-BAC) will investigate facility options for up to four buildings comprising a replacement for the Pamplin College of Business, creation of a Data Analytics and Decision Sciences facility, and two living/learning communities.</td>
<td>TBD</td>
<td>TBD</td>
<td>Moseley Architects/RAMSA</td>
<td>July 2018</td>
<td>Fundraising efforts by Pamplin College of Business are ongoing. Data Analytics and Decision Sciences component is pending approval by the General Assembly (not expected before July 2019). Capital Assets and Financial Management (CAFM), in conjunction with the Facilities Department and Division of Student Affairs, is generating a Pro Forma and Project Resource Plan for the living/learning community facilities envisioned for the project.</td>
</tr>
<tr>
<td>Global System Sciences</td>
<td>Envisioned as a destination, the facilities will serve as the headquarters of what is anticipated to be a world-renowned group focused on solving critical regional and global problems, including environmental, animal and human health. This facility will include disciplinary and interdisciplinary faculty of the College of Science, College of Natural Resources and Environment, College of Agriculture and Life Sciences, Virginia-Maryland Regional College of Veterinary Medicine, and university research institutes to facilitate education and research related to this important destination area.</td>
<td>TBD</td>
<td>TBD</td>
<td>EYP</td>
<td>TBD</td>
<td>A/E contract issued to EYP for feasibility study. Kickoff meeting completed in April 2018. Study is ongoing.</td>
</tr>
<tr>
<td>Newman Library Feasibility Study</td>
<td>The project will evaluate the existing building's infrastructure, code compliance requirements for egress, change of building use, and restroom facilities.</td>
<td>TBD</td>
<td>TBD</td>
<td>Colley Architects Blacksburg, VA</td>
<td>April 2018</td>
<td>Feasibility study is complete. Project is not envisioned to be approved for state funding prior to July 2019.</td>
</tr>
<tr>
<td>Southgate Dining Food Production Center</td>
<td>The purpose of this feasibility study is to provide Dining Services with appropriate and sufficient information to determine the most desirable option for the future growth of the Food Processing Facility. The three options being explored are: 1. Renovation/additions to existing facility, 2. Renovation/addition &amp; new building - separate functions, 3. New building.</td>
<td>TBD</td>
<td>TBD</td>
<td>Architects Alliance</td>
<td>TBD</td>
<td>Feasibility study is underway. A/E will be providing deliverables for each of the design options, including potential site locations for a new facility, by summer 2018.</td>
</tr>
<tr>
<td><strong>DESIGN</strong></td>
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<tr>
<td>Boiler Package 12</td>
<td>Demolition and disposal of decommmissioned coal fired boiler (No. 6) and installation of a new 100 ton/12 hour natural gas fired packaged boiler (No. 12).</td>
<td>$6,800,000</td>
<td>TBD</td>
<td>Affiliated Engineers, Inc. (AEI)</td>
<td>Winter 2019</td>
<td>Project is currently in design and on track. Early purchase of the new boiler is on track. Demolition package to state lead/leadstic and demolish/remove the existing boiler (WE) is on track to begin in early summer 2018.</td>
</tr>
<tr>
<td>Chiller Plant Phase II</td>
<td>This project includes the replacement and upgrade of plant equipment in the existing campus chiller plants and the expansion of the underground distribution infrastructure to link campus chiller substations and bring additional existing campus buildings online. Improvements include the replacement of two outdated chillers in the North Plant with two new-upgraded larger capacity chillers; and addition of two new 1,500 ton chillers in the Southwest Plant. The project also includes the replacement and upgrade of auxiliary equipment with state-of-the-art, optimally sized pumping and system support equipment.</td>
<td>$39,286,000</td>
<td>$9,797,040</td>
<td>Affiliated Engineers, Inc. (AEI)</td>
<td>Summer 2021</td>
<td>Project is currently in design and on track. Construction projected to start first quarter of calendar year 2019.</td>
</tr>
<tr>
<td>Corps Leadership and Military Science</td>
<td>Three story structure that provides a centralized and consolidated home to the Corps of Cadets administration and ROTC programs.</td>
<td>TBD</td>
<td>TBD</td>
<td>Clark Nexsen</td>
<td>TBD</td>
<td>Preliminary Design documents completed. Project on hold pending state authorization for general fund for development of working drawings and construction.</td>
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<tr>
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<tr>
<td>Creativity &amp; Innovation District Living Learning Community</td>
<td>This project involves the provision of a new residential life building in the emerging Creativity &amp; Innovation District. The proposed 203,000 GSF (600 bed) facility will support the growing living/learning community anticipated for this key area of campus and supports the university’s Beyond Boundaries initiative.</td>
<td>$105,500,000</td>
<td>$105,500,000</td>
<td>VHB</td>
<td>Summer 2021</td>
<td>Design-build project. Criteria/Bridge Document Phase is underway and on track. Procurement of the Design-Build team is targeted for fall 2019.</td>
</tr>
<tr>
<td>Dietrick Hall Enclosure &amp; Spirit Plaza</td>
<td>This project will expand dining services by enclosing approximately 6,400 GSF of overhang area to create new interior dining space. The exterior plaza area will be renovated to create an outdoor venue that can provide an environment to study and host events and gatherings.</td>
<td>$7,000,000</td>
<td>$7,000,000</td>
<td>AECOM</td>
<td>TBD</td>
<td>Project is under design. Invitation for Bids for construction phase anticipated in late fall 2018.</td>
</tr>
<tr>
<td>HITT Hall and the Intelligent Infrastructure Complex (Smart Dining)</td>
<td>Program elements envision a 30,000 GSF HITT Hall space connected to Bishop-Fanoe Hall, a 15,000 GSF Fusion Lab, a 30,000 GSF Smart Dining space and a 5,000 GSF Data for the Masses student activity space. Project intent is to showcase technology and innovation as a key component of the Intelligent Infrastructure Destination Area.</td>
<td>$50,000,000</td>
<td>$50,000,000</td>
<td>Lord Aeck Sargent (LAS)</td>
<td>Summer 2021</td>
<td>Design-build project. Criteria/Bridge Document Phase is underway and on track. Procurement of the Design-Build team is targeted for first quarter of calendar year 2019.</td>
</tr>
<tr>
<td>Holden Hall Renovation</td>
<td>This project includes the renovation of an approximately 21,000 GSF portion of Holden Hall fronting the Drillfield. The remaining 21,000 GSF of the existing building will be demolished and replaced with approximately 80,000 GSF of new engineering instruction and research space for a total building size of 101,000 GSF.</td>
<td>$66,314,000</td>
<td>$17,500,000</td>
<td>Moseley Architects Virginia Beach, VA</td>
<td>Fall 2021</td>
<td>Project is under design and on track. Construction start scheduled for summer 2019.</td>
</tr>
<tr>
<td>Improve Kentland Facilities (Phase II)</td>
<td>This project includes new construction of three buildings totaling approximately 28,900 GSF including a metabolite research laboratory, an applied reproduction facility, and a bovine extension teaching/research facility to serve Agency 229, Virginia Cooperative Extension, and the Virginia Agricultural Experiment Station.</td>
<td>$9,363,000</td>
<td>$0</td>
<td>Spectrum Design, PC Roanoke, VA</td>
<td>Fall 2019</td>
<td>Project on track for re-list in June 2018.</td>
</tr>
<tr>
<td>Livestock and Poultry Research Facilities (Phase II)</td>
<td>This project is the first of two phases to renew existing facilities for the College of Agriculture and Life Sciences' livestock and poultry programs. This first phase includes approximately 126,000 GSF of new and renovated facilities located along Plantation Road and Giles Road at Kentland Farm.</td>
<td>$22,500,000</td>
<td>$0</td>
<td>Spectrum Design, PC Roanoke, VA</td>
<td>Summer 2020</td>
<td>Project is under design and on track. Invitation for Bids for construction phase anticipated for the first quarter of 2019.</td>
</tr>
<tr>
<td>Multi-Modal Transit Facility</td>
<td>This is a Capital Lease Project administered by the Town of Blacksburg and funded by Federal Transportation Administration grants and a university match. The project is targeted for LEED Platinum to provide a campus sustainability demonstration showcase.</td>
<td>$46,000,000</td>
<td>N/A</td>
<td>Wandel Associates Buffalo, NY</td>
<td>TBD</td>
<td>Project is under design at approximately 95 percent complete. A/E intends to complete full design by summer 2018. Town of Blacksburg has indicated an approximate $8M budget shortfall based upon current cost estimates prepared by the A/E. Town of Blacksburg is attempting to mitigate the shortage.</td>
</tr>
<tr>
<td>Student Wellness Improvements</td>
<td>The project provides a comprehensive solution for student wellness services through upgrades to Pearson Field and major renovations to War Memorial Field to meet the needs of the Schmidt Health Center, Cook Counseling Center, Recreational Sports, College of Liberal Arts and Human Sciences programs, and the College of Agriculture and Life Sciences (Human Nutrition Foods &amp; Exercise).</td>
<td>$63,000,000</td>
<td>$63,000,000</td>
<td>CannonDesign Baltimore, MD</td>
<td>Spring 2022</td>
<td>Project is under design and on track. CM at Risk procurement efforts are currently underway.</td>
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<td>Undergraduate Science Laboratories Renovations</td>
<td>This project will repurpose six laboratory/teaching spaces in Derring Hall and one laboratory in Patton Hall. These repurposed laboratories will expand space to meet growing demand for course sections in biology, chemistry, organic chemistry, and microbiology.</td>
<td>$10,000,000</td>
<td>$10,000,000</td>
<td>Studio Twenty Seven Architecture Washington, DC</td>
<td>August 2019</td>
<td>Project is slated to re-bid in June 2018.</td>
</tr>
<tr>
<td>Undergraduate Science Laboratory</td>
<td>The project will construct a new undergraduate science laboratory facility of 102,000 gross square feet (GSF) to accommodate the growing demand for STEM-H degrees at Virginia Tech.</td>
<td>$71,709,000</td>
<td>$0</td>
<td>ZGF Architects Washington, DC</td>
<td>Fall 2021</td>
<td>Project is currently in design and on track. Earliest possible date for approval of state funding for working drawings development and construction is July 2019.</td>
</tr>
<tr>
<td>Athletic Facilities Improvements</td>
<td>This is an umbrella project for improvements to multiple athletics facilities, including Rector Field House, Baseball, Tennis, and the Bowman-Room (Performance Center).</td>
<td>$37,500,000</td>
<td>$37,500,000</td>
<td>Rector: Cannon Design Baseball: Cannon Design Tennis: TK Architects Nutrition: Hanbury Architects</td>
<td>Rector: Spring 2018 Baseball: Spring 2018 Tennis: TBD Nutrition: TBD</td>
<td>Sub-projects as follows: 1) Rector Field House - Construction reached Substantial Completion in March 2018. 2) Baseball - Construction at Weaver reached Substantial Completion in March 2018. Construction of stadium reached Substantial Completion in May 2018. 3) Tennis - Project on hold pending funding. 4) Student Athlete Performance Center - Project is under design and on track.</td>
</tr>
<tr>
<td>Fire Alarm Systems and Access</td>
<td>This project provides for critical life safety improvements in several educational and general facilities on campus. Fire alarm systems will be installed or expanded in as many campus buildings as funding allows, including Architecture Annex, Food Science &amp; Technology, Lane Hall, Litton Reaves Hall, Norris Hall, Patton Hall, Randolph Hall, War Memorial Hall (Gym), Wallace Annex, and Whittemore Hall.</td>
<td>$4,900,000</td>
<td>$0</td>
<td>Multiple A/E Firms</td>
<td>Summer 2018</td>
<td>Installation of Fire Alarm System completed in all buildings except Norris Hall and Litton Reaves Hall which are scheduled to be completed in June 2018.</td>
</tr>
<tr>
<td>Lane Electric Substation Expansion</td>
<td>This project will expand the existing electrical sub-station to add approximately 37 percent additional power capacity to serve the campus Life Sciences and Northwest Precincts and the Corporate Research Center's proposed expansions.</td>
<td>$8,500,000</td>
<td>$8,500,000</td>
<td>Appalachian Electric Power and Virginia Tech Electric Service</td>
<td>Summer 2019</td>
<td>Project is administered by Virginia Tech Electric Service in coordination with Appalachian Power Company and Appalachian Electric Power. Project is currently on track for completion in summer 2019.</td>
</tr>
<tr>
<td>O'Shaughnessy Hall Renovation</td>
<td>This project includes major renovation of a 72,000 GSF student residence building into a living-learning community. The residence hall originally housed 350 students and upon completion will house 344 students.</td>
<td>$21,500,000</td>
<td>$21,500,000</td>
<td>Mosely Architects Virginia Beach, VA</td>
<td>August 2018</td>
<td>Project is on schedule for completion in summer 2018 and occupancy in August.</td>
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<td>Renovate/Renew Academic Buildings</td>
<td>This project will renovate three existing campus buildings - Sandy Hall, Liberal Arts Building, and the original portion of Davidson Hall. Collectively, these renovations will increase the functionality of three undervalued building assets, address several deferred maintenance issues, and reduce critical space deficiencies. Small additions are planned for Sandy and Liberal Arts Buildings to meet current emergency egress code requirements. New elevators in Sandy and Liberal Arts Buildings will provide ADA access.</td>
<td>$35,029,000</td>
<td>$0</td>
<td>Glavè &amp; Holmes Architects Richmond, VA</td>
<td>August 2018</td>
<td>Construction is underway on all three buildings. Davidson and Liberal Arts are expected to be complete by the start of Fall Semester 2018. Sandy Hall is lagging slightly behind due to unforeseen site conditions.</td>
</tr>
<tr>
<td>Unified Communications and Network Renewal Project</td>
<td>This project replaces outdated equipment and upgrades campus communications systems, providing infrastructure and equipment enhancements over a five year period. The project scope includes upgrades to the Internet Protocol (IP) Network, the cable plant, and equipment rooms in buildings throughout campus.</td>
<td>$16,508,000</td>
<td>$16,508,000</td>
<td>Branch &amp; Associates Roanoke, VA</td>
<td>December 2017</td>
<td>Project is complete. Final closeout actions underway.</td>
</tr>
<tr>
<td>Upper Quad Residential Facilities</td>
<td>This project provides for the demolition and construction of replacements for Brodie and Rasche residence halls to serve the Corps of Cadets. The new residence halls (totaling approximately 210,000 GSF) will provide over 1,000 beds in double and triple rooms sharing hall community bathrooms. These new residence halls will be constructed at the approximate location of the original Rasche Hall and Brodie Hall. Both buildings will provide double and triple occupancy rooms that meet the residence and in-room storage space needs of the cadets. Both new residence halls will provide dedicated meeting, community, and group spaces, specifically designed to meet Corps of Cadets program and organization needs. Thomas Hall and Monteith Hall will also be demolished as part of this project.</td>
<td>$91,000,000</td>
<td>$91,000,000</td>
<td>Clark Nexsen Charlotte, NC</td>
<td>Pearson - August 2015</td>
<td>Project is complete. Final closeout actions underway.</td>
</tr>
<tr>
<td>Virginia Tech Carilion (VTC) Biomedical Research Expansion</td>
<td>This project, executed under the Public-Private Education Facilities and Infrastructure Act of 2002 (PPEIA), will construct an approximately 138,000 GSF building adjacent to the Virginia Tech - Carilion Research Institute in Roanoke, VA. The new facility will include high intensity biomedical research capable laboratories with surgical-type suites, Bio-safety Level Three laboratories, and animal imaging facilities that require high-field magnetic resonance imaging. The remaining spaces will include high-intensity dry laboratory research and training spaces including computational facilities, offfices, procedural training rooms, and technical training space.</td>
<td>$89,865,000</td>
<td>$0</td>
<td>AECOM</td>
<td>January 2020</td>
<td>Project fast-tracked for construction. Site work is underway. Design reached 95 percent and full permit sets are expected to be issued in early June 2018.</td>
</tr>
</tbody>
</table>
- Projects In Feasibility
  - Global Business Analytics Complex
  - Global System Sciences
  - Newman Library Feasibility Study
  - Southgate Dining Food Production Center
EHS Overview

Lance Franklin, PhD, PE
Assistant Vice President for EHS
Services

Laboratory Safety
Biological Safety
Radiation Safety
Occupational Health and Safety
Environmental Compliance
Off Site Safety
Mission

EHS mission is to support and advance the teaching, learning and research activities of the university through promotion of a safe and health campus environment by providing and coordinating programs and services that minimize risk associated with safety, health, environmental and regulations to the Virginia Tech community in a manner consistent with responsible fiscal and environmental stewardship.

EHS has 34 employees who maintain nearly 100 programs to fulfill its commitment to health and safety within the Virginia Tech community.
Key Metrics

- ~ 13M sqf Building Space
- ~ 1.5M sqf of Lab Space
- ~ 32,000 People Trained Annually
- ~ 2800 Permitted Spaces
- ~ 1300 Annual Inspections
- 11 ARECs
- Research Institutes

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<tr>
<th>Biological Safety</th>
<th>Laboratory Safety</th>
<th>Environmental Compliance</th>
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<tbody>
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<td>Radiation Safety</td>
<td>Occupational Health and Safety</td>
<td>Off Site Safety</td>
</tr>
</tbody>
</table>

FY17 Budget

- Salary - $1.93M
- E&G - $137,652
- Central - $1.22M
- 32 FTEs
- 6 Wage Workers
- 3 Consultants
- 1 Contracted Physician

- Equine Medical Center
- Occoquan Watershed labs
- Northern Virginia Facilities
- CRC
- Power Plant
- Quarry
- Farms
Distribution of Services

Service
- Facilities
- Business Operations
- Police
- Emergency Management
- Information Technology

Auxiliaries
- Athletics
- Student Affairs

Academia

Research
EHS Training by Number of Recipients and Percent of Students, since 2012

- 2012: 8,000
- 2013: 13,938
- 2014: 20,500
- 2015: 25,597
- 2016: 31,174
- 2017: 35,300

Percentages:
- 2012: 31%
- 2017: 74%
Laboratories and Permitted Areas by Risk Categories  N= 2,790

- Practically No Risk: 29
- Very Low Risk: 87
- Slight Risk: 466
- Moderate Risk: 208
- High Risk: 547
Biological Safety

Operational Programs

• 3 BSL-3s – can cause severe to fatal disease in humans; vaccines or treatment are available
• 296 BSL-2s – mild disease to humans or are difficult to contract
• 34 ABSL-2 facilities
• 2 Insectarium facilities
• Liaison – IACUC, IBC, IRB

BSL – biosafety level
ABSL – animal biosafety level

FY17 Budget
Salary - $383,241
E&G - $14,094
Central - $0
5 FTEs
Laboratory Safety

Operational Programs

• 1,600 laboratories
• 128 tons of chemical waste generated annually
• 26 tons electronic waste
• 149 tons regulated medical waste

FY17 Budget

Salary - $499,006
E&G - $103,009
Central - $666,380

8 FTEs
3 PTEs
Occupational Safety and Health

Operational Programs

• > 3,400 medical clients worldwide
• > 1,000 vaccinations at an annual cost of ~ $80,000
• > 200 fire drills/tabletops
• > 400 inspections/program audits
• > 600 injury reports reviewed
• > 300 research consultations

FY17 Budget

Salary - $599,625
E&G - $33,487
Central - $470,000
11 FTEs
3 PTEs
1 Contracted Physician
Radiation Safety

Operational Programs

• Nuclear Medicine – VetMed, VTH and Equine Medical Center
• X-Ray equipment certification
• 76 laboratories
• 2 tons of radioactive waste generated annually
• 1,840 radiation users
• 300 packages of radioisotopes received annually
• 100 Geiger counter calibrations

FY17 Budget

Salary - $51,260
E&G - $7,480
Central - $26,180
0.75 FTE
1 Health Physics Consultant
Environmental Compliance

Operational Programs

• Consent Order Management
• Greenhouse Gas Inventory
• Air Permit Compliance
• Petroleum Storage Management
• Landfill Post Closure Care Oversight
• Leachate Discharge System
• Unpermitted Discharge Investigations
• Contaminated Soils Management

FY17 Budget

Salary - $66,232
E&G - $1,500
Central - $63,000
1 FTE
2 Environmental Services Consultants
Off Site Service (ARECs)
Agricultural Research and Extension Centers

Operational Programs

- 11 Agricultural Research centers, Equine Medical Center, and Occoquan Watershed labs
- 4 Graduate research centers
- Occupational health services
- Pesticide management
- Hazardous waste oversight
- Personnel safety training
- Farm safety
- Fire and life safety oversight

FY17 Budget
Salary - $17,086
E&G - $21,645
Central - $0
0.25 FTE
Health and Safety Committee
Chaired by AVP of Environmental Health and Safety (EHS)

Chemical Safety & Hazardous Materials Management Committee
- Hazardous Materials
- Laboratory Safety

Occupational Health and Safety Committee
- Physical Hazards
- Fire Hazards
- Safety Hazards
- Occupational Health

Institutional Animal Care and Use Committee
- Vertebrate Animals

Institutional Biosafety Committee
- Infectious agents
- Recombinant DNA
- Biological origin toxins
- Select agents
- Blood, blood products, cells, unfixed tissue

Institutional Review Board
- Human Subjects

Radiation Safety Committee
- Radioactive Materials
- Radiation-Producing Equipment

Report to AVP of EHS Led by EHS staff
Report to Vice President for Research & Innovation Led by Research or College staff
- EHS Program Summary

  - Research and Academic Support
  - Injury Prevention and Loss Reduction
  - Business Process and Data Management
  - Communication and Outreach
  - Sustain our Safety Culture
The Vice President for Operations was appointed by the Board of Visitors at its March 2018 meeting to serve as the university’s representative at any public hearings required for changes to the governing documents of the Montgomery Regional Solid Waste Authority. A public hearing regarding a proposed amendment to the Authority’s Articles of Incorporation, which will provide staggered terms of office for the Authority’s Board members, was held on May 10, 2018. The Committee will receive a report from Dr. Sherwood Wilson on comments received at the public hearing.
RESOLUTION APPROVING AGREEMENT TO AMEND THE ARTICLES OF INCORPORATION OF THE MONTGOMERY REGIONAL SOLID WASTE AUTHORITY AND TO EXTEND TERM OF USER AGREEMENT BETWEEN THE AUTHORITY AND THE UNIVERSITY

The university, along with Montgomery County and the Towns of Blacksburg and Christiansburg, formed a Solid Waste Authority to dispose of solid waste and recyclable materials on a regional basis. The Authority is led by a five member Board of Directors and the terms of office for all members run concurrently. The Authority and the participating jurisdictions recommend changing the Articles of Incorporation to provide staggered terms of office for the members of the Authority’s Board of Directors.

The Authority and the participating jurisdictions also recommend extending each participating locality’s User Agreement with the Authority (for the provision of solid waste disposal and recycling services) to June 20, 2040.
RESOLUTION APPROVING AGREEMENT TO AMEND THE ARTICLES OF INCORPORATION OF THE MONTGOMERY REGIONAL SOLID WASTE AUTHORITY AND TO EXTEND TERM OF USER AGREEMENT BETWEEN THE AUTHORITY AND THE UNIVERSITY

WHEREAS, Virginia Polytechnic Institute and State University (the "University"), together with Montgomery County, Virginia, the Town of Blacksburg, Virginia and the Town of Christiansburg, Virginia (together, the "Participating Jurisdictions"), created the Montgomery Regional Solid Waste Authority (the "Authority") to enable the Participating Jurisdictions to dispose of solid waste and recycle recyclable materials on a regional basis by causing Articles of Incorporation forming the Authority (the "Articles of Incorporation") to be filed with the Virginia State Corporation Commission; and

WHEREAS, the Articles of Incorporation presently provide for terms of office of all members of the Authority's Board of Directors to run concurrently, with the next four year term expiration date being June 30, 2018, and the Authority and the Participating Jurisdictions desire to provide for staggered terms of office for members of the Authority's Board of Directors as stated below; and

WHEREAS, the Participating Jurisdictions have each also entered into identical User Agreements with the Authority (the "User Agreements") for the Authority to provide solid waste disposal and recycling services for each of the Participating Jurisdictions; and

WHEREAS, the User Agreements have a term beginning on July 1, 1995 and ending on June 30, 2025, and the Participating Jurisdictions desire to extend such term to June 30, 2040; and

WHEREAS, there has been presented to this meeting a proposed agreement among the University, the other Participating Jurisdictions and the Authority entitled "Agreement to Amend the Articles of Incorporation of the Montgomery Regional Solid Waste Authority and to Extend Term of User Agreements Between the Authority and Participating Jurisdictions" (the "Agreement"), which Agreement incorporates therein Articles of Amendment to Articles of Incorporation of Montgomery Regional Solid Waste Authority (the "Articles of Amendment") that are attached thereto; and

WHEREAS, a public hearing has been held on behalf of the Board of Visitors of the University concerning the proposed approval of the Board of Visitors of the Agreement and the Board of Visitors has received the report of the Vice President for Operations of the University (the "Vice President for Operations") as the University's representative with a summary of comments made at the public hearing.

NOW THEREFORE, BE IT RESOLVED by the Board of Visitors of the University that the forms of the Agreement and the Articles of Amendment are approved and the
Vice President for Operations is authorized to execute the Agreement and the Articles of Amendment in substantially the forms presented to this meeting; and

BE IT FURTHER RESOLVED, upon execution of the Agreement and the Articles of Amendment by the other signatories thereto, the Vice President for Operations is authorized to take all actions to cause the Articles of Amendment to be filed with the Virginia State Corporation Commission together with any other necessary documents, and to take all actions required by law to be taken prior to such filing; and

BE IT FURTHER RESOLVED, this Resolution shall take effect immediately on June 4, 2018.

RECOMMENDATION:

That the above resolution authorizing the Vice President for Operations to execute the User Agreement and to execute and file the Articles of Amendment for the Montgomery Regional Solid Waste Authority be approved.
CERTIFICATION OF ADOPTION OF RESOLUTION

The undersigned Secretary of the Board of Visitors of Virginia Polytechnic Institute and State University certifies that the Resolution set forth above was adopted on June 4, 2018 in an open meeting.

Signed this 4 day of June, 2018.

By: _____________________________________

Kim O'Rourke, Secretary of the Board of Visitors
Virginia Polytechnic and State University
AGREEMENT TO AMEND THE ARTICLES OF INCORPORATION OF THE MONTGOMERY REGIONAL SOLID WASTE AUTHORITY AND TO EXTEND TERM OF USER AGREEMENTS BETWEEN THE AUTHORITY AND PARTICIPATING JURISDICTIONS

WHEREAS, Montgomery County, Virginia ("Montgomery County"), the Town of Blacksburg, Virginia (the "Town of Blacksburg"), the Town of Christiansburg, Virginia (the "Town of Christiansburg") and Virginia Polytechnic Institute and State University ("Virginia Tech" and, together with Montgomery County, the Town of Blacksburg and the Town of Christiansburg, the "Participating Jurisdictions"), in accordance with the requirements of the Virginia Water and Waste Authorities Act (the "Act") and by causing Articles of Incorporation (the "Articles of Incorporation") to be filed with the Virginia State Corporation Commission on December 14, 1994 did create the Montgomery Regional Solid Waste Authority (the "Authority") as an authority under the Act for the benefit of the Participating Jurisdictions; and

WHEREAS, the Articles of Incorporation presently provide for terms of office of all members of the Authority's Board of Directors to run concurrently, with the next term expiration date being June 30, 2018; and

WHEREAS, the Participating Jurisdictions desire to the amend the Articles of Incorporation to provide for staggered terms of office for members of the Authority's Board of Directors as stated below; and

WHEREAS, each of the Participating Jurisdictions entered into an identical User Agreement with the Authority for the Authority to provide solid waste disposal and recycling services for each of the Participating Jurisdictions; and

WHEREAS, the User Agreement entered into by the Town of Christiansburg is dated June 20, 1995 (the "Town of Christiansburg User Agreement"), the User Agreement entered
into by Virginia Tech is dated June 26, 1995 (the "Virginia Tech User Agreement"), the User Agreement entered into by the Town of Blacksburg is dated June 20, 1995 (the "Town of Blacksburg User Agreement") and the User Agreement entered into by Montgomery County is dated July 17, 1995 (the "Montgomery County User Agreement" and, together with the Town of Christiansburg User Agreement, the Virginia Tech User Agreement and the Town of Blacksburg User agreement, the "User Agreements"); and

WHEREAS, for over 22 years the Authority has provided solid waste disposal and recycling services to the Participating Jurisdictions under the regional framework provided by the Articles of Incorporation and the User Agreements that has allowed the Participating Jurisdictions to take advantage of economies of scale; and

WHEREAS, the User Agreements have a term beginning on July 1, 1995 and ending on June 30, 2025, and the Participating Jurisdictions desire to extend such term to June 30, 2040; and

WHEREAS, notice has been provided and public hearings have been held in accordance with the requirements of the Act regarding this Agreement.

NOW, THEREFORE, the Participating Jurisdictions agree as follows:

1. The Articles of Incorporation of the Authority shall be amended to reflect that for the terms of office of the five (5) members of the Board of the Authority beginning on July 1, 2018, the member representing Montgomery County shall have a term of three (3) years, the member representing Town of Blacksburg shall have a term of two (2) years, the member representing Town of Christiansburg shall have a term of one (1) years, the member representing Virginia Polytechnic Institute and State University shall have a term of four (4) years and the at-large member shall have a term of two
(2) years, that subsequent to these terms, each member shall be appointed for terms of four (4) years each, and members may be reappointed to succeed themselves, all as set forth in the attached form of Articles of Amendment to Articles of Incorporation of the Authority.

2. The Town of Christiansburg User Agreement, the Virginia Tech User Agreement, the Town of Blacksburg User Agreement and the Montgomery County User Agreement are each amended by the respective parties thereto to provide in Article III that the term of each such User Agreement shall terminate on June 30, 2040. All other provisions of the User Agreements shall remain unchanged.

MONTGOMERY COUNTY, VIRGINIA

By:________________________________
    County Administrator

ATTEST:

____________________________
Clerk

TOWN OF BLACKSBURG, VIRGINIA

By:________________________________
    Town Manager

ATTEST:

____________________________
Clerk
TOWN OF CHRISTANSBURG, VIRGINIA

By:_______________________________
   Town Manager

ATTEST:

_______________________
   Clerk

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

By:_______________________________
   Vice President for Operations

ATTEST:

_______________________
   Secretary

MONTGOMERY REGIONAL SOLID WASTE AUTHORITY

By:_______________________________
   Executive Director

ATTEST:

_______________________
   Secretary
ARTICLES OF AMENDMENT TO ARTICLES OF INCORPORATION OF MONTGOMERY REGIONAL SOLID WASTE AUTHORITY

Montgomery County, Virginia, the Town of Blacksburg, Virginia, the Town of Christiansburg, Virginia and Virginia Polytechnic Institute and State University, through their respective governing bodies, by joint agreement have adopted the following amendment to the Articles of Incorporation of the Montgomery Regional Solid Waste Authority (the "Articles of Incorporation"), pursuant to the Virginia Water and Waste Authorities Act:

1. The Articles of Incorporation are amended by deleting Section 4 in its current form and substituting the following as Section 4 of the Articles of Incorporation:

The terms of office of the five (5) members of the Board of the Authority beginning July 1, 2018 shall be as follows: the member representing Montgomery County shall have a term of three (3) years, the member representing Town of Blacksburg shall have a term of two (2) years, the member representing Town of Christiansburg shall have a term of one (1) year, the member representing Virginia Polytechnic Institute and State University shall have a term of four (4) years and the at-large member shall have a term of two (2) years. Subsequent to these terms, each member shall be appointed for terms of four (4) years each, and members may be reappointed to succeed themselves. Members representing the respective incorporating political subdivision shall be appointed by their respective governing bodies and the at-large member shall be appointed jointly by all governing bodies, each such successive member so appointed to represent his or her respective incorporating political subdivision or at large, as appropriate, until the expiration of such member's term, and until such member's successor shall have been duly appointed. Any vacancy in the membership of the Authority other than by expiration of term shall be filed by the respective governing body (or as to the at-large member, by all of the governing bodies, jointly) by the appointment of a member to fill such vacancy for the unexpired term only.
IN WITNESS WHEREOF, the Board of Supervisors of Montgomery County, Virginia, by its County Administrator, the Town of Blacksburg, Virginia, by its Town Manager, the Town of Christiansburg, Virginia, by its Town Manager and Virginia Polytechnic Institute and State University, by its Executive Vice President have caused these Articles of Amendment to Articles of Incorporation to be executed, and their respective seals to be affixed hereto and attested by their respective clerks or secretaries this ___ day of ______________, 2018.

MONTGOMERY COUNTY, VIRGINIA

By:________________________________
    County Administrator

ATTEST:

____________________
Clerk

TOWN OF BLACKSBURG, VIRGINIA

By:________________________________
    Town Manager

ATTEST:

____________________
Clerk
TOWN OF CHRISTANSBURG, VIRGINIA

By: ____________________________
    Town Manager

ATTEST:

____________________
Clerk

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

By: ____________________________
    Vice President for Operations

ATTEST:

____________________
Secretary
RESOLUTION ON APPOINTMENTS TO THE MONTGOMERY REGIONAL SOLID WASTE AUTHORITY

The university is requesting approval for reappointments - one joint member and one university representative - to the Montgomery Regional Solid Waste Authority Board of Directors, as a result of changes to the Articles of Incorporation that provide for staggered terms of office.
RESOLUTION ON APPOINTMENTS TO THE MONTGOMERY REGIONAL SOLID WASTE AUTHORITY

WHEREAS, the Montgomery Regional Solid Waste Authority (the Authority) consists of five directors who are responsible for the management and operation of the Authority; and,

WHEREAS, one director is appointed by each of the four political subdivisions, and the other director is appointed jointly by all governing bodies; and,

WHEREAS, it is necessary to reappoint members of its Board of Directors in accordance with the amended Articles of Incorporation; and,

WHEREAS, Al Bowman currently serves as a joint representative; and,

WHEREAS, the local political subdivisions and Virginia Tech desire to reappoint Al Bowman, as the joint representative for a term of two years in accordance with the Authority’s Articles of Incorporation, as amended; and,

WHEREAS, Chris Kiwus, the Chief Facilities Officer, currently serves as the university’s representative; and,

WHEREAS, Virginia Tech desires to reappoint the Chief Facilities Officer, currently Chris Kiwus, as the university’s representative for a term of four years in accordance with the Authority’s Articles of Incorporation, as amended;

NOW, THEREFORE, BE IT RESOLVED, that Al Bowman be named as a joint representative and member on the Montgomery Regional Solid Waste Authority for a term beginning on July 1, 2018 and expiring June 30, 2020; and,

BE IT FURTHER RESOLVED, that the Chief Facilities Officer be named the university’s representative and member on the Montgomery Regional Solid Waste Authority for a term beginning on July 1, 2018 and expiring June 30, 2022.

RECOMMENDATION:

That the resolution recommending that Al Bowman be reappointed as joint representative and the Chief Facilities Officer be reappointed as the university’s representative to the Montgomery Regional Solid Waste Authority Board of Directors be approved.

June 4, 2018
Preliminary Design is underway for this approximately 101,000 gross square foot renovation and new construction project. The 1940s-era southern wing of the facility will be renovated, with the north and east wings replacing two existing, dilapidated wings (which will be demolished). The project site is located in the Academic District, bounded by Norris Hall to the west, Old Turner Street to the north, McBryde Hall to the east, and Patton Hall/the Drillfield to the south. The facility will support the College of Engineering and create a showcase venue for the Department of Materials Science and Engineering and the Department of Mining and Minerals Engineering. A Construction Manager at Risk procurement method is being utilized to construct the project. Funding is currently authorized through detailed planning. The Commonwealth of Virginia’s Bureau of Capital Outlay Management (BCOM) will provide a final budget recommendation following the university’s submittal of preliminary design documents. Pending BCOM’s recommendation, construction is targeted to begin in summer 2019, with occupancy to take place in late fall 2021.
Capital Project Information Summary – Holden Hall Renovation

BUILDINGS AND GROUNDS COMMITTEE

June 4, 2018

Title of Project:
Holden Hall Renovation

Location:
The building site is located in the Academic District, bounded by Norris Hall to the west, Old Turner Street to the north, McBryde Hall to the east, and Patton Hall/the Drillfield to the south. It will be located along significant east-west and north-south pedestrian patterns.

Current Project Status and Schedule:
A feasibility study was completed December 2014. Following a design preview approval by the Board of Visitors in September 2017, the project has proceeded to the preliminary design phase. Pending a full funding recommendation from BCOM, construction is targeted to begin in summer 2019, with completion in late fall 2021.

Project Description:
The project is consistent with the current, ongoing 2017 Master Plan update and will support the College of Engineering. Plans include the replacement of two deteriorated wings of Holden Hall, bringing the total facility to approximately 101,000 total gross square feet. The project will retain the south wing closest to the Drillfield.

Brief Program Description:
The facility will provide highly collaborative, thematically clustered spaces as well as create a showcase venue for the Department of Materials Science and Engineering (MME) and the Department of Mining and Minerals Engineering (MME). MSE is currently distributed across campus and the expansion and renovation will allow consolidation of the program and provide better integration of undergraduates. MME is one of the largest programs of its type in the U.S. and consistently ranks in the top ten nationally. The project will allow MME to co-locate and optimize laboratories in an innovative setting, including high-bay mock mine and robotics/automation laboratories.

Contextual Issues and Design Intent:
The existing south wing will be repaired and renovated. New construction will feature Hokie Stone, precast concrete with ornamental reveals and decorative heraldry, and metal cladding. The architectural expression will be consistent with the campus core Collegiate Gothic style and the existing wing of Holden Hall to remain. It will also provide a sensitive response to the visual and physical
connection to Norris Hall.

Demolition of the dilapidated single-story wings will require approval through the Department of Historic Resources and the Art and Architecture Review Board prior to the issuance of a demolition permit.

**Architect/Engineer:**
Moseley Architects | SMITHGROUPJJR

**Construction Manager:**
WM Jordan
Holden Hall Renovation

Project Information

- New Construction: ~ 81,000 GSF
- Renovation: ~ 21,000 GSF
- Delivery Method: CM at Risk
- Funding: $66.3 Million*
- Design Phase: Preliminary
- Construction Start: Summer 2019**
- Targeted Occupancy: Late Fall 2021**

* BCOM recommendation for schematic design; subject to variation after review of preliminary drawings
** Construction schedule dependent upon provision of state construction funding
Holden Hall Renovation

Project Location

Site

DALL FIELD

LANE STADIUM

ROUDELE

SOUTHERN DRIVE

SOUTHERN DRIVE

SOUTHERN DRIVE

SOUTHERN DRIVE

SOUTHERN DRIVE

SOUTHERN DRIVE

SOUTHERN DRIVE

SOUTHERN DRIVE

SOUTHERN DRIVE
- Holden Hall Renovation

Existing Conditions (Future Renovation)
Holden Hall Renovation

Existing Conditions (Future Addition)

To Be Replaced
Holden Hall Renovation

Site Plan

Norris Hall

Old Turner Street

McBryde Hall

New Construction

Renovation
- Holden Hall Renovation

Construction Staging & Access*

*As reviewed by construction manager
Holden Hall Renovation

First Floor Plan

- Pedestrian Portal
- Mock Mine
- MSE Project Labs
- MME Class Labs
Holden Hall Renovation
Interior Rendering (Mock Mine)

- Classroom with Viewing Window
- Indoor Mining Pits
- Outdoor Mining Pit
- Open to Turner Plaza
Holden Hall Renovation

Recommendation

That the Design Review graphics be approved, and authorization be provided to continue with the project design consistent with the drawings shown.
DESIGN REVIEW FOR BOVINE EXTENSION, TEACHING, AND RESEARCH FACILITY

Part of the three-building Improve Kentland Facilities project, the Bovine Extension, Teaching, and Research (BETR) Facility provides approximately 10,200 gross square feet of additional classroom, animal interaction, and demonstration space for the College of Agriculture and Life Sciences. While the BETR Facility’s design was approved in August 2015, a redesign effort is underway as part of a cost-management effort.
Title of Project:
Bovine Extension, Teaching, and Research (BETR) Facility

Location:
The project is located on Plantation Road between the existing Livestock Judging Pavilion and Campbell Arena (across Plantation Road from the Alphin-Stuart Livestock Teaching Arena).

Current Project Status and Schedule:
This building is being redesigned to advance the Improve Kentland Facilities (IKF) project. This process is expected to conclude in spring 2018. As part of a revised bidding strategy, the BETR Facility serves as an additive bid item in the project. Depending on the outcome of the IKF bidding, the construction of the BETR Facility is targeted to begin in fall 2018. If this schedule is achieved, it is estimated that the College of Agriculture and Life Sciences (CALS) will take occupancy during the fall of 2019.

Project Description:
The BETR Facility provides additional classroom, animal interaction, and demonstration space for CALS. It features approximately 3,700 square feet of new construction for classroom and office spaces and approximately 6,500 square feet of animal demonstration space. A rear exit from the classroom building leads to the animal demonstration area, which is connected via a covered walkway. The demonstration area is a covered, dirt floor arena used for animal interaction and demonstration opportunities. It includes cattle gates around the perimeter. Drop curtains to block the wind and heaters are provided for human comfort.

Brief Program Description:
The classroom building consists of a large classroom space that can be subdivided into two smaller classrooms by a folding partition wall. This configuration allows CALS the flexibility to use the space for large lectures or smaller classroom exercises. One of the classrooms will also have a sink suitable for demonstrations that require water. In addition, a larger office with room for two work stations is provided. Non-assignable spaces in the building include men’s and women’s toilet facilities, an all-gender restroom, a janitor’s closet, IT closet, and a mechanical/electrical room. Mechanical equipment is housed inside the building to protect it from livestock that may roam the grounds.
Contextual Issues and Design Intent:
The goal of the project is to create a facility consistent in appearance with the other agricultural buildings along Plantation Road. The classroom building will be a masonry bearing wall structure with a gable roof. The exterior walls will be clad with metal panel in an off-white color and the roof will be standing seam metal panels in a green color. The demonstration area will be a pre-engineered metal building with a gable roof and similar green metal roofing panels. A roof monitor is provided on both the classroom building and the demonstration area. These colors, materials, and building forms are consistent with existing agricultural facilities adjacent to the BETR site, including Alphin-Stuart Livestock Teaching Arena, Campbell Arena, and the Livestock Judging Pavilion.

Architect/Engineer:
Spectrum Design

General Contractor:
To be determined
Bovine Extension, Teaching, and Research (BETR) Facility

Board of Visitors Design Review
- **BETR Facility**

  Project Location

- **Metabolic Research Lab**
  (Kentland Farm)

- **Bovine Extension, Teaching, and Research Facility**
  (Plantation Road)

- **Applied Reproduction Facility**
  (Veterinary Medicine Complex)
BETR Facility

Existing Condition

Livestock Judging Pavilion

Campbell Arena

Plantation Road
That the Design Review graphics be approved, and authorization be provided to continue with the project design consistent with the drawings shown.
Bovine Extension, Teaching, and Research (BETR) Facility

Board of Visitors Design Review
Background

The Restructured Higher Education Financial and Administrative Operations Act of 2005 and the Management Agreement with the Commonwealth of Virginia grant the university the authority to designate its own building official. The Board of Visitors approved a resolution to establish a university building official and building code review unit at its June 20, 2008 meeting and the office was established July 1, 2010. Effective June 3, 2011, the Bureau of Capital Outlay Management (BCOM) formally delegated building official authority for Virginia Tech to the university's building official.

This report serves as an annual summary of activities from the University Building Official (UBO). As prescribed in university policy 5407, the annual report will identify the code enforcement and building permit activities performed during the prior year.

Since the previous annual report, the UBO office has revised many of its processes and procedures to reflect newly purchased permitting software. In addition to streamlining the office’s permitting process and tracking capabilities, the revised processes and procedures have consolidated some inspections and created additional permit definitions. As a result, many of the statistics listed below may not directly correlate with those listed in previous years. Editorial notes have been included with some statistics to provide clarity.

For the period of April 1, 2017 to March 31, 2018, the following tasks have been completed:

Major Statistics

- Number of plan reviews for permit performed: 2,564 (increase of 183 or 7% since 2017 Annual Report)
  - Includes repeated reviews to achieve code compliance
- Number of permits issued (all permits and all trades): 1,491 (increase of 116 or 8% since 2017 Annual Report)
- Number of inspections performed (all trades, pass and fail): 3,740 (increase of 658 or 25% since 2017 Annual Report)
- Number of Re-Inspections due to field failures/rejections: 418 (approximate increase of 1%)
- The UBO office is required by the Virginia Statewide Building Code to issue permits for and inspect large tents, stages, and amusement devices.
  - Tent and Stage requests permitted and inspected: 31 (increase of 8 since 2017 Annual Report)
  - Special Events reviewed and inspected: 38 (increase of 14 since 2017 Annual Report)
- Number of Certificates of Occupancy (CO) Issued: 4
  - Prices Fork Research Center Restroom 0672 (March 23, 2018)
  - Eastern Shore Equipment Storage Shed 1222 (September 27, 2017)
  - West Soccer Trailer 0185S (August 31, 2017)
  - East Soccer Trailer 0185R (August 31, 2017)
- Number of Demolition Permits Issued: 22 (increase of 11 since the 2017 Annual Report)

Staffing and Development

- The UBO office participated in code committees to improve staff knowledge and application of the building code and provide input to the upcoming code change expected in 2018.
- The UBO office worked with the Department of Housing and Community Development to provide code enforcement education for other building and fire officials.
- The UBO office provided presentations on codes and code enforcement to several classes in the School of Architecture + Design within the College of Architecture and Urban Studies.

Operations

- Continued the permitting and inspection of sidewalks and other pavements or slabs, as well as roads not covered by the Virginia Department of Transportation.
- Continued the permitting and inspection of utility work outside building footprints.
- Continued to coordinate the permitting and inspection of cabling and conduit penetrations for Network Communication Services, including the removal of abandoned communication wiring across campus.
- Identified several issues of code violations: resolved or working on resolutions with the State Fire Marshal Office regarding work done by the university and contractors without proper permits, plans, or authorization.
- Continued to coordinate efforts with the local building officials association to assist the campus and community through outreach efforts to contractors and staff regarding the building codes.
UBO: OVERVIEW

- Three universities in Virginia have a university building official
  - College of William and Mary
  - University of Virginia
  - Virginia Tech

- Each UBO works under the authority of their institution's Board of Visitors.

- For organizational and daily coordination, UBO falls within the Facilities Department.
UBO: GOALS

- Ensure our buildings are safe, accessible, and code compliant.
- Help our clients achieve compliance in the least difficult way possible.
UBO: WHO AND WHAT

Our Staff of Engineers
- Electrical
- Mechanical and Plumbing
- Structural and Civil
- Fire Protection

What We Do
- Plan Review
- Issue Permits
- Inspections and Testing
- Occupancy Approvals
- Technical Assistance
UBO: STATISTICS

- **February 2018**
  - 190 Total Reviews
  - 107 Permits Issued
  - 288 Inspections

- **March 2018**
  - 171 Total Reviews
  - 90 Permits Issued
  - 251 Inspections

- **April 2018**
  - 256 Total Reviews
  - 167 Permits Issued
  - 221 Inspections
UBO: PERMITTING

▪ What requires a permit?
▪ Easier to say what does not need a building permit.
  ▪ Replacement in kind maintenance does not need a permit.
  ▪ Repairs, repainting, re-carpeting do not need permits.
  ▪ Low voltage wiring or internet cables.
    (except when penetrating walls or floors)
▪ When in doubt, ask!
New Services for Small Project Plan/Permit Review (SPR)

SPR is defined as a project with:
- limited project scope,
- no change in the building use, and
- <$25,000 cost.

Project Managers/Clients must submit SPR by noon on Monday.
- 2 sets of construction documents,
- Information necessary to issue a building permit.

Reviews are performed every Wednesday with clients at the table to ask/answer questions with the goal of issuing a permit.
UBO: NEW SMALL PROJECT REVIEWS

Wednesday Small Project Review
(Began April 18th)

🌟
119 Reviews Completed

🌟
100 Permits Issued
UBO: SUMMARY

- Ensure our buildings are safe, accessible, and code compliant.
- Help our clients achieve compliance in the least difficult way possible.
QUESTIONS?
Open Joint Session Agenda

FINANCE AND RESOURCE MANAGEMENT COMMITTEE
AND BUILDINGS AND GROUNDS COMMITTEE

130 A and B, Classroom Building
11:15 a.m. – 11:45 a.m.

June 4, 2018

Agenda Item                                             Reporting Responsibility

* 1. Approval of Resolution for Planning the Slusher Residence
    Hall Replacement                                      Mr. Dwight Shelton
                                                         Dr. Sherwood Wilson

* 2. Approval of Resolution for Dietrick First Floor and Plaza
    Renovation Supplement                                 Mr. Dwight Shelton
                                                         Dr. Sherwood Wilson

* Requires full Board approval.
Open Session

* 1. Approval of Resolution for Planning the Slusher Residence Hall Replacement: The Committees will review for approval a resolution for planning the capital project for Slusher Residence Hall Replacement.

Slusher Residence Hall was built in 1972 and is approximately 125,860 gross square feet with housing capacity for about 630 students. The facility has received few improvements since its original construction, does not meet student expectations, carries a significant deferred maintenance backlog, and requires frequent repairs that interrupt services.

The university has determined, because of Slusher Hall’s condition, that the facility should be replaced rather than renovated. The university will first build and occupy a new residential facility neighboring the existing Slusher Hall, then demolish and remove Slusher Hall, and, then build a second building on the site. The total bed count of the new facilities will equal or exceed the existing 630 beds with the intention to maximize the number of beds to the extent practical.

This request is for a $3.5 million planning authorization to complete preliminary design documents for the Slusher Hall Replacement project.

* 2. Approval of Resolution for Dietrick First Floor and Plaza Renovation Supplement: The Committees will review for approval a resolution for Dietrick First Floor and Plaza Renovation Supplement.

The Board of Visitors approved the Dietrick First Floor and Plaza renovation project with a $7 million total project cost at its September 11, 2017 meeting. The scope and budget for the project resolution were based on a feasibility study from a consultant and internal reviews. Planning work is underway, and schematic design cost reviews reveal the actual total project costs exceed $7 million for the authorized scope.

The university has reviewed and analyzed each construction cost component of the project at the conclusion of schematic design and determined the total construction costs are $6.8 million. The soft costs for design, project management, inspections,
equipment, furnishings, etc. are $1.5 million. Thus, the total project costs inclusive of design, construction, and equipment are $8.3 million. The university has reviewed and analyzed opportunities for cost controls and determined a major scope reduction, either elimination of the plaza improvements or elimination of the enclosure for the seat expansion, would be necessary to remain within the current $7 million project budget. The full project scope is necessary to meet the needs of the dining program and student expectations. The university has developed a financing plan to support the additional $1.3 million of costs necessary to complete the entire scope of work.

This request is for a $1.3 million supplement to adjust the total authorization for the Dietrick First Floor and Plaza Renovation project to $8.3 million.

* Requires full Board approval.
The overall instructional mission of Virginia Tech is the “education of the whole person” which recognizes that a significant and important part of student education happens outside of the classroom. Slusher Hall was built in 1972 and is approximately 125,860 gross square feet with housing capacity for about 630 students. The facility has received few improvements since its original construction, does not meet student expectations, carries a significant deferred maintenance backlog, and requires frequent repairs that interrupt services.

Attracting high quality students in higher education is competitive, and the Housing program is often a critical factor for students because of its link to quality of life and academic support. The residential program has a long-range plan for renovations to refurbish its housing stock. Replacing Slusher Hall is the next facility on this plan, and is part of the program for the Residential Renovations of 1000 beds by 2024 included on the university’s 2018-2024 Capital Outlay Plan approved by the Board of Visitors on September 17, 2017.

The university has determined, because of Slusher Hall’s condition, that the facility should be replaced rather than renovated. To support strategic enrollment growth goals, the university has developed a strategy to ensure maximum bed counts as soon as possible. Under this strategy, the university will first build and occupy a new residential facility neighboring the existing Slusher Hall, then demolish and remove Slusher Hall, and, then build a second building on the site. The total bed count of the new facilities will equal or exceed the existing 630 beds with the intention to maximize the number of beds to the extent practical. The actual size and occupancy of each component will be determined as part of planning activities.

At this time, the university is requesting a $3.5 million planning authorization to prepare design documents through the preliminary design phase. As with all self-supporting projects, the university has developed a financial plan to provide assurance regarding the financial feasibility of this planning project. This funding plan calls for the temporary use of internal cash resources from the Residential Program reserves. This use will be a temporary loan that may be reimbursed as part of a permanent financing package at such time as the entire project moves forward.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral fund capital outlay projects. This request is for a $3.5 million planning authorization to complete preliminary design documents for the Slusher Hall Replacement project. A subsequent request for full project funding may be submitted after designs are underway and a firm scope, cost, funding, and schedule for the entire project are determined.
RESOLUTION OF A CAPITAL PROJECT FOR
PLANNING THE SLUSHER HALL REPLACEMENT

WHEREAS, Slusher Hall was built in 1972 with a scope of about 125,860 gross square feet and housing capacity for about 630 students; and,

WHEREAS, the facility has received few improvements since its original construction, does not meet student expectations, carries a significant deferred maintenance backlog, and requires frequent repairs that interrupt services; and,

WHEREAS, the university has determined, because of Slusher Hall’s condition, that the facility should be replaced rather than renovated; and,

WHEREAS, to support strategic enrollment growth goals, the university has developed a strategy to ensure maximum bed counts as soon as practical; and,

WHEREAS, the university will first build and occupy a new residential facility neighboring the existing Slusher Hall, then demolish and remove Slusher Hall, and, then build a second building on the site; and,

WHEREAS, the total bed count of the new facilities will equal or exceed the existing 630 beds with the intention to maximize the number of beds to the extent practical; and,

WHEREAS, the university is requesting a $3.5 million planning authorization to complete preliminary design documents and to fund the planning project with 100 percent nongeneral fund resources derived from Residential Program auxiliary revenues; and,

WHEREAS, the university may submit a subsequent request for full project funding after designs are underway and a firm scope, cost, funding, and schedule for the entire project are determined; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and Virginia Tech, the Board of Visitors has authority to approve the budget, size, scope, and overall funding of nongeneral funded major capital outlay projects.

NOW, THEREFORE, BE IT RESOLVED, that the university be authorized to move forward with a $3.5 million planning authorization for the Slusher Hall replacement project.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to plan the Slusher Hall replacement project be approved.

June 4, 2018
Resolution for Planning the Slusher Residence Hall Replacement
June 4, 2018

DWIGHT SHELTON,
SENIOR VICE PRESIDENT FOR OPERATIONS AND ADMINISTRATION-INTERIM

BOB BROYDEN,
ASSOCIATE VICE PRESIDENT FOR CAPITAL ASSETS AND FINANCIAL MANAGEMENT
Resolution for Planning the Slusher Residence Hall Replacement

- The university needs more residential beds to accommodate enrollment growth.
- Slusher Hall (630 beds) is the next residential facility to be renewed.
- Because of its condition, Slusher should be replaced rather than renovated.
- The university can provide a larger facility on the current site.
NOW, THEREFORE, BE IT RESOLVED, that the university be authorized to move forward with a $3.5 million planning authorization for the Slusher Residence Hall replacement project.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to plan the Slusher Residence Hall replacement project be approved.

June 4, 2018
The Board of Visitors approved the Dietrick First Floor and Plaza renovation project with a $7 million total project cost at its September 11, 2017 meeting. The scope and budget for the project resolution were based on a feasibility study from a consultant and internal reviews. Planning work is underway, and schematic design cost reviews reveal the actual total project costs exceed $7 million for the authorized scope.

The university has reviewed and analyzed each construction cost component of the project at the conclusion of schematic design and determined the total construction costs are $6.8 million. The soft costs for design, project management, inspections, equipment, furnishings, etc. are $1.5 million. Thus, the total project costs inclusive of design, construction, and equipment are $8.3 million. The university has reviewed and analyzed opportunities for cost controls and determined a major scope reduction, either elimination of the plaza improvements or elimination of the enclosure for the seat expansion, would be necessary to remain within the current $7 million project budget.

The full project scope is necessary to meet the needs of the dining program and student expectations. The university has developed a financing plan to support the additional $1.3 million of costs necessary to complete the entire scope of work. The plan calls for the use of supplemental debt that will be serviced from Dining Program auxiliary revenues and will impact dining rates by approximately 0.25 percent.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral fund capital outlay projects. This request is for a $1.3 million supplement to adjust the total authorization for the Dietrick First Floor and Plaza Renovation project to $8.3 million.
RESOLUTION OF A CAPITAL PROJECT FOR  
THE SUPPLEMENT OF THE DIETRICK FIRST FLOOR AND PLAZA RENOVATION

WHEREAS, Dietrick Hall, built in 1970, is the largest food service facility located in the south residential core of campus; and,

WHEREAS, the Board of Visitors approved the Dietrick First Floor and Plaza renovation project with a $7 million total project cost at its September 11, 2017 meeting; and,

WHEREAS, the scope and budget for the project resolution were based on a feasibility study from a consultant as well as internal reviews and planning work is underway and schematic design cost reviews reveal the actual total project costs exceed $7 million for the authorized scope; and,

WHEREAS, the university has reviewed and analyzed each construction cost component of the project at the conclusion of schematic design and determined the total construction costs are $6.8 million; and,

WHEREAS, the soft costs for design, project management, inspections, equipment, furnishings, etc. are $1.5 million; thus, the total project costs inclusive of design, construction, and equipment are $8.3 million; and,

WHEREAS, the university has reviewed and analyzed opportunities for cost controls and determined a major scope reduction, either elimination of the plaza improvements or elimination of the enclosure for the seat expansion, would be necessary to remain within the current $7 million project budget; and,

WHEREAS, the full project scope is necessary to meet the needs of the dining program and student expectations. The university has developed a financing plan to support the additional $1.3 million of costs which calls for the use of supplemental debt that will be serviced from Dining Program auxiliary revenues and will impact dining rates by approximately 0.25 percent; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral funded major capital outlay projects.

NOW, THEREFORE BE IT RESOLVED, that the university be authorized to move forward with a $1.3 million supplement to adjust the total project authorization for the Dietrick First Floor and Plaza Renovation project to $8.3 million and to secure temporary short-term financing through any borrowing mechanism that prior to such borrowing has been approved by the Board, as applicable, in an aggregate principal amount not to exceed the $8.3 million authorization, plus related issuance costs and financing expenses.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to supplement and complete the Dietrick First Floor and Plaza Renovation project be approved.

June 4, 2018
Resolution for Dietrick First Floor and Plaza Renovation Supplement
June 4, 2018

DWIGHT SHELTON,
SENIOR VICE PRESIDENT FOR OPERATIONS AND ADMINISTRATION-INTERIM

BOB BROYDEN,
ASSOCIATE VICE PRESIDENT FOR CAPITAL ASSETS AND FINANCIAL MANAGEMENT
Resolution for Dietrick First Floor and Plaza Renovation Supplement

- Schematic designs are complete
- Design-based cost estimates show the total project cost is $8.3 million, or $1.3 million above the initial authorization
- The budget may be managed with a substantial scope cut, or the budget may be supplemented to complete the scope
- The university has a plan to fund the incremental costs and requests to complete the originally envisioned program
NOW, THEREFORE BE IT RESOLVED, that the university be authorized to move forward with a $1.3 million supplement to adjust the total project authorization for the Dietrick First Floor and Plaza Renovation project to $8.3 million and to secure temporary short-term financing through any borrowing mechanism that prior to such borrowing has been approved by the Board, as applicable, in an aggregate principal amount not to exceed the $8.3 million authorization, plus related issuance costs and financing expenses.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to supplement and complete the Dietrick First Floor and Plaza Renovation project be approved.

June 4, 2018
# Open Session Agenda

**COMPLIANCE, AUDIT, AND RISK COMMITTEE**

**110B Classroom Building**  
10:30 a.m. – 11:45 a.m.

**June 3, 2018**

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Motion to Reconvene in Open Session</td>
<td>Ms. Long</td>
</tr>
<tr>
<td>2. Welcome and Introductory Remarks</td>
<td>Mr. Kazmi</td>
</tr>
<tr>
<td>3. Consent Agenda</td>
<td>Mr. Kazmi</td>
</tr>
<tr>
<td>a. Approval of Minutes of the March 25, 2018 Meeting</td>
<td></td>
</tr>
<tr>
<td>b. Update of Responses to Open Internal Audit Comments</td>
<td></td>
</tr>
<tr>
<td>c. Audit Plan Status Report</td>
<td></td>
</tr>
<tr>
<td>d. Internal Audit Reports</td>
<td></td>
</tr>
<tr>
<td>i. Biochemistry</td>
<td></td>
</tr>
<tr>
<td>ii. Controller's Office – Risk Management</td>
<td></td>
</tr>
<tr>
<td>iii. IT: Mobile Device Security</td>
<td></td>
</tr>
<tr>
<td>iv. Telecommunications Operations</td>
<td></td>
</tr>
<tr>
<td>e. Statewide Reviews and Special Reports</td>
<td></td>
</tr>
<tr>
<td>4. Annual External Audit Scope Discussion with the Auditor of Public Accounts</td>
<td>Mr. Reinholtz</td>
</tr>
<tr>
<td>5. Proposed Audit Plan for Fiscal Year 2018-19</td>
<td>Mr. Daniels</td>
</tr>
<tr>
<td>6. Enterprise Risk Management Program</td>
<td>Ms. Kurek</td>
</tr>
<tr>
<td>7. Institutional Compliance Program</td>
<td>Ms. Kurek</td>
</tr>
<tr>
<td>8. Discussion of Future Topics</td>
<td>Mr. Kazmi</td>
</tr>
</tbody>
</table>
Compliance, Audit, and Risk Open Session

1. **Motion to Reconvene in Open Session:** Motion to begin open session.

2. **Welcome and Introductory Remarks:** The chair of the Compliance, Audit, and Risk Committee will provide opening remarks.

3. **Consent Agenda:** The Committee will consider for approval and acceptance the items listed on the Consent Agenda.

   a. **Approval of Minutes of the March 25, 2018 Meeting:** The Committee will review and approve the minutes of the March 25, 2018 meeting.

   b. **Update of Responses to Open Internal Audit Comments:** The Committee will review the university’s update of responses to all previously issued internal audit reports. As of December 31, 2017, the university had six open recommendations. Seven audit comments have been issued during the second quarter of the fiscal year. As of March 31, 2018, the university has addressed five comments, leaving eight open recommendations in progress.

   c. **Audit Plan Status Report:** The committee will review the Audit Plan Status Report. The Office of Audit, Risk, and Compliance (OARC) has completed 58 percent of its audit plan in accordance with the fiscal year 2017-18 annual audit plan.

   d. **Internal Audit Reports:** The following internal audit reports were issued by OARC since the March 25, 2018 meeting. Where applicable, management developed action plans to effectively address the issues in the report with a reasonable implementation timeframe. As noted above, OARC conducts follow-up on management’s implementation of agreed upon improvements for previously issued audit recommendations.

      i. **Biochemistry:** The audit received a rating of improvements are recommended. An audit recommendation was issued where
opportunities for further improvement were noted in the area of laboratory safety training records. A low-priority audit recommendation of a less significant nature was issued where opportunities for further improvement were noted in the area of service center administration.

ii. Controller’s Office – Risk Management: The audit received a rating of improvements are recommended. An audit recommendation was issued where opportunities for further improvement were noted in the area of insurance coverage. Additionally, observations for central administration were noted with respect to inaccurate Graduate Assistant (GAs) subsidies and payroll deductions, and to event management systems.

iii. IT: Mobile Device Security: This review began as a risk-based audit in accordance with the fiscal year 2017-18 audit plan; however, this review was truncated commensurate with the audit planning phase after it was determined that the best use of audit resources was to focus on other projects that had not received such a detailed previous review. A recommendation for continuous improvement was noted in the area of training and outreach related to mobile device security.

iv. Telecommunications Operations: The audit received a rating of improvements are recommended. An audit recommendation was issued where an opportunity for improvement was noted in the area of controls pertaining to the billing and work order system. Additionally, low-priority recommendations of a less significant nature were noted where opportunities for improvement were identified with regards to billing and rate discrepancies and safety training for Network Infrastructure & Services (NI&S) field technicians.

e. Statewide Reviews and Special Reports: This report is related to ongoing and forthcoming statewide reviews. Virginia Tech is subject to reviews by a variety of Commonwealth agencies, including the Auditor of Public Accounts, Office of the State Inspector General, and Virginia Department of Veterans Services.

4. Annual External Audit Scope Discussion with the Auditor of Public Accounts: The Committee will meet with the Auditor of Public Accounts (APA) for a discussion of the scope of the audit of the 2018 financial statements and the APA’s plans for conducting and completing the audit.
5. **Proposed Audit Plan for Fiscal Year 2018-19:** The Committee will review the proposed audits included on the fiscal year 2018-19 annual audit plan. OARC conducted the annual risk assessment after reviewing financial and operational data and seeking input from senior management. In addition, a university-wide information technology risk assessment and audit plan were created in accordance with industry standards. For fiscal year 2018-19, more than 20 audit projects are proposed given current staffing levels, with approximately 75 percent of available resources committed to the completion of planned projects.

6. **Enterprise Risk Management Program:** The Committee will receive an update on the Enterprise Risk Management (ERM) program. OARC developed a framework and facilitated its implementation over the previous months resulting in university leadership’s identification of key residual risks across six thematic areas, documented in the enterprise risk landscape. An overview of a tabletop exercise related to enrollment management will be shared with the committee.

7. **Institutional Compliance Program:** The Committee will receive an update on the institutional compliance program, including the establishment of a compliance oversight committee to coordinate best practices regarding risk assessment and monitoring activities. OARC has distributed communication to key university constituents in establishing committee structures to help ensure collaboration and coordination among compliance activities at the university.

8. **Discussion of Future Topics:** The Committee will discuss topics to be covered in future committee meetings.
The Committee will consider for approval and acceptance the items listed on the Consent Agenda.

a. Approval of Minutes of the March 25, 2017 Meeting
b. Update of Responses to Open Internal Audit Comments
c. Audit Plan Status Report
d. Internal Audit Reports
   i. Biochemistry
   ii. Controller’s Office – Risk Management
   iii. IT: Mobile Device Security
   iv. Telecommunications Operations
e. Statewide Reviews and Special Reports
Closed Session

Committee Members Present: Mr. Mehmood Kazmi (chair), Ms. Tish Long, Mr. Robert Mills Jr., Mr. Horacio Valeiras

Board Members Present: Ms. Debbie Petrine, Mr. Mike Quillen, Mr. Dennis Treacy (rector)

VPI & SU Staff: Mr. Brian Daniels, Ms. Kay Heidbreder, Ms. Sharon Kurek, Dr. Timothy Sands, Mr. M. Dwight Shelton Jr.

1. Motion to Reconvene in Closed Session. Motion to begin closed session.

2. Internal Audit Report.
   The following internal audit report was issued by the Office of Audit, Risk, and Compliance (OARC) since the November 5, 2017 meeting. Where applicable, management developed action plans to effectively address the issue in the reports with a reasonable implementation timeframe. OARC conducts follow-up on management's implementation of agreed upon improvements for previously issued audit recommendations.

   a. Fire Safety Compliance: The audit received a rating of improvements are recommended. An audit recommendation was issued to management related to the performance of required fire evacuation drills. Additionally, an observation for central administration was noted with respect to the perceived role and jurisdictional authority of the Virginia State Fire Marshal's Office at the university. Finally, low-priority recommendations of a less significant nature were noted with regard to the completion of required training courses and inspections.

3. Update on Fraud, Waste, and Abuse Cases: The Committee received an update on outstanding fraud, waste, and abuse cases.
4. **Discussion with the Executive Director of Audit, Risk, and Compliance:** The Executive Director discussed audits of specific departments and units where individual employees were identified.

**Open Session**

**Committee Members Present:** Mr. Mehmood Kazmi (chair), Ms. Tish Long, Mr. Robert Mills Jr., Dr. Hans Robinson (faculty representative), Mr. Horacio Valeiras

**Board Members Present:** Ms. Greta Harris, Mr. C.T. Hill, Ms. Anna James, Mr. Brett Netto (graduate student representative), Mr. Seyi Olusina (undergraduate student representative), Ms. Debbie Petrine, Mr. Mike Quillen, Mr. Dennis Treacy (rector),

**VPI & SU Staff:** Mr. Bill Abplanalp, Mr. Tommy Amal, Mr. Bob Broyden, Ms. Lori Buchanan, Dr. Cyril Clarke, Mr. Al Cooper, Mr. Brian Daniels, Dr. Karen DePauw, Dr. Lance Franklin, Dr. Michael Friedlander, Ms. Kay Heidbreder, Ms. Kina Kelly, Dr. Chris Kiwus, Ms. Sharon Kurek, Dr. Theresa Mayer, Ms. Erin McCann, Ms. Nancy Meacham, Dr. Scott Midkiff, Mr. Ken Miller, Ms. April Myers, Ms. Kim O'Rourke, Mr. Mark Owczarski, Dr. Patty Perillo, Dr. Menah Pratt-Clarke, Dr. Timothy Sands, Ms. Savita Sharma, Mr. M. Dwight Shelton Jr., Dr. Robert Sumichrast, Mr. Jon Clark Teglas, Mr. Steve Vantine, Ms. Tracy Vosburgh, Dr. Sherwood Wilson

1. **Motion to Reconvene in Open Session.** Motion to begin open session.

2. **Welcome and Introductory Remarks.** The chair of the Compliance, Audit, and Risk Committee welcomed committee members and guests and provided opening remarks.

3. **Consent Agenda:** The Committee approved and accepted the items listed on the Consent Agenda.

   a. **Approval of Minutes of the November 5, 2017 Meeting:** The Committee reviewed and approved the minutes of the November 5, 2017 meeting.

   b. **Update of Responses to Open Internal Audit Comments:** The Committee reviewed the university’s update of responses to all previously issued internal audit reports. As of September 30, 2017, the university had 12 open recommendations. Three audit comments have been issued during the
second quarter of the fiscal year. As of December 31, 2017, the university has addressed nine comments, leaving six open recommendations in progress.

c. **Audit Plan Status Report:** The committee reviewed the Audit Plan Status Report. The Office of Audit, Risk, and Compliance (OARC) has completed 29 percent of its audit plan in accordance with the fiscal year 2017-18 annual audit plan.

d. **Internal Audit Reports:** The following internal audit reports were issued by OARC since the November 5, 2017 meeting. Where applicable, management developed action plans to effectively address the issues in the report with a reasonable implementation timeframe. As noted above, OARC conducts follow-up on management’s implementation of agreed upon improvements for previously issued audit recommendations. The committee requested an update at the next meeting on efforts to improve lab safety training compliance as mentioned in several of the audit reports listed below.

   i. **Biomedical Engineering and Mechanics:** The audit received a rating of improvements are recommended. An audit recommendation was issued to management where opportunities for further improvement were noted in the area of lab safety training oversight. Additionally, a low-priority recommendation of a less significant nature was noted with regard to cost transfers.

   ii. **Chemistry:** The audit received a rating of improvements are recommended. An audit recommendation was issued to management where opportunities for further improvement were noted in the area of lab safety training oversight.

   iii. **Research: Lab Safety:** The audit received a rating of improvements are recommended. Low-priority recommendations of a less significant nature were noted with regards to chemical registrations and communication with principal investigators.

   iv. **College of Engineering Compliance Review:** The audit received a rating of improvements are recommended. Audit recommendations were issued to management where opportunities for further improvement were noted in the areas of fiscal responsibility, wage payroll, leave reporting, and emergency preparedness.
v. Vice President for Research and Innovation Compliance Review: The audit received a rating of improvements are recommended. Audit recommendations were issued to management where opportunities for further improvement were noted in the areas of fiscal responsibility, wage payroll, leave reporting, and expenditures.

e. Auditor of Public Accounts Intercollegiate Athletics Programs Report for the Year Ended June 30, 2017: The Committee received a report on the Auditor of Public Accounts (APA) 2017 Intercollegiate Athletics review for fiscal year 2017. The APA performed certain agreed-upon procedures to evaluate whether the Schedule of Revenues and Expenses of the Intercollegiate Athletics Programs for fiscal year ended June 30, 2017, is in compliance with the National Collegiate Athletic Association (NCAA) bylaws. During the APA review, no matters were brought to the APA’s attention that would lead them to believe the amounts of the Schedule of Revenues and Expenses should be adjusted. This review does not constitute an audit and therefore no opinion is issued.

f. Report on Audits of University Related Corporations: The university-related corporations include Virginia Tech Foundation, Inc., Virginia Tech Services, Inc., Virginia Tech Intellectual Properties, Inc., Virginia Tech Applied Research Corporation, Virginia Tech Innovations Corporation, and Virginia Tech India Research and Education Forum. Consistent with the Board of Visitors’ resolution establishing university-related corporations, each corporation is annually required to provide audited annual financial statements, management letters from external auditors, and management’s responses to the university’s president. Each corporation is also required to submit an annual certification stating that all procedures outlined in the resolution have been met. All corporations are in full compliance with the Board of Visitors’ requirements regarding audits.

g. Statewide Reviews and Special Reports: This report is related to ongoing and forthcoming statewide reviews. Virginia Tech is subject to reviews by a variety of Commonwealth agencies, including the Office of the State Inspector General and Virginia Department of Veterans Services.

4. Enterprise Risk Management Program: The Committee received an update on the Enterprise Risk Management (ERM) program. Since receiving the charge to develop an ERM program for Virginia Tech, OARC developed a framework and facilitated its implementation over the previous months resulting in senior
leadership’s identification of key residual risks. In consideration of long-term and strategic organizational objectives, leadership assessed key risks in terms of likelihood of occurrence, significance of impact, and velocity. After consolidation of leadership’s input, six thematic areas emerged as the enterprise risk landscape. The highest rated risks were graphically represented in a heat map.

5. **Internal Audit Reports:** The following internal audit reports were issued by OARC since the November 5, 2017 meeting. Where applicable, management developed action plans to effectively address the issues in the report with a reasonable implementation timeframe. As noted above, OARC conducts follow-up on management’s implementation of agreed upon improvements for previously issued audit recommendations.

   a. **Research: Animal Care and Use:** The audit received a rating of improvements are recommended. Audit recommendations were issued to management where opportunities for further improvement were noted related to vivaria access controls and completion of post approval monitoring tasks. Additionally, low-priority recommendations of a less significant nature were noted with regards to tracking animal use and completion of training requirements.

   b. **Virginia Cooperative Extension – Central District:** The audit received a rating of improvements are recommended. Audit recommendations were issued to management where opportunities for further improvement were noted in the areas fiscal responsibility, wage payroll, leave reporting, expenditures, funds handling, key control, emergency preparedness, and record retention.

6. **Discussion of Future Topics.** The chair of the Compliance, Audit, and Risk Committee thanked committee members and guests for attendance and participation and provided closing remarks on topics to be included in future committee meetings.

There being no further business, the meeting adjourned at 11:45 a.m.
As part of the internal audit process, university management participates in the opening and closing conferences and receives copies of all final audit reports. The audited units are responsible for implementing action plans by the agreed upon implementation dates, and management is responsible for ongoing oversight and monitoring of progress to ensure solutions are implemented without unnecessary delays. Management supports units as necessary when assistance is needed to complete an action plan. As units progress toward completion of an action plan, the Office of Audit, Risk, and Compliance (OARC) performs a follow-up visit within two weeks after the target implementation date. OARC is responsible for conducting independent follow up testing to verify mitigation of the risks identified in the recommendation and formally close the recommendation. As part of management’s oversight and monitoring responsibility, this report is provided to update the Compliance, Audit, and Risk Committee on the status of outstanding recommendations. Management reviews and assesses recommendations with university-wide implications and shares the recommendations with responsible administrative departments for process improvements, additions or clarification of university policy, and inclusion in training programs and campus communications. Management continues to emphasize the prompt completion of action plans.

The report includes outstanding recommendations from compliance reviews and audit reports. Consistent with the report presented at the March Board meeting, the report of open recommendations includes three attachments:

- Attachment A summarizes each audit in order of final report date with extended and on-schedule open recommendations.
- Attachment B details all open medium and high priority recommendations for each audit in order of the original target completion date, and with an explanation for those having revised target dates or revised priority levels.
- Attachment C charts performance in implementing recommendations on schedule over the last seven years. The 100 percent on-schedule rate for fiscal year 2018 reflects closing 23 of 23 recommendations by the original target date.

The report presented at the March 25, 2018 meeting covered audit reports reviewed and accepted through December 31, 2017 and included six open medium and high priority recommendations. Activity for the quarter ended March 31, 2018 resulted in the following:

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open recommendations as of December 31, 2017</td>
<td>6</td>
</tr>
<tr>
<td>Add: medium and high priority recommendations accepted March 25, 2018</td>
<td>7</td>
</tr>
<tr>
<td>Subtract: recommendations addressed since December 31, 2017</td>
<td>5</td>
</tr>
<tr>
<td>Remaining open recommendations as of March 31, 2018</td>
<td>8</td>
</tr>
</tbody>
</table>

While this report is prepared as of the end of the quarter, management continues to receive updates from OARC regarding auditee progress on action plans. Through May 4, 2018, OARC has closed two of the eight outstanding medium and high priority recommendations for an adjusted total of six open recommendations. The remaining open recommendations are progressing as expected and are on track to meet their respective target due dates. Management continues to work conjointly with all units and provides assistance as needed to ensure action plans are completed timely.
## OPEN RECOMMENDATIONS BY PRIORITY LEVEL

**COMPLIANCE, AUDIT, AND RISK COMMITTEE**  
_March 31, 2018_

<table>
<thead>
<tr>
<th>Report Date</th>
<th>Audit Name</th>
<th>Audit Number</th>
<th>Total Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>23-Aug-17</td>
<td>University Policy Review</td>
<td>17-1323</td>
<td>1</td>
</tr>
<tr>
<td>01-Feb-18</td>
<td>Biomedical Engineering and Mechanics</td>
<td>18-1367</td>
<td>1</td>
</tr>
<tr>
<td>02-Feb-18</td>
<td>Chemistry</td>
<td>18-1368</td>
<td>1</td>
</tr>
<tr>
<td>28-Feb-18</td>
<td>Vice President for Research and Innovation</td>
<td>18-1392</td>
<td>1</td>
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<tr>
<td>02-Mar-18</td>
<td>Fire Safety Compliance</td>
<td>18-1371</td>
<td>1</td>
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<tr>
<td>08-Mar-18</td>
<td>College of Engineering</td>
<td>18-1388</td>
<td>1</td>
</tr>
<tr>
<td>09-Mar-18</td>
<td>VCE Central District</td>
<td>18-1382</td>
<td>2</td>
</tr>
</tbody>
</table>

**Totals:**  
- **8** issued  
- **0** completed  
- **0** extended  
- **8** open
## ATTACHMENT B

### Open Audit Recommendations

**COMPLIANCE, AUDIT, AND RISK COMMITTEE**

**March 31, 2018**

<table>
<thead>
<tr>
<th>Report Date</th>
<th>Item</th>
<th>Audit Number</th>
<th>Audit Name</th>
<th>Recommendation Name</th>
<th>Priority</th>
<th>Target Date Original</th>
<th>Target Date Revised</th>
<th>Follow Up Status</th>
<th>Status of Recommendations with Revised Priority / Target Dates</th>
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</thead>
<tbody>
<tr>
<td>02-Feb-18</td>
<td>1</td>
<td>18-1368</td>
<td>Chemistry</td>
<td>Oversight of Lab Safety Training</td>
<td>Medium</td>
<td>02-Apr-18</td>
<td></td>
<td>1</td>
<td></td>
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<tr>
<td>01-Feb-18</td>
<td>2</td>
<td>18-1367</td>
<td>Biomedical Engineering and Mechanics</td>
<td>Oversight of Lab Safety Training</td>
<td>Medium</td>
<td>30-Apr-18</td>
<td></td>
<td>1</td>
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<tr>
<td>09-Mar-18</td>
<td>3</td>
<td>18-1382</td>
<td>VCE Central District</td>
<td>Fiscal Responsibility</td>
<td>Medium</td>
<td>15-Jun-18</td>
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<td>09-Mar-18</td>
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<td>Medium</td>
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<td>08-Mar-18</td>
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<td>College of Engineering</td>
<td>Fiscal Responsibility</td>
<td>Medium</td>
<td>29-Jun-18</td>
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<td>23-Aug-17</td>
<td>6</td>
<td>17-1323</td>
<td>University Policy Review</td>
<td>Policy Governance Strategy</td>
<td>Medium</td>
<td>30-Jun-18</td>
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<tr>
<td>02-Mar-18</td>
<td>7</td>
<td>18-1371</td>
<td>Fire Safety Compliance</td>
<td>Fire Evacuation Drills</td>
<td>Medium</td>
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<td>28-Feb-18</td>
<td>8</td>
<td>18-1392</td>
<td>Vice President for Research and Innovation</td>
<td>Fiscal Responsibility</td>
<td>Medium</td>
<td>30-Aug-18</td>
<td></td>
<td>2</td>
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</table>

**Follow Up Status**

1. As of March 31, 2018, management confirmed during follow up discussions with the Office of Audit, Risk, and Compliance (OARC) that actions are occurring and the target date will be met. OARC will conduct testing after the due date to confirm that the Management Action Plan is implemented in accordance with the recommendations.

2. Target date is beyond current calendar quarter. Management has follow-up discussions with the auditor to monitor progress, to assist with actions that may be needed to meet target dates, and to assess the feasibility of the target date.
ATTACHMENT C

Management Performance and Trends Regarding Office of Audit, Risk, and Compliance Recommendations

COMPLIANCE, AUDIT, AND RISK COMMITTEE

March 31, 2018

Seven Year Trend of Recommendations Closed - On Schedule

FY2012 98% 100% 98% 98% 100% 100% 100%
FY2013 2% 100% 98% 98% 100% 100% 100%
FY2014 2% 2% 98% 98% 100% 100% 100%
FY2015 2% 2% 2% 100% 100% 100% 100%
FY2016 100% 100% 100% 100% 100% 100% 100%
FY2017 100% 100% 100% 100% 100% 100% 100%
FY2018 100% 100% 100% 100% 100% 100% 100%

Presentation Date: June 3, 2018
Audit Plan Status Report
COMPLIANCE, AUDIT, AND RISK COMMITTEE
June 3, 2018

Audit Plan Update
Audits were performed in accordance with the fiscal year 2017-18 annual audit plan at a level consistent with the resources of the Office of Audit, Risk, and Compliance (OARC). Four risk-based audits have been completed since the March board meeting.

Due to personnel turnover and position vacancies held due to budgetary constraints, eight risk-based audits have been canceled or deferred to next fiscal year since we last met, including Biocomplexity Institute of Virginia Tech, Human Resources: Benefits, Hume Center, IT: Third Party Access to University Data, IT: Windows Server Security, Office of International Research Education and Development, School of Public and International Affairs, and University Registrar. Four advisory projects, Government Relations, Fair Labor Standards Act Practices, Title IX Program Policies and Procedures, and Youth Protection Activities, have been canceled or deferred as well.

The following six audit projects are underway: Global Activities, IT: Employee Access Lifecycle, University Scholarships and Financial Aid, Utilization of Endowed Professorship, Department of Athletics compliance review, and Vice President for Advancement compliance review. Additionally, four advisory service projects, requested by management in the areas of Facilities and Administrative Charge Utilization, the Steger Center for International Scholarship, Club Sports, and the Virginia Tech Carilion School of Medicine, are underway.

So far in fiscal year 2017-18, OARC has completed 58 percent of its amended audit plan as depicted in Exhibit 1. While we had 42 projects on the audit plan during the year, we have had to defer or cancel 16 projects (38%) due to seven vacancies equivalent to over 4,500 hours of audit effort.

Exhibit 1
FY 2017-18 Completion of Audit Plan

<table>
<thead>
<tr>
<th>Audits</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total # of Audits Planned</td>
<td>34</td>
</tr>
<tr>
<td>Total # of Supplemental Audits</td>
<td>1</td>
</tr>
<tr>
<td>Total # of Carry Forwards</td>
<td>7</td>
</tr>
<tr>
<td>Total # of Planned Audits Deferred and/or Canceled</td>
<td>16</td>
</tr>
<tr>
<td>Total Audits in Plan as Amended</td>
<td>26</td>
</tr>
<tr>
<td>Total Audits Completed</td>
<td>15</td>
</tr>
<tr>
<td>Audits - Percentage Complete</td>
<td>58%</td>
</tr>
<tr>
<td>Audits - Percentage Complete or Underway</td>
<td>96%</td>
</tr>
</tbody>
</table>

Note: Includes Compliance Reviews and Advisory Services
Background

This report provides a summary of audit ratings issued this period and the full rating system definitions. The following reviews have been completed during this reporting period. The Office of Audit, Risk, and Compliance has made a concerted effort to ensure progress on the annual audit plan.

<table>
<thead>
<tr>
<th>Consent Agenda Reports</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biochemistry</td>
<td>Improvements are Recommended</td>
</tr>
<tr>
<td>Controller’s Office – Risk Management</td>
<td>Improvements are Recommended</td>
</tr>
<tr>
<td>IT: Mobile Device Security</td>
<td>N/A*</td>
</tr>
<tr>
<td>Telecommunications Operations</td>
<td>Improvements are Recommended</td>
</tr>
</tbody>
</table>

*A memorandum was issued to highlight recommendations for continuous improvement after truncation of the project based on results of initial project phases.

Summary of Audit Ratings

The Office of Audit, Risk, and Compliance’s rating system has four tiers from which to assess the controls designed by management to reduce exposures to risk in the area being audited. The auditor can use professional judgment in constructing the exact wording of the assessment in order to capture varying degrees of deficiency or significance.

Definitions of each assessment option

**Effective** – The audit identified opportunities for improvement in the internal control structure, but business risks are adequately controlled in most cases.
**Improvements are Recommended** – The audit identified occasional or isolated business risks that were not adequately or consistently controlled.

**Significant or Immediate Improvements are Needed** – The audit identified several control weaknesses that have caused, or are likely to cause, material errors, omissions, or irregularities to go undetected. The weaknesses are of such magnitude that senior management should undertake immediate corrective actions to mitigate the associated business risk and possible damages to the organization.

**Unreliable** – The audit identified numerous significant business risks for which management has not designed or consistently applied controls prior to the audit. Persistent and pervasive control weaknesses have caused or could cause significant errors, omissions, or irregularities to go undetected. The weaknesses are of such magnitude that senior management must undertake immediate corrective actions to bring the situation under control and avoid (additional) damages to the organization.

**RECOMMENDATION:**

That the internal audit reports listed above be accepted by the Compliance, Audit, and Risk Committee.

June 3, 2018
Statewide Reviews and Special Reports

COMPLIANCE, AUDIT, AND RISK COMMITTEE

June 3, 2018

Background

Virginia Tech is subject to reviews by a variety of Commonwealth agencies, including the Auditor of Public Accounts (APA), the Office of the State Inspector General (OSIG), and others. In addition to the annual audits of the university’s financial statements and its Intercollegiate Athletics program conducted by the APA, Virginia Tech has been included along with other agencies in statewide reviews typically included as part of an agency’s annual work plan. Due to the breadth of the programs and the dollar volume of activities at Virginia Tech, the university is often selected for inclusion in a variety of statewide reviews. The following report provides an analysis of statewide audit activities consistent with the university’s planned approach to manage and report on these audit activities.

OSIG Chemical Inventory Management

In accordance with the Code of Virginia § 2.2-309 [A](10), OSIG conducts performance audits of executive branch state agencies, including colleges and universities, to ensure state funds are spent as intended and to evaluate the efficiency and effectiveness of programs. As previously reported, most recently at the March meeting, all higher education institutions, including Virginia Tech, were originally notified that OSIG will conduct a performance audit at a sampling of Virginia’s colleges and universities during fiscal year 2018. Virginia Tech, among others, was notified in February 2018 of its inclusion for the planning phase of this project centered on chemical inventory management. Virginia Tech subsequently responded to a detailed survey provided by OSIG and will continue to engage in the process as additional communication is received.

Virginia Department of Veterans Services (DVS)

Virginia Tech received notice of its selection in a Compliance Survey, which will be conducted to ensure that schools, training establishments, and their approved courses are in compliance with all applicable provisions of the laws administered by the U.S. Department of Veterans Affairs and State Approving Agency (DVS). This limited scope review will monitor compliance based on a review of records for a specific set of students.
Annual APA Financial Statement Audit

The entrance conference was held with the APA in May for the upcoming annual financial statement audit. The objectives of this APA review include ensuring:

- The financial statements present fairly the financial position, the changes in financial position, and the cash flows for fiscal year 2017-18 in conformity with accounting principles generally accepted accounting principles;
- Disclosures in the financial statements are adequate and fairly stated;
- Management has appropriately reviewed the financial statements, accruals, adjustments and disclosures;
- Adequate internal controls exist over material account balances and transactions;
- and, the University is in compliance with applicable laws, regulations, and provisions of contracts or grant agreements.

The APA encourages the Board of Visitors to provide input regarding the risks they perceive to the University in completing its mission. The Board members can direct their comments to the Audit Committee Chair or Executive Director of Audit, Risk, and Compliance to be forwarded to the APA Project Manager.
APA Audit Management
  o J. Michael Reinholtz, Project Manager (mike.reinholtz@apa.virginia.gov)
  o Meghan Finney, Auditor In-Charge (meghan.finney@apa.virginia.gov)

Audit Period – July 1, 2017 through June 30, 2018

Audit Deadline – November 2018

Audit Objectives, to ensure:
  o The financial statements present fairly the financial position, the changes in financial position, and the cash flows for the 2018 fiscal year in conformity with accounting principles generally accepted in the United States of America.
  o Disclosures in the financial statements are adequate and fairly stated.
  o Management has appropriately reviewed the financial statements, accruals, adjustments and disclosures.
  o Adequate internal controls exist over material account balances and transactions.
  o The University is in compliance with applicable laws, regulations, and provisions of contracts or grant agreements.

Discussion of Risk
  o The APA encourages the Board of Visitors to provide input regarding the risks they perceive to the University in completing its mission. The Board members can direct their comments to the Audit Committee Chair or the Internal Audit Director to be forwarded to the APA Project Manager.
Terms of the Engagement

The Auditor’s (APA) Responsibilities

Overall Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and standards for financial audits contained in the Government Auditing Standards. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Audit Procedures-General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable, rather than absolute assurance, about whether the financial statements are free of material misstatement whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, Government Auditing Standards do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and Government Auditing Standards.

Audit Procedures-Internal Control and Compliance

Our audit will include obtaining an understanding of internal controls, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, we will communicate in writing to management and those charged with governance any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Also, as part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants.
Those charged with governance

We are responsible for communicating significant matters related to the financial statement audit that are, in the auditor's professional judgment, relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. GAAS do not require the auditor to design procedures for the purpose of identifying other matters to communicate with those charged with governance.

Management’s Responsibilities

Our audit will be conducted on the basis that Management acknowledge and understand that they have the following responsibilities:

- Preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America
- Design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
- Identify and ensure compliance with applicable laws, regulations, contracts, and grant agreements
- Informing the APA about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements
- Informing the APA (and others as required by the Code of Virginia § 30-138) of knowledge of any allegations of fraud or suspected fraud affecting the University received in communications from employees, former employees, regulators, or others
- As received, forward copies of each federal audit performed on agency or institution programs or activities to the Auditor of Public Accounts as required by Chapter 836 § 4-8.02 a. of the 2017 Virginia Acts of Assembly. To forward these reports to the Auditor of Public Accounts, use APAFederal@apa.virginia.gov. If the federal report is only available in hardcopy or contains FOIA exempt information, DO NOT email the report, use this same email account to notify the Auditor of Public Accounts of the federal report and provide the contact information of the individual with the report
- Informing the APA of any potential documents that are FOIA exempt
- Ensuring that management is reliable and financial information is reliable and properly recorded
- Making all financial records and related information available to the APA
- Providing the APA with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence
- Responding to audit findings and recommendations, as well as providing your planned corrective actions and the timing and format for providing that information
- Providing the APA at the end of the audit with a written letter confirming certain representations made during the audit
• Adjusting the financial statements to correct material misstatements and providing the APA with a representation that the effects of any uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements taken as a whole
• Preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Audit Committee Responsibilities

• Communicate with APA about audit scope
• Communicate with management and internal audit regarding progress
• Receive reports and findings from management and external audit

Other Elements of the audit process:

Overall planned scope of the audit

Approach to internal control – We review internal controls to identify those areas where we can replace substantive testing with transactional testing. We look for management to have written formal policies and procedures and check for the implementation of those procedures.

Concept of materiality – We do not review all transactions or accounts in detail. We use materiality to focus our work on those financial statement line items and those transactions that are material or significant to the University.

Identification of potential fraud risks

Approach to fraud – Most of our audit is focused on our opinion on the financial statements and materiality. Our primary interest related to fraud would be in how it may affect the financial statements and those controls that the financial statements rely upon. The audit is not designed to detect error or fraud that is immaterial to the financial statements. However, we review policies and procedures for fraud risk and may direct our testwork towards addressing fraud risk.

Responsibility for identifying fraud risks and fraud – Auditing standards require us to assess fraud risk, interview management and staff about their knowledge of fraud and fraud risk, and review exceptions for indications of possible fraudulent transactions. Auditors should be looking for red flag fraud
indicators. Even though government entities are not always profit oriented, the auditors remain vigilant about financial statement fraud.

**Report fraudulent transactions as required by Code of Virginia § 30-138** Agencies are responsible for reporting circumstances that suggest a reasonable possibility that a fraudulent transaction has occurred involving funds or property under their control, where an officer or employee of the state or local government may be involved. Items should be reported to the Auditor of Public Accounts, the State Inspector General, and the Superintendent of State Police.

**Audit Reporting**

We will issue a written report upon completion of our audit of the University’s financial statements. We will make reference to the Component Auditor’s audit of Virginia Tech Foundation, Inc. and Virginia Tech Services Inc. in our report on the University’s financial statements. Our report will be addressed to the Board of Visitors of the University. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph(s). If our opinions on the financial statements are other than unqualified (unmodified), we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by Government Auditing Standards. The report on internal control and compliance will include a statement that the report is intended solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Audit Standards in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.
OVERVIEW

The Office of Audit, Risk, and Compliance (OARC) conducts risk-based assurance engagements, compliance reviews, management advisory services, and investigations. The risk-based assurance engagement is an objective examination of evidence to provide an independent assessment of governance, risk management, and the control systems within the university. The objective of the policy compliance review is to ensure all senior management areas (even low risk) receive periodic reviews from OARC every five years to perform tests of compliance with major university business policies. The nature and scope of management advisory service activities, developed through agreement with the client, add value and improve the university’s governance, risk management, and control processes without the internal auditor assuming management responsibility.

RISK ASSESSMENT PROCESS

Enterprise Risk Assessment (ERM)
The university began a new Enterprise Risk Management (ERM) initiative during fiscal year 2017-18 to provide enhanced visibility into the university’s risks and align strategic planning with the resulting risk awareness. OARC began facilitating the ERM program by working with university leadership to establish the framework for collectively identifying and assessing risks across the enterprise. The ERM program will ultimately strengthen the university’s ability to achieve its mission and strategic objectives by:

- Obtaining a holistic view of the most critical risks to the achievement of Virginia Tech’s mission and objectives;
- Creating a risk-aware culture, including the management of risks to an appropriate level of risk tolerance;
- Improving focus and perspective on both internal and external risks and opportunities, including emerging risks and value drivers;
- Enhancing decision making and alignment with strategic goals; and
- Improve efficiency and optimized allocation of resources through risk prioritization.

University leadership provided feedback for the initial ERM process by assessing the risks in terms likelihood of occurrence, significance of impact, and the velocity of onset, all grouped by the categories depicted below:

<table>
<thead>
<tr>
<th>ERM RISK CATEGORIES</th>
<th>ALTITUDES OF RISK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic</td>
<td>Systemic and Existential</td>
</tr>
<tr>
<td>Financial</td>
<td>Institutional</td>
</tr>
<tr>
<td>Compliance</td>
<td>Unit-Level</td>
</tr>
<tr>
<td>Operational</td>
<td></td>
</tr>
<tr>
<td>Reputational</td>
<td></td>
</tr>
</tbody>
</table>

In order to maximize efficiency and engagement from university senior leadership, OARC leveraged this complimentary process as an element of the traditional annual risk assessment in support audit plan development.
OARC Audit Planning Risk Assessment

University departments and administrative operations were grouped into approximately 175 auditable entities or responsibility centers based on common missions and the existing organizational structure. For each auditable entity, OARC reviewed financial data, including expenditures, revenues, cash receipts, federal contracts and grants, and total employees.

The relative business risk was assessed on a judgmental basis for the following qualitative and quantitative factors.

<table>
<thead>
<tr>
<th>RISK FACTORS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality and Stability of Control Environment</td>
</tr>
<tr>
<td>Business Exposure (Materiality and Liquidity of Operational Resources)</td>
</tr>
<tr>
<td>Public and Political Sensitivity</td>
</tr>
<tr>
<td>Compliance Requirements</td>
</tr>
<tr>
<td>Information Technology and Management Reporting</td>
</tr>
</tbody>
</table>

Elements considered within these factors included:
- Management’s awareness of internal controls;
- Stability and expertise of management;
- Interval since the last audit review;
- Complexity of operations and technology applications;
- Materiality or financial impact to the university;
- Potential impact to reputation;
- Impact of noncompliance with internal and external policy, procedure, regulatory, and statutory requirements; and
- Reliance on information and management reporting for operating decisions, monitoring performance, providing services, and allocating resources.

The chart depicts the results of the risk assessment classifications. The risk assessment results were consistent with previous risk assessments conducted by OARC.

IT Risk Assessment

OARC has also created a university-wide information technology (IT) risk-based audit plan mapped to the ISO 27002 standard, a best practice for developing and maintaining enterprise-wide IT security that is also referenced by university policies. OARC consulted with key IT personnel to ensure that audit coverage is maximized and properly targeted.
The assessment of IT and business operations at the university identified four high-level risk domains intended to encapsulate the vast majority of the systems and computing environments within the university as follows:

- Student Systems;
- Finance and Administrative Systems;
- Human Resources Systems; and
- Research Systems.

The IT audit approach includes a variety of topical audits to gain a better understanding of the university-wide environment instead of narrowly focusing on the performance of individual departments. This approach also allows OARC to maintain current knowledge of the IT security and operating conditions in a dynamic industry through the constant evaluation and reassessment of planned audit engagements.

**CORE AUDIT PLAN**

OARC has identified certain critical areas for inclusion in the core audit plan to ensure that adequate coverage is provided over a reasonable time. To obtain additional insight and validate the plan, one-on-one discussions were conducted with senior leadership to identify reputation factors, regulatory changes, organization shifts, new initiatives, and deployment of new systems or technology tools.

The critical areas for core audit plan inclusion are:

- Academic Units
- Auxiliary Enterprises and Athletics
- Campus Safety and Security
- Enrollment Services
- Facilities and Operations
- Financial Management
- Human Resources
- Information Technology
- Off-Campus Locations
- Research
- Student Services

The core audit plan includes several multi-year audits that will allow for annual reviews of selected components of the entities with high external compliance risk and complex operations. These entities are University Scholarships and Financial Aid, Research, Human Resources, and Intercollegiate Athletics.

**FISCAL YEAR 2018-19 AUDIT PLAN**

The audit plan focuses on delivering value to Virginia Tech with an emphasis on the following risk areas: strategic, operational, financial, compliance, and IT. If new topics emerge during the audit plan period that require more immediate attention, reconfiguration of the plan can be undertaken to accommodate these changes. OARC’s goal is to complete 85 percent of the audit plan. As each audit is undertaken, risks will be re-evaluated to ensure proper audit coverage with consideration of confidentiality,
integrity, and availability. Annual expenditures and revenues referenced below reflect fiscal year 2016-17 data unless otherwise noted.

At the direction of the Board of Visitors, significant effort has gone into the development of a more senior staff within the internal audit function. This effort has been generally successful; however, budgetary considerations have not necessarily kept pace with these efforts. This factor, combined with the continued general migration of audit staff to promotional opportunities in management across the university, requires the Draft Audit Plan to be tempered. As such, you will see the 21 projects we have on the audit plan for this year, as well as 8 projects that would have been included on the plan if the office were able to maintain its prior staffing levels.

### Risk-Based Assurance

<table>
<thead>
<tr>
<th>Planned Engagement</th>
<th>Overview</th>
<th>Risk Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Athletics *</td>
<td>The Department of Athletics (Athletics), with 22 varsity sports at the NCAA Division I level, monitors and supports more than 550 student-athletes each academic year. Athletics had operating revenues of approximately $87.4 million and total operating expenses of approximately $90.7 million. The Office of Audit, Risk, and Compliance conducts various components of a complete audit of Athletics over a five-year period.</td>
<td>Compliance – Athletics</td>
</tr>
<tr>
<td>Americans with Disabilities Act (ADA) Compliance</td>
<td>Virginia Tech is committed to equal opportunity in employment and education for individuals with disabilities and complies with the Americans with Disabilities Act, as amended, and Section 504 of the Rehabilitation Act of 1973. ADA and Accessibility Services consults with colleges and departments both on and off campus to ensure equal opportunity for individuals with disabilities. Employees with disabilities may be entitled to reasonable accommodations under Title 1 of the Americans with Disabilities Act. Given the applicability to students, the Services for Students with Disabilities office also has a role in helping to ensure reasonable accommodations and ADA compliance. ADA compliance has not previously received a focused review.</td>
<td>Compliance – Human Resources and Student Services</td>
</tr>
<tr>
<td>Human Resources: Benefits*</td>
<td>Human Resources administers the commonwealth benefits program and provides benefit management and guidance for approximately 7,500 faculty and staff. The benefits program is an integral part of the university's employee compensation package and includes health insurance, leave, legal resources, retirement plans through the Virginia Retirement System, tuition assistance, and workers compensation. This function was last reviewed in 2011.</td>
<td>Operational – Human Resources</td>
</tr>
<tr>
<td>Hume Center</td>
<td>The mission of the Ted and Karyn Hume Center for National Security and Technology (Hume Center) is to cultivate the next generation of national security leaders by developing and executing curricular, extracurricular, and research opportunities to engage students. Jointly operating in the National Capital Region and the Blacksburg campuses, Hume Center research activities principally focus on cybersecurity, resilience, and autonomy challenges faced by the national security and homeland security communities. While not officially established in its current format until 2010, organizational oversight of the Hume Center has transitioned several times since inception. Research expenditures</td>
<td>Operational – Research</td>
</tr>
<tr>
<td>Planned Engagement</td>
<td>Overview</td>
<td>Risk Area</td>
</tr>
<tr>
<td>--------------------</td>
<td>----------</td>
<td>-----------</td>
</tr>
<tr>
<td>**Planned Engagement</td>
<td>Overview</td>
<td>Risk Area</td>
</tr>
<tr>
<td><strong>Overview</strong></td>
<td><strong>Risk Area</strong></td>
<td><strong>totaled approximately $6.6 million.</strong> Elements of the Hume Center’s activity have been previously reviewed; however, there has not yet been a focused audit.</td>
</tr>
<tr>
<td><strong>IT: Controlled Unclassified Information (CUI) and Secure Research Environment (SRE)</strong></td>
<td><strong>CUI</strong> is defined as information that requires safeguarding or dissemination controls pursuant to and consistent with applicable law, regulations, and government-wide policies but is not deemed as classified. The federal security requirements apply only to components of nonfederal systems that process, store, or transmit CUI when it resides in nonfederal systems and/or organizations such as Virginia Tech. The offices of Collaborative Computing Solutions within the Division of IT and the Office of Export and Secure Research Compliance within the Division of Research and Innovation jointly developed the SRE to allow for sponsored research projects working with covered data sets to be processed, stored, and transmitted with appropriate and required security considerations in place. Although a previous advisory review was done during the establishment of this project, a dedicated review has not yet occurred.</td>
<td><strong>Compliance – Research</strong></td>
</tr>
<tr>
<td><strong>IT: Industrial Control Systems</strong></td>
<td>Industrial Control Systems (ICS) is a general term that encompasses several types of systems and instrumentation related to industrial processes. At Virginia Tech, this may include operations related to power generation and distribution among other areas. Given the growing complexity of industrial environments, it is important that organizations make an effort to adequately protect against digital threats. Doing so requires a multi-step approach that focuses on network security, server security, and device-level security. ICS has not previously received a dedicated review.</td>
<td><strong>Information Technology</strong></td>
</tr>
<tr>
<td><strong>IT: Third-Party Access to University Data</strong></td>
<td>In addition to mandatory submission of data to third parties, the university has procured entire systems and services through outsourcing agreements to host and process institutional data. Examples include an outsourced e-commerce system for procuring goods or services and systems intended to meet federal immigration requirements. In addition to these high-visibility centrally purchased systems, there may be departmental systems outside of the university environment that may have highly sensitive data, yet have not been approved by central administration due to long-term existence or relatively low financial impact. This audit is intended to identify and review the security of university data in outsourced systems as well as other third-party vendor access to data. The outsourced environment was last audited in 2013.</td>
<td><strong>Information Technology</strong></td>
</tr>
<tr>
<td><strong>Maintenance Reserve</strong></td>
<td>Maintenance Reserve work is described as any major repair or replacement with a cost of $25,000 to $1 million to a fixed component of existing physical plant or property intended to extend the useful life of an asset in its current form. The first priority of Maintenance Reserve is to maintain the integrity of a building envelop to prevent intrusion of weather and natural elements, which can quickly destroy a building beyond repair when allowed to progress unchecked. Thus, repairs of roofs, windows, and building skin are considered the first priority for the use of these resources. Maintenance Reserve projects are generally not intended to enhance, upgrade, or otherwise improve plant, property, or equipment. Maintenance Reserve is a significant</td>
<td><strong>Operational – Facilities</strong></td>
</tr>
<tr>
<td>Planned Engagement</td>
<td>Overview</td>
<td>Risk Area</td>
</tr>
<tr>
<td>--------------------</td>
<td>----------</td>
<td>-----------</td>
</tr>
<tr>
<td>Office of the University Bursar</td>
<td>The Office of the University Bursar (OUB) has the responsibility of providing timely and accurate billings to students and general users of the university's services and ensuring that payments and credits are received and properly applied to each customer's account in a timely manner. The specific responsibilities of this department include: providing timely and accurate billings to students and general users of the university's services and ensuring that payments and credits are received and properly applied to each customer's account in a timely manner, receipt and timely application of all other cash payments made to the university, disbursement of payroll, all university payables, Perkin's loan fund repayment, collection of delinquent accounts and notes receivable, and administration of the Budget Tuition Program. The Office of the University Registrar also partners closely with University Scholarships and Financial Aid in the administration of scholarships for students. The last audit of OUB was in 2012.</td>
<td>Financial – Financial Management</td>
</tr>
<tr>
<td>Research: Grant Management *</td>
<td>In addition to safety and other compliance matters, the university's research portfolio requires significant fiscal oversight and management. Principal Investigators (PIs) are responsible for monitoring the day-to-day fiscal performance and technical progress of their sponsored award. Proper monitoring practices for PIs include: assuring salaries and equipment are charged accurately, tracking budget reports carefully, noting any restrictions placed by the sponsor on the expenditure of awarded funds. Additional considerations requiring active management and oversight from PIs and their departments include cost sharing, which is a financial commitment by the university to share in the funding of a sponsored activity. Various elements of this topic have been included in various distributed reviews, but this broad centralized approach will leverage data analysis in a manner not previously conducted.</td>
<td>Financial – Research</td>
</tr>
<tr>
<td>Research: Subrecipient Monitoring *</td>
<td>The Office of Sponsored Programs functions as the steward of Virginia Tech's research portfolio and is responsible for ensuring that all research proposals and projects comply with university, federal, and sponsor regulations, policies, and procedures. A Subrecipient refers to a recipient that receives a subaward or subcontract from a pass-through entity to carry out part of a program. Subrecipient monitoring guidelines and responsibilities are shared among PIs, departmental administrators, OSP personnel, and the OSP Subrecipient Monitoring Committee. This topic is a significant federal compliance area requiring close attention to ensure compliance and avoid significant financial or other penalties. This topic has not previously received a targeted review.</td>
<td>Compliance – Research</td>
</tr>
<tr>
<td>School of Public and International Affairs</td>
<td>The School of Public and International Affairs (SPIA), operating within the College of Architecture and Urban Studies, offers degree programs in the Center for Public Administration and Policy, Government and International Affairs, and Urban Affairs and Planning. Research initiatives are carried out by the Metropolitan Institute in the National Capital Region and the Institute for Policy</td>
<td>Operational – Academic</td>
</tr>
<tr>
<td>Planned Engagement</td>
<td>Overview</td>
<td>Risk Area</td>
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<tr>
<td>and Governance at the Blacksburg campus. Total expenditures were approximately $9.2 million, while revenue was just over $2.2 million. SPIA has not previously received a dedicated review.</td>
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</tr>
<tr>
<td>Student Medical Insurance Reimbursement Program</td>
<td>The Student Medical Insurance office within Insurance and Risk Management has overseen the reimbursement of students related to overpayments for insurance premiums based on inflated rates charged to Virginia Tech students by third parties during the period of 2003-2011. Reimbursements have been based upon a percentage of each student's actual recorded payment toward their health insurance coverage. The university has worked with an outside entity to manage the repayment of affected individuals. This review will focus on the closeout of the reimbursement program.</td>
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<tr>
<td>Compliance – Financial Management</td>
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<tr>
<td>Title IX Compliance</td>
<td>Maintaining a campus free of sex discrimination, including sexual misconduct and sexual harassment, is important for all students and employees. Title IX of the Education Amendments (1972) prohibits discrimination on the basis of sex in any educational program or activity that receives federal financial assistance. Failure to comply with Title IX can include the termination of all or part of a university's federal funding. This includes grants, subsidies, and other program funds from the federal government. In addition to the loss of federal funds, universities may be sued by those seeking redress for violations of Title IX. It is essential that institutions receiving federal financial assistance operate in a nondiscriminatory manner. Although external reviews have occurred, this topic has not previously received a dedicated review.</td>
<td></td>
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<tr>
<td>Compliance – Campus Safety and Security</td>
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<tr>
<td>University Building Official</td>
<td>Virginia Tech has its own University Building Official serving as the authority having jurisdiction for projects governed by the Virginia Uniform Statewide Building Code and administered directly by the university on campus and the sites throughout the Commonwealth owned by the university. The Office of the University Building Official provides technical engineering and code related support and serves as the primary liaison with outside regulatory agencies, working closely with them on code issues that affect the design, construction, and ultimately the approval to occupy a new university facility or maintain existing facilities. The last dedicated review of this topic was in 2015.</td>
<td></td>
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<tr>
<td>Operational – Facilities</td>
<td></td>
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</tr>
<tr>
<td>University Registrar</td>
<td>The Office of the University Registrar provides many services, including academic records maintenance for more than 33,000 current students across 250 undergraduate and graduate degree programs. Other areas of responsibility include data stewardship; data integrity; ensuring compliance with all agency, state, and federal regulations; and development of semester course offerings. The last dedicated review of this office was in 2012.</td>
<td></td>
</tr>
<tr>
<td>Operational – Enrollment Services</td>
<td></td>
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<tr>
<td>University Scholarships and Financial Aid*</td>
<td>The Office of University Scholarships and Financial Aid (USFA) supports the university's student access, enrollment, and retention goals by providing the financial means to encourage economic, social, cultural, and academic diversity in the student body. USFA provided or monitored approximately $462 million in student financial assistance. A complete audit of the various activities within USFA is performed over a four-year period.</td>
<td></td>
</tr>
<tr>
<td>Compliance – Enrollment Services</td>
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</tbody>
</table>

* Entity receives an annual audit on different components of their operation.
University Policy Compliance Reviews
OARC will continue its program of limited scope reviews of senior management areas. These surveys review major aspects of a department’s administrative processes using internal control questionnaires and limited testing that provides broad audit coverage ensuring compliance with university policies on campus.

<table>
<thead>
<tr>
<th>Planned Engagement</th>
<th>Overview</th>
<th>Risk Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>College of Agriculture and Life Sciences</td>
<td>The College of Agriculture and Life Sciences, with 12 academic departments and more than 2,700 students, offers a diverse range of degree programs ranging from an associate’s program in Agricultural Technology to doctoral programs. CLAHS had $139.8 million in expenditures including $44.3 million in sponsored research. The last policy compliance audit of this area was in 2014.</td>
<td>Operational</td>
</tr>
<tr>
<td>Vice President and Dean for Graduate Education</td>
<td>The Virginia Tech Graduate School is responsible for the development, administration, and evaluation of graduate education throughout the university and administers all graduate degrees. The Graduate School currently offers more than 150 master’s and doctoral programs for over 7,000 students at multiple locations throughout the Commonwealth of Virginia, through partnerships with the University of Maryland and Wake Forest University, and at several international sites. The last policy compliance audit of this area was in 2014.</td>
<td>Operational</td>
</tr>
<tr>
<td>Vice President for Student Affairs</td>
<td>The Division of Student Affairs is committed to the growth, development, and achievement of students at Virginia Tech. This organization works closely with academic colleagues to support students as they learn to be successful and effective leaders in the emerging global community. The division employs approximately 3,600 faculty and staff. The last policy compliance audit of this area was in 2014.</td>
<td>Operational</td>
</tr>
</tbody>
</table>

Management Advisory Services

<table>
<thead>
<tr>
<th>Planned Engagement</th>
<th>Overview</th>
<th>Risk Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>School of Plant and Environmental Sciences</td>
<td>The School of Plant and Environmental Sciences will be a national and international leader for improving human well-being and quality of life through learning, discovery, and engagement in plant and environmental sciences. The school will integrate three existing departments that share certain mission elements: Crop and Soil Environmental Sciences; Horticulture; and Plant Pathology, Physiology, and Weed Science. These units, with $8 million in research and $23 million in total expenditures, already share cross-cutting interdisciplinary research and will be further connected through undergraduate curricula and linked graduate programs, as well as through statewide research, extension, and outreach activities. This review is intended to assess initial control structure for the operations of the new school as it continues establishment.</td>
<td>Operational – Academic</td>
</tr>
<tr>
<td>Youth Protection Activities</td>
<td>The university is committed to the safety and welfare of its students, employees, and visitors through the establishment of practices that support a safe and secure environment in all buildings and grounds owned, controlled, or leased by Virginia Tech, including satellite locations, as well as promoting safety through policies and programs. Administrators, employees, students, volunteers, and others working with minors (children under the age of 18) have a responsibility to promote their protection.</td>
<td>Operational – Campus Safety and Security</td>
</tr>
<tr>
<td>Activity</td>
<td>Overview</td>
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<tr>
<td>Special Projects</td>
<td>Investigate fraud, waste, and abuse allegations.</td>
<td></td>
</tr>
<tr>
<td>Annual Audit Activities (Follow-up, Inventory)</td>
<td>Conduct follow-up audit procedures to ensure that management is implementing controls as described within their responses to audit report recommendations. Assist management with year-end inventory counts for financial statement verifications.</td>
<td></td>
</tr>
<tr>
<td>External Audit Coordination</td>
<td>Manage and serve as the liaison for all external audit services including contracted and regulatory-imposed audits.</td>
<td></td>
</tr>
<tr>
<td>Quality Assurance</td>
<td>OARC will undergo a mid-cycle review of its Quality Assurance and Improvement program to assess operations and practices with applicable standards. Additional effort will go into internal assessment to ensure the most effective and efficient procedures are in place and identify means of improving overall performance.</td>
<td></td>
</tr>
</tbody>
</table>

**ADDITIONAL AUDIT COVERAGE PENDING RESOURCES**

With additional resources, the following projects would have been included for the fiscal year 2018-19 audit plan. Otherwise, these projects will be considered for inclusion on the fiscal year 2019-20 plan.

<table>
<thead>
<tr>
<th>Planned Engagement</th>
<th>Overview</th>
</tr>
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<tbody>
<tr>
<td>College of Natural Resources and Environment</td>
<td>The College of Natural Resources and Environment (CNRE) is comprised of four academic departments containing eight undergraduate majors and is the only college specializing in natural resource education, research, and outreach in Virginia. CNRE had expenditures of $33.9 million including $16.5 million in sponsored research. The last policy compliance audit of this area was in 2014.</td>
</tr>
<tr>
<td>Contract Approval and Delegated Authority</td>
<td>The Vice President for Finance and Chief Financial Officer is designated as the university's Chief Contracting Officer by the Board of Visitors, but has also been authorized to delegate signature authority. All contractual agreements must be reviewed by University Legal Counsel prior to execution, and may also require a review from the IT Security Office. University policy delegates to department heads the authority to enact purchases of goods and services valued up to $2,000 per transaction. Department heads are responsible for the correct exercise of delegated purchasing authority and must ensure that personnel are properly trained and supervised, that all rules and procedures are followed, and that prices being paid are fair and reasonable. A focused review of this topic had not previously been conducted.</td>
</tr>
<tr>
<td>Eastern Shore AREC</td>
<td>Virginia Tech's Eastern Shore Agricultural Research Extension Center (AREC) is committed to supporting commercial vegetable and agronomic crop production. The center sits on a 226-acre farm that hosts an office complex, laboratories, equipment buildings, garages, a greenhouse, graduate student housing, a large freshwater pond, and woodland areas. More than 25 agricultural crops are grown annually for research and extension studies. This unit has not previously received a dedicated review.</td>
</tr>
<tr>
<td>GDPR</td>
<td>The General Data Protection Regulation (GDPR) (EU) 2016/679 is a regulation in EU law on data protection and privacy for all individuals within the European Union. It addresses the export of personal data outside the EU. This advisory review will develop a</td>
</tr>
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</table>
## Planned Engagement

<table>
<thead>
<tr>
<th>Overview</th>
<th>Risk Area</th>
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<tbody>
<tr>
<td>more complete understanding of the applicability and impact to the university and assess the continuing efforts by various university constituents.</td>
<td></td>
</tr>
<tr>
<td><strong>Graduate Education</strong></td>
<td>Operational – Enrollment Services</td>
</tr>
<tr>
<td>The Virginia Tech Graduate School is responsible for the development, administration, and evaluation of graduate education throughout the University, and administers all graduate degrees. The Graduate School currently offers more than 150 master's and doctoral programs for over 7,000 students at multiple locations throughout the Commonwealth of Virginia, through partnerships with the University of Maryland and Wake Forest University, and at several international sites. The last dedicated review was in 2013.</td>
<td></td>
</tr>
<tr>
<td><strong>IT: Windows Server Security</strong></td>
<td>Information Technology</td>
</tr>
<tr>
<td>Servers are used widely to perform a variety of tasks, from network attached file storage or collaborative database hosting to processing email or print requests. As such, servers often present significant risks when not properly secured. A large percentage of the university’s servers operate on the Windows platform. Focus will be on Windows Server security across the university including distributed locations, in various administrative, academic, and research departments. Windows Server security was last audited in 2014.</td>
<td></td>
</tr>
<tr>
<td><strong>Licensing and Trademarks</strong></td>
<td>Financial – Auxiliary</td>
</tr>
<tr>
<td>University Relations, within the Division of Advancement, promotes and protects the Virginia Tech brand through appropriate use of the university's trademarks. Licensing and Trademarks approves internal use of trademarks and administers a licensed collegiate merchandise program through a partnership with IMG Licensing. Licensing and Trademarks had revenues of $1.8 million and was last reviewed in 2009.</td>
<td></td>
</tr>
<tr>
<td><strong>Parking and Transportation</strong></td>
<td>Operational – Auxiliary Enterprise</td>
</tr>
<tr>
<td>Virginia Tech has more than 16,400 parking spaces, a motorist assistance program, a fleet of approximately 300 vehicles, and a robust and award-winning alternative transportation program that includes daily shuttles from the Blacksburg campus to the Virginia Tech Carilion Research Institute in Roanoke as well as to the National Capital Region. In addition to the 33,000 students and 13,000 employees, an estimated 60,000 alumni, parents, and community members visit the campus each year. This area had $6.5 million in revenue and last received a dedicated review in 2014.</td>
<td></td>
</tr>
</tbody>
</table>

## AUDIT RESOURCES

The audit plan for fiscal year 2018-19 is based on professional staffing of 11 full-time equivalents (FTEs). This is a reduced figure from prior years with two positions held vacant to cover other unfunded expenses, as relative seniority for audit staff has been prioritized when filling positions at the urging of the audit committee. Staffing will continue to be augmented by the continuation of the student internship program in which 2-3 Virginia Tech students are employed.

Approximately 75 percent of OARC’s available resources are committed to the completion of planned audit projects, management advisory reviews, and investigations. The annual
Audit plan is designed to provide appropriate coverage utilizing a variety of audit methodologies including audits of individual units, functional and process audits, university-wide reviews, and information system projects. OARC conducts follow-up audit procedures throughout the year to ensure that management is implementing controls as described within their responses to audit report recommendations.

Audit resources are allocated as follows:
- 52 percent of the OARC’s available resources are committed to the completion of planned audit projects and follow-up audit procedures.
- 10 percent to accommodate requests from management and consultations with university departments.
- 11 percent to conduct investigations into fraud, waste, and abuse allegations.
- 14 percent for employee professional development, internal quality improvement projects, and other internal administrative functions.
- 13 percent for compensated absences such as annual, sick, and holiday leave.

**AUDIT PLAN MAPPED TO ERM**

As part of the ERM program, university leadership recently identified key residual risks across six thematic areas. The graphic below depicts how planned projects will provide audit coverage of enterprise risks.

**ENTERPRISE RISK LANDSCAPE**
The Office of Audit, Risk, and Compliance (OARC) conducts:

- Risk-Based Assurance Engagements
- Policy Compliance Reviews
- Management Advisory Services
- Investigations

Annual risk assessment process informs and guides the development of the audit plan for the next fiscal year.
Components of the annual risk assessment process included:

- **ERM**
  - Separate but related university initiative
  - Incorporates perspective of university leadership

- **OARC Audit Planning Risk Assessment**
  - Approximately 175 auditable entities
  - Control Environment, Business Exposure, Public Sensitivity, Compliance Requirements, Information Technology & Management Reporting

- **IT Risk Assessment**
  - Variety of systems and technologies to include emerging topics
  - Mapped to ISO 27002 standard
OARC has identified certain critical areas for inclusion in the core audit plan to ensure that adequate coverage is provided over a reasonable time. The critical areas for core audit plan inclusion are:

- Academic Units
- Auxiliary Enterprises and Athletics
- Campus Safety and Security
- Enrollment Services
- Facilities and Operations
- Financial Management
- Human Resources
- Information Technology
- Off-Campus Locations
- Research
- Student Services
RISK-BASED AUDIT PROJECTS

The audit plan focuses on strategic, operational, financial, compliance, and IT risks. The audit plan will be reconfigured as needed when new topics requiring more immediate attention emerge.

<table>
<thead>
<tr>
<th>Athletics *</th>
<th>Research: Grant Management *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americans with Disabilities Act (ADA) Compliance</td>
<td>Research: Subrecipient Monitoring *</td>
</tr>
<tr>
<td>Human Resources: Benefits*</td>
<td>School of Public and International Affairs</td>
</tr>
<tr>
<td>Hume Center</td>
<td>Student Medical Insurance Reimbursement Program</td>
</tr>
<tr>
<td>IT: Controlled Unclassified Information (CUI) and Secure Research Environment (SRE)</td>
<td>Title IX Compliance</td>
</tr>
<tr>
<td>IT: Industrial Control Systems</td>
<td>University Building Official</td>
</tr>
<tr>
<td>IT: Third-Party Access to University Data</td>
<td>University Registrar</td>
</tr>
<tr>
<td>Maintenance Reserve</td>
<td>University Scholarships and Financial Aid*</td>
</tr>
<tr>
<td>Office of the University Bursar</td>
<td>* Entity receives an annual audit on different components of their operation</td>
</tr>
</tbody>
</table>
OARC will continue its program of limited scope reviews of senior management areas. These surveys review major aspects of a department’s administrative processes using internal control questionnaires and limited testing that provides broad audit coverage ensuring compliance with university policies on campus.

<table>
<thead>
<tr>
<th>College of Agriculture and Life Sciences</th>
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</thead>
<tbody>
<tr>
<td>Vice President and Dean for Graduate Education</td>
</tr>
<tr>
<td>Vice President for Student Affairs</td>
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</tbody>
</table>
MANAGEMENT ADVISORY SERVICES

The nature and scope of management advisory service activities, developed through agreement with the client, add value and improve the university’s governance, risk management, and control processes without the internal auditor assuming management responsibility.

| School of Plant and Environmental Sciences |
| Youth Protection Activities               |
With additional resources, the following projects would have been included for the fiscal year 2018-19 audit plan. Otherwise, these projects will be considered for inclusion on the fiscal year 2019-20 plan.

<table>
<thead>
<tr>
<th>Project</th>
<th>Category</th>
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<tbody>
<tr>
<td>College of Natural Resources and Environment (Compliance Review)</td>
<td>Graduate Education</td>
</tr>
<tr>
<td>Contract Approval and Delegated Authority</td>
<td>IT: Windows Server Security</td>
</tr>
<tr>
<td>Eastern Shore AREC</td>
<td>Licensing and Trademarks</td>
</tr>
<tr>
<td>General Data Protection Regulation (GDPR) (Advisory Review)</td>
<td>Parking and Transportation</td>
</tr>
</tbody>
</table>
AUDIT RESOURCES

- **Audit Plan** - professional staffing of 11 FTEs
  - 2 positions held vacant to cover other unfunded expenses
  - Relative seniority for audit staff prioritized when filling positions at the urging of the audit committee

- **Student internship program** - hire 2-3 Virginia Tech students

- **OARC’s available resources are allocated as follows:**
  - 52% - completion of audit projects and follow-up
  - 10% - accommodate management requests
  - 11% - conduct investigations into fraud, waste, and abuse allegations
  - 14% - professional development, internal quality improvement, and administration
  - 13% - compensated absences such as annual, sick, and holiday leave
ENTERPRISE RISK LANDSCAPE

ACADEMIC
- Faculty & Staff
  - Recruitment & Retention

CAMPUS CULTURE AND CLIMATE
- Leadership & Governance

EXTERNAL ENVIRONMENT
- Legal & Regulatory

FINANCIAL
- Federal & State Funds

RESEARCH
- Research Compliance

UNIVERSITY OPERATIONS
- Expanding Physical Footprint

Global Engagement
- Athletics

Socio-Political Environment
- Tuition Dependency

Competitive Growth
- Safety & Security

Evolving Pedagogy & Delivery
- Title IX

Partners
- Resource Management

Integrity & Conflicts of Interest
- IT Security & Operations

Enrollment Management
- Diversity & Inclusion

Alumni & Friends
- Advancement

Restricted Research
- Infrastructure & Facilities

Academic Quality
- Student Experience

Accreditation
- Endowment Management

Intellectual Property
- Disaster Recovery & Business Continuity

REPUTATIONAL / COMPLIANCE
QUESTIONS?
ENTERPRISE RISK MANAGEMENT (ERM) PROGRAM UPDATE

June 3, 2018

Sharon Kurek
Executive Director of Audit, Risk, and Compliance
ERM TIMELINE

BOV

1. CHARGE & ERM OVERVIEW
   SEPTEMBER 2017
2. ERM FRAMEWORK
   NOVEMBER 2017
3. KEY RISKS IDENTIFIED
   MARCH 2018
4. OVERVIEW OF KEY RISKS
   JUNE 2018
5. OVERVIEW OF KEY RISKS
   AUGUST 2018

MGT

1. BENCHMARKING WITH PEERS & FRAMEWORK DEVELOPMENT
2. FACILITATING ERM FRAMEWORK IMPLEMENTATION RESULTING IN KEY RISK ID
3. ASSIGNMENT OF RISK OWNERSHIP ANALYSIS OF CURRENT PROCESSES DEVELOPMENT OF RISK MITIGATION PLAN PERIODIC REPORTING TO OARC & ERM COMMITTEES

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ENTERPRISE RISK LANDSCAPE
ERM TABLETOP EXERCISE

- OARC in conjunction with the Office of Emergency Management developed a scenario and facilitated the initial ERM Tabletop Exercise
- Strong representation of President’s Leadership Team and other SMEs
- The scenarios involved evaluation of potential impacts if international student enrollment declined
- Scenarios of 10% and 50% drops were evaluated
Impacts to various strategic efforts were noted, including:

- Impact to student experience and Global Land Grant aspirations
- Continuity of research
- Diversity and inclusion initiatives
- Housing vacancies
- Local economy and community interactions
- Recruiting and retention
- Budgetary reliance on out-of-state student enrollment
The exercise resulted in robust dialogue and emergence of takeaway objectives including:

- In-depth financial analysis is needed to better understand monetary impact of enrollment trends
- Exploration of diversifying international student recruitment efforts
- Analysis of academic and research programs with high concentrations of international populations
- Exploration of strategies for enhanced international brand awareness
Organizational Objectives

Identify & Categorize

Assess & Prioritize

Likelihood of Occurrence

Significance of Impact

Velocity

ERM Process

Strategic

Financial

Compliance

Operational

Reputation

Specific, Measurable & Realistic
ERM NEXT STEPS

Organizational Objectives
Identify & Categorize
Assess & Prioritize
Manage & Monitor
Reporting & Awareness

TIMELY
TRANSPARENT

RISK OWNERSHIP
BUSINESS PROCESSES
INTERNAL / EXTERNAL REVIEW & ANALYSIS
QUESTIONS?
INSTITUTIONAL COMPLIANCE PROGRAM (ICP) UPDATE

JUNE 3, 2018

Sharon Kurek
Executive Director of Audit, Risk, and Compliance
8 ELEMENTS OF AN EFFECTIVE COMPLIANCE PROGRAM

- High-level personnel exercising oversight
- Written policies and procedures
- Training and Education
- Lines of Communication
- Well publicized disciplinary guidelines
- Internal compliance monitoring
- Response to detected offenses
- Perform periodic compliance risk assessments
<table>
<thead>
<tr>
<th>Benefit</th>
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<tbody>
<tr>
<td>Foster a culture of ethics and compliance that is central to all of the institution’s operations and activities</td>
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<tr>
<td>Understand the nature of risks and potential exposures</td>
</tr>
<tr>
<td>Identify and manage risks that impact the university’s reputation</td>
</tr>
<tr>
<td>Integrate the compliance program into ERM Framework</td>
</tr>
<tr>
<td>Help individuals and units do their jobs more effectively</td>
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</tbody>
</table>
INSTITUTIONAL COMPLIANCE PROGRAM (ICP)

- Leverage existing structures (including internal audit, enterprise risk management (ERM), hotline administration, legal counsel, and the policy office) to support compliance efforts
- Office of Audit, Risk, and Compliance to coordinate the ICP by being a resource and serving as a catalyst for the achievement of university best practices in compliance-related subject matter areas
COMPLIANCE FRAMEWORK

BOARD OF VISITORS

CAR COMMITTEE

PRESIDENT

AUDIT, RISK, & COMPLIANCE

EXECUTIVE STAFF+ COMPLIANCE COMMITTEE (ECC)

President
Executive VP and Provost
Senior VP for Operations and Admin.
Vice President for Finance
Executive Director of Audit, Risk, & Compliance

VP for Policy and Governance+
VP for Research and Innovation
VP for Strategic Affairs
University Legal Counsel+

PRESIDENT’S LEADERSHIP TEAM

COMPLIANCE ADVISORY COMMITTEE REPRESENTATION (CAC)

Accreditation
Conflict of Interest
Human Resources
Emergency Management
Equity & Accessibility and Title IX
FERPA
Finance
Government Relations
Health and Safety
Information Technology

Intercollegiate Athletics
International Affairs
Research
Safety and Security
Student Affairs
Academic College
Research Institute
Policy and Governance
University Legal Counsel
Audit, Risk, & Compliance (Chair)

DISTRIBUTED UNIVERSITY-WIDE COMPLIANCE OWNERS

STATISTICS

• CAC - 20 Members
• 56 Distributed Compliance Owners
• 298 Regulations Initially Identified by OARC
ICP - Executive Compliance Committee (ECC)

- Promotes excellence in our compliance efforts to assure compliance with legal, regulatory, and ethical responsibilities.
- Approves the university's compliance priorities and has oversight responsibility for the university's compliance efforts, including fulfillment of these priorities.
- Serves as the primary point of contact for the administration on organizational compliance matters with the Compliance, Audit, and Risk Committee of the Board of Visitors.
ICP - Compliance Advisory Committee (CAC)

- The CAC will provide compliance leadership in the university’s academic and administrative units and ensure effective communication and collaboration among those responsible for compliance by:
  - Fostering communication across campus on issues related to compliance
  - Maintaining a university compliance matrix
  - Reviewing the results of the compliance risk assessment and proposing university priorities
  - Ensuring the development and implementation of corrective action plans as developed by responsible parties and approved by senior management
  - Reporting results to the ECC, including progress on plans and risks being assumed
While the OARC does not own any discrete compliance subject matter area, it will assist in promoting a culture of compliance and ethical behavior by:

- Developing a compliance matrix of applicable regulations and authoritative guidance with responsible parties
- Implementing the compliance risk assessment process as a component of the ERM Program
- Facilitating the university compliance and ethics hotline
- Assisting the compliance committees in their various duties
- Providing assistance in responding to external reviews and investigations
Common Higher Education Compliance Areas

- Access/Disability Services
- Accreditation
- Athletics
- Conflicts of Interest
- Discrimination / Harassment
- Donors and Gifts
- Emergency Preparedness
- Environmental Health & Safety
- Export Control
- FERPA / Education Records
- Financial Aid
- Fiscal Management
- Global Operations
- HIPAA Privacy and Security
- Human / Animal Subjects
- Human Resources / Equal Opportunity
- Immigration
- Intellectual Property / Technology Licensing
- Research Administration
- Safety / Security
- Scientific Misconduct
- Tax Compliance
QUESTIONS?
<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Motion to Reconvene in Open Session</td>
<td>Ms. James</td>
</tr>
<tr>
<td>2. Opening Remarks</td>
<td>Mr. Valeiras</td>
</tr>
<tr>
<td>3. Consent Agenda</td>
<td>Mr. Valeiras</td>
</tr>
<tr>
<td>a. Approval of Items Discussed in Closed Session</td>
<td></td>
</tr>
<tr>
<td>b. Approval of Minutes of the March 25, 2018 Meeting</td>
<td></td>
</tr>
<tr>
<td>c. Approval of 2018-19 Pratt Fund Budget</td>
<td></td>
</tr>
<tr>
<td>* d. Approval of 2018-19 Hotel Roanoke Conference Center Commission Budget</td>
<td></td>
</tr>
<tr>
<td>* e. Approval of 2018-19 Virginia Tech-Wake Forest University School of Biomedical Engineering and Sciences Budget</td>
<td></td>
</tr>
<tr>
<td>* f. Approval of Resolution to Reappoint University Commissioner to the Hotel Roanoke Conference Center Commission</td>
<td></td>
</tr>
<tr>
<td>4. Report on Procurement Opportunities</td>
<td>Mr. Shelton</td>
</tr>
<tr>
<td>5. Discussion on Resource Development</td>
<td>Mr. Shelton</td>
</tr>
<tr>
<td>* 6. Report on and Recommendation Regarding Quasi-Endowments</td>
<td>Mr. Shelton</td>
</tr>
<tr>
<td>* 7. Resolution on University Lines of Credit</td>
<td>Mr. Cusimano</td>
</tr>
<tr>
<td>* 8. Approval of 2018-19 Faculty Compensation Plan</td>
<td>Mr. Shelton</td>
</tr>
<tr>
<td>9. Update on the Special Session of the General Assembly</td>
<td>Mr. Shelton</td>
</tr>
<tr>
<td>* 10. Approval of 2018-19 University Budgets:</td>
<td>Mr. Shelton</td>
</tr>
<tr>
<td>a. Update on University Tuition and Fees</td>
<td>Mr. Hodge</td>
</tr>
<tr>
<td>b. Auxiliary Systems Budget</td>
<td>Mr. Broyden</td>
</tr>
<tr>
<td>i. Dormitory and Dining Hall System</td>
<td></td>
</tr>
<tr>
<td>ii. Electric Service Utility System</td>
<td></td>
</tr>
<tr>
<td>iii. University Services System</td>
<td></td>
</tr>
<tr>
<td>iv. Athletic Facilities System</td>
<td></td>
</tr>
<tr>
<td>c. Operating Budget and Capital Budget</td>
<td></td>
</tr>
<tr>
<td>* 11. Approval of Year-to-Date Financial Performance Report</td>
<td>Mr. Hodge</td>
</tr>
<tr>
<td>(July 1, 2017 – March 31, 2018)</td>
<td>Mr. Broyden</td>
</tr>
<tr>
<td>12. Other Business</td>
<td>Mr. Valeiras</td>
</tr>
</tbody>
</table>

* Requires full Board approval.
Open Session

1. Motion to Reconvene in Open Session

2. Opening Remarks

3. Consent Agenda: The Committee will consider for approval and acceptance the items listed on the Consent Agenda.
   a. Approval of Items Discussed in Closed Session
   b. Approval of Minutes of the March 25, 2018 meeting

   c. Approval of 2018-19 Pratt Fund Budgets: The Pratt Fund provides funding for programs in both the College of Engineering and Department of Animal Nutrition in the College of Agriculture and Life Sciences. For 2018-19, the College of Engineering proposes expenditures of $999,333 and the Department of Animal Nutrition proposes expenditures of $969,833.

   d. Approval of 2018-19 Hotel Roanoke Conference Center Commission Budget: The Hotel Roanoke Conference Center Commission was established by resolutions adopted by Virginia Tech and the City of Roanoke, under Commonwealth of Virginia enabling legislation. The enabling legislation provided that the Commission shall annually prepare and submit to both the City of Roanoke and Virginia Tech a proposed operating budget showing its estimated revenues and expenses for the forthcoming fiscal year, and, if the estimated expenses exceed the estimated revenues, the portion of the unfunded balance is to be borne by each participating party for the operation of the conference center. The funds for Virginia Tech total $80,000 for the fiscal year 2018-19 and will come from the Fralin endowment which was established to assist with the project.

   e. Approval of 2018-19 Virginia Tech-Wake Forest University School of Biomedical Engineering and Sciences Budget: The collaboration agreement, which outlines the relationship and responsibilities of Virginia Tech and Wake Forest University School of Biomedical Sciences, requires the governing boards of each university to approve the annual operating budget for the
f. Approval of Resolution to Reappoint University Commissioner to the Hotel Roanoke Conference Center Commission: The resolution seeks approval to reappoint the Vice President for Outreach and International Affairs as a representative of the university on the Hotel Roanoke Conference Center Commission.

4. **Report on Procurement Opportunities:** The Committee will receive a comprehensive report on the procurement initiatives implemented by the university to achieve cost savings, operational efficiencies, and value-added procurement. The report also provides information on Small, Women-owned, and Minority business initiative, future procurement opportunities under consideration and related challenges.

5. **Discussion on Resource Development:** The Committee will receive a presentation describing various alternate tuition models utilized by other universities in Virginia and displaying the impact of these models on tuition rates over time.

*6. **Report on and Recommendation Regarding Quasi-Endowments:** The Committee will receive a report on and review for approval a recommendation regarding quasi-endowments. Quasi-endowments represent university funds designated by the Board of Visitors rather than by a donor. They carry the intent to provide ongoing income from a long-term investment; however, the governing board retains the authority to repurpose such funds and to remove funds from the quasi-endowment asset category at any time. The university’s Chief Financial Officer plans for the deployment of the quasi-endowment payouts in the university’s budget process to achieve the intended objectives of each quasi-endowment.

The university has completed a comprehensive review of its long-term investments and strategic plans. As a result of this review, the university recommends that certain investments should be designated and/or reaffirmed by the Board of Visitors as quasi-endowments.

*7. **Resolution on University Lines of Credit:** The Committee will review for approval a resolution on university lines of credit. Consistent with the trend at many major research institutions, the university has developed, and is in the process of implementing, an updated cash management strategy to leverage limited financial resources. This is accomplished through the investing of additional university operating reserves in the Virginia Tech Foundation's (Foundation) endowment
program. While this should result in achieving enhanced investment returns over time, it will also result in maintaining a reduced amount of operating reserves.

A representative workgroup comprised of personnel from the Budget Office, Controller’s Office, and Investment and Debt Management identified the appropriate level of cash reserves to invest and concluded that a back-up operating line of credit would be needed to completely implement the new investment strategy. The workgroup examined the current and projected cash flows and determined that $185 million of external liquidity would be needed, based on the university’s FY 2018 annual budget. The plan results in the generation of enhanced investment income that will help advance university strategic needs while reducing the need for tuition and fee increases.

Board approval is needed for the establishment and access to the lines of credit. Upon approval of the lines of credit, the university will be authorized to draw upon the lines of credit as needed. This resolution seeks approval to establish and access the lines of credit up to an aggregate amount of $200 million and the corresponding credit agreement, and promissory note.

* 8. **Approval of 2018-19 Faculty Compensation Plan:** The Committee will review for approval the 2018-19 Faculty Compensation Plan. The report defines the qualification criteria for teaching and research faculty and administrative and professional faculty, provides guidance on the authorized salary average for full-time teaching and research faculty positions, and requires board approval. The key elements of the 2018-19 plan are consistent with the current plan.

For Fall 2016, Virginia Tech’s Actual Salary Average was $100,552. This placed Virginia Tech at the 35th percentile of its peer group, based on the most recent peer salary data available from the Integrated Postsecondary Education Data System (IPEDS). Based on SCHEV’s forecast of salary escalation at peer institutions, the university estimates that the Actual Salary Average will rank in the 33rd percentile of peer institutions for Fall 2017.

Recognizing the critical nature of faculty compensation, the university’s standing relative to the 60th percentile of the university’s peer group average salary, the higher levels of competing offers being received by key faculty, and to minimize the high cost of turnover, the university proposes continuing the traditional annual merit-based faculty salary increase program in 2018-19. This plan authorizes management to plan and budget for the resource allocations necessary to support a merit-based faculty salary increase averaging two percent for faculty for 2018-19. The university may also elect to create a supplemental pool to achieve certain targeted salary compensation or retention needs, such as national distinction.
9. **Update on the Special Session of the General Assembly:** The Committee will receive a verbal update on the Special Legislative Session of the General Assembly.

* 10. **Approval of 2018-19 University Budgets:** The Committee will review for approval the 2018-19 University Budgets. The University Budgets are comprised of the Operating and Capital Budgets.
   
a. **Update on University Tuition and Fees:** The 2018 General Assembly adjourned on March 9, 2018 without agreement on a final 2018-20 biennial budget. The State remains undecided about the budget. The Committee will receive a report on the Tuition and Fee activities in the state and discuss the Virginia Tech Tuition and Fee rates relative to its budgets.

   b. **Auxiliary System Budgets:** The auxiliary systems are a component of the overall operating budget. In accordance with the resolutions authorizing and securing the Dormitory and Dining Hall System, Electric Service Utility System, University Services System, and Athletics Facilities System revenue bonds, the Board of Visitors is required to separately adopt an annual budget for each system. All budgets are balanced and designed in accordance with bond covenants including maintenance and reserve requirements. Once approved by the Board of Visitors, the annual budget will be the basis for making payments from the revenue fund to meet the operating costs of the auxiliary systems.

      i. **Dormitory and Dining Hall System Budget:** The 2018-19 budget for the Dormitory and Dining Hall System, including debt service, is $127.1 million for the period July 1, 2018 to June 30, 2019.

      ii. **Electric Service System Budget:** The 2018-19 budget for the Electric Service System, including debt service, is $36.9 million for the period July 1, 2018 to June 30, 2019.

      iii. **University Services System Budget:** The 2018-19 budget for the University Services System, including debt service, is $51.6 million for the period July 1, 2018 to June 30, 2019.

      iv. **Athletics Facilities System Budget:** The 2018-19 budget for the Athletics Facilities System, including debt service, is $74.5 million for the period July 1, 2018 to June 30, 2019.

   c. **Operating Budget and Capital Budget:** The university anticipates an initial state authorization of $1.5 billion during 2018-19 to carry out all of its programs, based on the forecast of direct appropriations to the university. However, the annual internal budget varies from this external expenditure authorization for several reasons, some of which increase the annual expenditure authority while others reduce the expenditure plans.
For 2018-19, the recommended internal budget for all operations is $1.6 billion. This is an increase of $34.5 million, approximately 2.3 percent, over the adjusted 2017-18 budget. For 2018-19, the university’s total General Fund allocation is estimated to be approximately $265.4 million, an increase of $3.3 million from the 2017-18 adjusted budget. The overall change includes an increase of $45.7 million attributable to the Educational and General program and $10.2 million of projected growth in auxiliary enterprises. General Fund revenues will provide $241.4 million in support for the instructional, research, and extension programs, $21.7 million for student financial assistance, and $2.3 million for the Unique Military Activities program.

The university’s Educational and General budget will be $849.2 million in 2018-19. The total 2018-19 auxiliary revenue budget is $351.5 million, a growth of $10.2 million or 3.0 percent over the adjusted 2017-18 budget. The projected annual budget for Financial Assistance for Educational and General Programs is $322.1 million, a decrease of $22.8 million or 6.6 percent less than the adjusted 2017-18 budget. The most significant activity in this category is externally sponsored research.

The capital outlay program for 2018-19 is comprised of 11 Educational and General projects and 11 Auxiliary Enterprise projects for a total of 22 projects. The total capital outlay budget for fiscal year 2018-19 includes total project authorization of approximately $593 million; the annual expenditure budget for those projects is approximately $125 million.

* 11. **Approval of Year-to-Date Financial Performance Report (July 1, 2017 – March 31, 2018):** The Committee will review the Year-to-Date Financial Performance Report for July 1, 2017 – March 31, 2018 for approval. For the third quarter, all programs of the university are on target and routine budget adjustments were made to reflect changes in General Fund revenues and expenditure budgets in academic and administrative areas. The tuition and fee budget increased by $3.5 million in the third quarter for stronger than projected spring retention and winter session revenues.

For year-to-date ending March 31, 2018, $28.4 million has been expended for Educational and General capital projects, and $50.2 million has been expended for Auxiliary Enterprises capital projects. Capital outlay expenditures for year-to-date ending March 31, 2018 totaled $78.5 million.

12. **Other Business:** The Committee will discuss other topics as needed.

*Requires full Board approval.*
Consent Agenda

The Committee will consider for approval and acceptance the items listed on the Consent Agenda.

a. Approval of Items Discussed in Closed Session
b. Approval of Minutes of the March 25, 2018 Meeting
   * c. Approval of 2018-19 Pratt Fund Budgets
   * d. Approval of 2018-19 Hotel Roanoke Conference Center Commission Budget
   * e. Approval of 2018-19 Virginia Tech-Wake Forest University School of Biomedical Engineering and Sciences Budget
   * f. Approval of Resolution to Reappoint University Commissioner to the Hotel Roanoke Conference Center Commission

*Requires full Board approval
Committee Minutes

FINANCE AND RESOURCE MANAGEMENT COMMITTEE
Solitude Room, The Inn at Virginia Tech
March 25, 2018

Open Session

Board Members Present: Ms. Greta Harris, Mr. C. T. Hill, Ms. Anna James, Mr. Mehmood Kazmi, Ms. Tish Long, Mr. Robert Mills, Mr. Brett Netto – graduate student representative, Mr. Seyi Olusina – undergraduate student representative, Ms. Debbie Petrine, Mr. Mike Quillen, Dr. Hans Robinson – faculty representative, Mr. Dennis Treacy, Mr. Horacio Valeiras

VPI & SU Staff: Mr. Tommy Amal, Ms. Beth Armstrong, Ms. Nikeshia Arthur, Mr. Whit Babcock, Mr. Omar Banks, Ms. Patty Becksted, Dr. Rosemary Blieszner, Mr. Bob Broyden, Ms. Lori Buchanan, Dr. Cyril Clarke, Ms. Michelle Collins, Ms. Shelia Collins, Mr. Al Cooper, Mr. John Cusimano, Mr. Brian Daniels, Dr. Karen DePauw, Dr. John Dooley, Dr. Michael Friedlander, Dr. David Guerin, Ms. Kay Heidbreder, Ms. Mary Helmick, Mr. Tim Hodge, Ms. Elizabeth Hooper, Ms. Sharon Kurek, Dr. Theresa Mayer, Ms. Erin McCann, Ms. Heidi McCoy, Ms. Nancy Meacham, Dr. Scott Midkiff, Mr. Ken Miller, Dr. Sally Morton, Ms. April Myers, Ms. Kim O'Rourke, Mr. Mark Owczarski, Dr. Patty Perillo, Mr. Charlie Phlegar, Dr. Ellen Plummer, Dr. Menah Pratt-Clarke, Dr. Tim Sands, Ms. Savita Sharma, Mr. M. Dwight Shelton Jr., Ms. Kayla Smith, Dr. Ken Smith, Mr. Brad Sumpter, Mr. Jon Clark Teglas, Ms. Tracy Vosburgh, Dr. Lisa Wilkes, Dr. Sherwood Wilson, Mr. Chris Yianilos

1. Opening Remarks

2. Consent Agenda: The Committee considered for approval and acceptance the items listed on the Consent Agenda.

   a. Approval of Minutes of the November 6, 2017 Meeting

   b. Resolution on Staff Career Achievement Award: Resolution to delegate authority to manage the Staff Career Achievement Award nomination and selection process to the Vice President for Human Resources with no changes to the nomination criteria.

   c. Update on Advancement: Advancement provided a quarterly update to the Committee on their division and fundraising efforts.
The Committee approved the items on the Consent Agenda and recommended the Resolution on Staff Career Achievement Award to the full Board for approval.

3. **Report on 2018 Legislative Session:** The Committee received a report on the current status of the 2018 legislative session at the Information Session. The report presented the major elements of the Executive Budget and key items impacting the university in both the House and Senate budget proposals. The General Assembly session adjourned on March 10, 2018 without agreement between the House and Senate on the biennial budget. Governor Northam has called for an April 11th Special Session for the General Assembly to complete the work on the state budget. The agenda item provided an opportunity for the university to address any further question from the Committee members regarding the legislative session.

4. **University’s Annual Financial Statements:** The Committee received an overview of the university’s annual financial statements for the fiscal year ending June 30, 2017. The financial statements were prepared in accordance with generally accepted accounting principles, and the Auditor of Public Accounts issued an unmodified (or clean) opinion.

At June 30, 2017, the university had total net position of $1.4 billion, an increase of $64 million or 4.8 percent since fiscal year 2016. Total unrestricted net assets increased by $11.8 million or 33.4 percent to negative $23.5 million. The negative balance in the unrestricted net assets is due to the implementation of GASB 68 Accounting and Financial Reporting for Pensions in fiscal year 2015. GASB 68 required state and local government employers that participate in a state’s defined benefit retirement plan to recognize their allocable portion of the state’s net pension liability. In prior years, the net pension liability was reported in total for all state agencies on the Commonwealth’s Comprehensive Annual Financial Report.

Total revenues for fiscal year 2017 were $1.43 billion, a decrease of $8.3 million or 0.6 percent over fiscal year 2016. This was due to the net impact of increases in operating revenues from student tuition and fees and growth in auxiliary enterprises, which were offset by decreases in capital grants and gifts and capital appropriations received last fiscal year. Total operating expenses for fiscal year 2017 were $1.37 billion, an increase of $49.3 million or 3.7 percent. The increase was primarily due to increase in salaries, wages, and fringe benefits related to salary merit programs for faculty and staff.

5. **Intercollegiate Athletics Program Report for Year Ended June 30, 2017:** The Committee received a report on the Auditor of Public Accounts (APA) Intercollegiate Athletics Program review for fiscal year 2017. The APA performed certain agreed-
upon procedures to evaluate whether the Schedule of Revenues and Expenses of the Intercollegiate Athletics Program for fiscal year ended June 30, 2017, is in compliance with the National Collegiate Athletic Association (NCAA) bylaws. During the review, no matters were brought to the APA’s attention that required an adjustment to the amounts on the Schedule of Revenues and Expenses. This review does not constitute an audit and therefore no opinion is issued.

* 6. Resolution for Approval of Tuition and Fee Rates for 2018-19: The Committee reviewed for approval the proposed tuition and fee rates for 2018-19. For 2018-19, the university proposed a $332 or 2.9 percent increase in tuition and fees for in-state undergraduate students for total tuition and fees of $11,595 and an $836 or 2.9 percent increase in tuition and fees for out-of-state undergraduate students for total tuition and fees of $29,883. An average 2.8 percent increase in room and board is recommended.

For on-campus graduate programs, a $380 or 2.9 percent increase is recommended for in-state students for total tuition and fees of $13,485, while the university recommended a $761 or 2.8 percent increase for out-of-state students for total tuition and fees of $27,604. For off-campus graduate programs, a $420 or 2.9 percent increase is recommended for a total of $14,909 for in-state students and $814 or 2.8 percent increase for a total of $29,494 is recommended for out-of-state students.

In Veterinary Medicine, a $575 or 2.4 percent increase is recommended for Virginia/Maryland students for total tuition and fees of $24,772 and a $1,309 or 2.5 percent increase for a total of $53,305 is recommended for out-of-state students.

In February 2018, the independent Board of Directors of the Virginia Tech Carilion School of Medicine (VTCSOM) voted to retain their 2017-18 tuition and fee rate of $52,745 for the 2018-19 academic year. The university concurs with that decision and asked the Board of Visitors to ratify the VTCSOM tuition rates for the 2018-19 academic year as part of the integration.

The Committee recommended the resolution for Tuition and Fees for 2018-19, effective Fall Semester 2018 including ratification of the 2018-19 Tuition and Fee rates for the Virginia Tech Carilion School of Medicine to the full board for approval. This approval is based on the assumption that the final outcome of the General Assembly will materially align with the university's planning assumptions for revenues and expenses; therefore, the Board reserves the right to reconsider the 2018-19 tuition and fee rates based on the budget decisions of the Special Session of the General Assembly.
7. **Approval of Year-to-Date Financial Performance Report (July 1, 2017 – December 31, 2017):** The Committee reviewed for approval the Year-to-Date Financial Performance Report for July 1, 2017 – December 31, 2017. For the second quarter, routine budget adjustments were made to reflect revisions to projected revenues and expenditures.

The annual Intercollegiate Athletics budget was increased by $2.1 million for additional revenue of $1 million for participation in the Camping World Bowl, additional self-generated revenue, and private fundraising. Residential and Dining revenues were higher than projected primarily due to higher than budgeted occupancy rates and meal plan sales due to the larger freshmen class.

For year-to-date ending December 31, 2017, $15.6 million was expended for Educational and General capital projects, and $34.8 million was expended for Auxiliary Enterprises capital projects. Capital outlay expenditures for year-to-date ending December 31, 2017 totaled $50.4 million.

The Committee recommended the Year-to-Date Financial Performance Report to the full Board for approval.

8. **Approval of 2018-19 Compensation for Graduate Assistants:** The Committee reviewed for approval the proposed 2018-19 schedule of stipends and support for the health insurance program for graduate students. The key components of the graduate student compensation package include competitive stipends, tuition assistance, and health insurance. The university proposes advancing the stipend scale for 2018-19 by providing a 2.0 percent increase, effective November 25, 2018, and continue the university share of graduate assistant health insurance coverage of 88 percent.

The Committee recommended the 2018-19 Compensation for Graduate Assistants to the full Board for approval.

9. **Other Business:** The Committee discussed other topics as needed.

There being no further business, the meeting adjourned at 5:37 p.m.
Joint Closed Session with Academic, Research and Student Affairs
March 26, 2018

The Finance and Resource Management Committee and the Academic, Research, and Student Affairs Committee met in a joint closed session to ratify the Faculty Personnel Changes Report for the quarter ending December 31, 2017, and to consider:

- 15 appointments to Emeritus/Emerita status
- 14 appointments to Endowed Chair, Professorship, or Fellowship
- 75 faculty research leave requests
- Approval of one academic honor

The Committees recommended these matters to the full Board for approval.

Joint Open Session with the Buildings and Grounds Committee
March 26, 2018

Board Members Present: Ms. Greta Harris, Ms. Anna James, Mr. C. T. Hill, Mr. Robert Mills, Mr. Mike Quillen, Mr. Robert Sebek – staff representative, Mr. Horacio Valeiras

VPI & SU Staff: Ms. Jennifer Altman, Mr. Mac Babb, Mr. Whit Babcock, Mr. Bob Broyden, Mr. Nick Clements, Mr. John Cusimano, Mr. Brian Daniels, Dr. John Dooley, Dr. Lance Franklin, Mr. Tom Gabbard, Mr. Mark Gess, Dr. Robin Jones, Dr. Chris Kiwus, Mr. Bob Massengale, Ms. Robin McCoy, Ms. Sarah McCoy, Ms. Nancy Meacham, Mr. Grant Morris, Mr. Mark Owczarski, Mr. Charlie Phlegar, Dr. Scot Ransbottom, Dr. Tim Sands, Ms. Savita Sharma, Mr. M. Dwight Shelton Jr., Dr. Frank Shushok, Jr., Ms. Kayla Smith, Mr. Jason Soileau, Mr. Dwyn Taylor, Mr. Jack Washington, Dr. Sherwood Wilson

* 1. Approval of Resolution for Student-Athlete Performance Center: The university’s Six-Year Capital Outlay Plan approved by the Board of Visitors included a project for an Athlete Nutrition Center, currently known as the Student-Athlete Performance Center.

The desired program will enhance the student experience of athletes in all 22 intercollegiate sports; approximately 580 students, and can be accommodated with a complete renovation of the fourth floor of the Jamerson Center with the addition of a balcony. The renovation and expansion will provide state-of-the-art spaces for dining, nutrition, recruiting, donor hospitality, and allow for a seamless transition to the Cassell Coliseum concourse. The project schedule anticipates major construction to start in Summer 2019 with occupancy by early 2021.
The Athletics program has received $16.165 million in private gifts for the designated capital improvements and to create an endowment for the upkeep and maintenance of the Student-Athlete Performance Center. This resolution seeks approval to proceed with planning, constructing, and equipping activities to implement the program at a total project cost not to exceed $15.165 million. The Athletics program is continuing its efforts to raise additional private funds to enhance the space. This resolution includes authorization to adjust the total project budget up by 10 percent and not more than new private gifts designated to the project beyond the existing $15.165 million.

The Committees recommended the Resolution for the Student-Athlete Performance Center to the full Board for approval.

2. **Approval of Resolution for ACC Network Studio**: The university’s Six-Year Capital Outlay Plan approved by the Board of Visitors included a project for an ACC Broadcast Studio expansion. As a member of the Atlantic Coast Conference, Virginia Tech will participate in the new ACC Network channel to be launched in 2019. Improved and expanded broadcasting facilities are needed to meet required telecasts of athletic events on the new channel.

The scope of work to establish the necessary broadcasting facilities include interior renovations to an existing control room, constructing two new control rooms, two new studios, and installing other infrastructure and equipment.

To meet the schedule expectations of the ACC network for a Fall 2019 launch, the Athletics program desires to start the renovations in Spring 2018, complete the project by early Spring 2019, and operate the studios for several months prior to network broadcasting. The estimated project cost inclusive of design, construction, infrastructure improvements, and equipment is $10 million. This request is for authorization to proceed with the design, construction, and infrastructure improvements for a $10 million ACC Network Studio project.

The Committees recommended the Resolution for the ACC Network Studio to the full Board for approval.

3. **Approval of Resolution for Commonwealth Ballroom Improvements**: The Commonwealth Ballroom, located on the second floor of the Squires Student Center, is the largest ballroom on campus and was originally built in 1937 with renovations and additions occurring in 1969 and 1991. It hosts approximately 160 events each year including major activities such as orientation, career fairs, Gobbler Nights, and Ring Dance. The ballroom has reached an age and condition with deferred
maintenance that requires repairs and improvements to meet the university’s expectations for event hosting.

The proposed scope of work for the Commonwealth Ballroom project includes replacing outdated and nonfunctioning lighting systems, stage systems, ceiling tiles, and air handlers and installation of a Skyfold dividing wall. Construction is anticipated to start in Fall 2018 and be complete in Spring 2019 in time for commencement.

The total project costs for Improvements is $3.246 million. This request seeks authorization to complete the Squires Commonwealth Ballroom Improvements project.

The Committees recommended the Resolution for Commonwealth Ballroom Improvements to the full Board for approval.

There being no further business, the meeting adjourned at 11:50 a.m.

* Requires full Board approval.
In 1975, the university received a significant bequest from the estate of Mr. John Lee Pratt of Stafford County, following his death on December 20, 1975. The bequest was divided equally into two distinct parts, one to support Animal Nutrition and one to support the College of Engineering. According to the will, the bequest for Animal Nutrition was to be used to promote the study of animal nutrition by supplementing salaries, providing equipment and materials to be used for experiments in feeding and in the preparation of feeds for livestock and poultry, and publishing and disseminating the research results of the studies. The will provided that the bequest for the College of Engineering should be used to support research and scholarships.

Distributions of the Pratt Estate were received in several installments: $9,561,819 in 1976, $1,330,000 in 1977, $47,000 in 1979, and $30,164 in 1981, for a total of $10,968,983. The Pratt endowment has grown to $47.5 million as of March 31, 2018. The following paragraphs summarize some of the major accomplishments of the College of Engineering and the Animal Nutrition Programs that are directly tied to the funding provided by the Pratt estate.

When the Pratt Endowment was originally established, the College of Engineering was in the early stages of becoming a nationally recognized leader in engineering education and research. The Pratt Endowment has played a significant role in allowing the College to enrich its pool of students, to offer additional international study opportunities to students, and to provide increased support for its research.

Income from the Pratt Endowment provides an unusual opportunity to support an animal nutrition program of high quality. Use of these Endowment earnings have concentrated on enhancing research and educational opportunities beyond what departments could do with state and federal funding. The main funding strategy remains with strong support for Ph.D. training, direct research support, scientific equipment, and visiting professors that stimulate and inspire the faculty and students engaged in nutrition research.
Pursuant to the spending policy adopted for the Pratt Estate Fund, it is anticipated that additional income of $1,969,166 will be available for expenditure in FY 2018-2019. Targets of $999,333 and $969,833 were given respectively to the College of Engineering and to the Animal Nutrition Programs.

### College of Engineering

Source of Funds:  
Endowment Income $999,333

Proposed Expenditures:  
- Undergraduate Scholarships $507,583  
- Undergraduate International Scholarships 60,000  
- Graduate International Scholarships 30,000  
- Graduate Tuition Scholarships 96,750  
- Graduate Research Fellowships 182,000  
- Graduate Recruitment for Research Programs 123,000

**Total Proposed Expenditures** $999,333

### Animal Nutrition

Source of Funds:  
Endowment Income $969,833

Proposed Expenditures:  
- Animal Nutrition Research and Scholarship $969,833

**Total Proposed Expenditures** $969,833

### RECOMMENDATION:

That the proposed 2018-2019 allocation and use of Pratt Funds be approved.

June 4, 2018
The Hotel Roanoke Conference Center Commission was established by resolutions adopted by Virginia Tech on November 18, 1991 and by the City Council of the City of Roanoke, Virginia on April 14, 1992, pursuant to Chapter 440 of the 1991 Acts of Assembly of the Commonwealth of Virginia, adopted March 20, 1991. Section 21 B of the enabling legislation provided that the Commission shall annually prepare and submit to both the City of Roanoke and Virginia Tech (the “Participating Parties”) a proposed operating budget showing its estimated revenues and expenses on an accrual basis for the forthcoming fiscal year and if such estimated expenses exceed such estimated revenues, the portion of the deficit proposed to be borne by each Participating Party.

The Commission has adopted and approved its operating budget for the fiscal year 2018-19. Virginia Tech and the City of Roanoke will make equal contributions of $80,000 to the Commission for fiscal year 2018-19. The recommended budget is shown on the following page.
## HOTEL ROANOKE CONFERENCE CENTER COMMISSION
### BUDGET
#### JULY 2018 - JUNE 2019

### Revenues
- City of Roanoke: $80,000
- Virginia Tech: $80,000
- Total Revenues: $160,000

### Expenses
- Salaries and Fringe Benefits: $77,000
- Fees for Professional Services: $78,000
- Administrative Expenses: $1,500
- Technology Support Services and Equipment: $1,200
- Commission Operations: $2,300
- Total Expenses: $160,000

### RECOMMENDATION:
That the budget for The Hotel Roanoke Conference Center Commission for 2018-2019 be approved.
The Board of Visitors of Virginia Tech adopted a resolution that authorized the establishment of the Virginia Tech-Wake Forest University School of Biomedical Engineering and Sciences on August 26, 2002. Subsequently, Virginia Tech and Wake Forest University entered into a collaboration agreement which outlines the relationship and responsibilities of each party. As stated in the collaboration agreement, the annual operating budget for the School of Biomedical Engineering and Sciences requires approval by the governing boards of each university.

The 2018-19 recommended budget of $5,751,978 for Virginia Tech's contribution to the School of Biomedical Engineering and Sciences is shown on the following page.
Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>University Allocation</td>
<td>$5,751,978</td>
</tr>
</tbody>
</table>

Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty</td>
<td>$3,044,525</td>
</tr>
<tr>
<td>Staff</td>
<td>$174,020</td>
</tr>
<tr>
<td>Graduate Students</td>
<td>$371,386</td>
</tr>
<tr>
<td>Fringes</td>
<td>$1,269,503</td>
</tr>
<tr>
<td><strong>Subtotal Personnel Costs</strong></td>
<td><strong>$4,859,434</strong></td>
</tr>
<tr>
<td>Operating Costs</td>
<td>$331,709</td>
</tr>
<tr>
<td>Faculty Start Up Packages (one-time)</td>
<td>$560,835</td>
</tr>
<tr>
<td><strong>Subtotal Non-personnel Costs</strong></td>
<td><strong>$892,544</strong></td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$5,751,978</strong></td>
</tr>
</tbody>
</table>

Net -

**RECOMMENDATION:**

That the 2018-19 budget for the Virginia Tech - Wake Forest School of Biomedical Engineering and Sciences be approved.

June 4, 2018
RESOLUTION TO APPOINT UNIVERSITY COMMISSIONER
TO THE HOTEL ROANOKE CONFERENCE CENTER COMMISSION

WHEREAS, the Virginia General Assembly approved legislation known as the “Hotel Roanoke Conference Center Commission Act” to provide for the establishment of a conference center commission; and,

WHEREAS, the Act provides for the appointment of three commissioners each from the City of Roanoke and from Virginia Polytechnic Institute and State University; and,

WHEREAS, the Act provides that the commissioner appointments be staggered; and,

WHEREAS, the terms of the appointments shall be four years, and shall end on June 30 of the respective year; and,

WHEREAS, pursuant to the Act, the Board of Visitors of Virginia Polytechnic Institute and State University reappoints effective July 1, 2018, the following as commissioner:

- Vice President for Outreach and International Affairs       June 30, 2022

NOW, THEREFORE, BE IT RESOLVED that the appointment of the Vice President for Outreach and International Affairs shall continue effective July 1, 2018 with the approval of this resolution.

RECOMMENDATION:

That the above resolution for the appointment of the Vice President for Outreach and International Affairs as the university’s representative on the Hotel Roanoke Conference Center Commission be approved.

June 4, 2018
Background

The mission of the university’s procurement department is to provide efficient and responsive procurement, and to purchase high quality goods and services at reasonable costs in support of university’s instructional, research, and public service programs. The department aims to conduct these activities in an effective manner that results in cost savings, value added opportunities, and/or operational efficiencies.

The procurement department oversees and performs all procurement activity of the university except for three delegated areas: (1) direct purchasing authority by departments for goods/services costing less than $2,000 (2) decentralized Information Technology hardware and software acquisitions handled directly by Information Technology and (3) decentralized capital construction procurement handled by Virginia Tech Facilities.

Procurement manages the university’s e-procurement system (branded HokieMart); a procure-to-pay web hosted platform by Jaggaer (formerly SciQuest). Procurement is also responsible for administering the university’s purchasing card (p-card) program which includes over 700 distributed p-cards.

For fiscal year 2017, the procurement department managed the procurements of goods and services of $702 million. Procurement of $687 million was processed electronically through HokieMart (e-Procurement). Of the $687 million, $512 million was processed directly by departments utilizing self-service feature within Hokiemart and $175 million was awarded through competitive negotiations by the buyers within in the central procurement office. The remaining $14.5 million was processed on university issued p-cards.

HokieMart

The Hokiemart is a single marketplace serving the decentralized campus where electronic orders can be formulated and issued to external vendors as well as internal suppliers. Implemented in 2008, this system provides single-source data entry, on-line approvals and workflow, and electronic delivery of completed orders to suppliers. For high volume vendors, the processes are fully automated from electronic requisition to electronic payment. The system also provides a platform for better utilization of centrally negotiated contracts resulting in cost savings delivered to the departments.
The university expanded the Jaggaer platform to also manage internal (department to department) business transactions on campus in addition to external transactions with outside vendors. Examples of internal business transactions that use HokieMart include facilities management, printing services, travel authorizations, and travel expense reimbursements. The internal electronic procurement system has eliminated approximately 24,500 paper-based transactions per year.

**Procurement Operations**

Virginia Tech Procurement operations enable the sourcing and acquisition of goods and services to support university operations and further university growth. While utilizing best practices in the acquisition of goods and services to serve the university community, the Procurement department has cost savings as the primary goal. The department employs multiple procurement strategies, ranging from strategic partnerships to traditional Request for Proposal or Invitation for Bid publicly-posted solicitations based on unique situations.

**Virginia Higher Education Procurement Consortium (VHEPC)**

In 2012 - 2013, Virginia Tech and the University of Virginia partnered with the Secretary of Education to explore the benefits of both regional and state-wide purchasing collaborations. Based upon regional collaborations in other regions of the country and supported by the Lumina Foundation, this work eventually resulted in the creation of the Virginia Higher Education Procurement Collaborative (VHEPC). The VHEPC was organized and financially supported by 13 Virginia higher education institutions in 2015 without any state financial support. By utilizing the collective buying power of these institutions, the VHEPC is positioned for procurement best practices by identifying strategic sourcing opportunities, leveraging vendors, and negotiating strategic contracts to maximize savings and cost containment for all participating institutions.

Virginia Tech Procurement is a major contributor to the Virginia Higher Education Procurement Consortium (VHEPC) with the university’s Procurement director serving as the chairperson of the consortium’s functional steering committee. The consortium has been successful in negotiating substantial cost savings for public higher education institutions in the Commonwealth.

As of March 2018, cost savings from VHEPC procurement activities reached $2.9 million for Virginia Tech and a total of $13.9 million for the 13 member institutions. Virginia Tech has made a financial commitment to the collaboration of $120,866 since 2015 and has realized a 121 percent annualized return on investment over the last four years. Overall, Virginia Tech has experienced cost savings of 21 percent by utilizing VHEPC negotiated contracts compared to spend on previous institutionally issued contracts or “piggybacking” off cooperative contracts from another institution or national group purchasing organizations.
Please see *Attachment A* for additional information on VHEPC and specific examples of cost savings resulting from the VHEPC collaborative contracts.

**Virginia Association of State College and University Purchasing Professionals (VASCUPP)**

The Virginia Association of State College and University Purchasing Professionals (VASCUPP) was established in 1992 with the objective of identifying opportunities for cooperative procurements and cost savings for higher education institutions in Virginia. The member institutions of VASCUPP share contracts through cooperative contracting language in each contract. Cooperative procurements through VASCUPP provide access to a larger number of contracts which reduces the need for duplicate procurements between institutions, offers greater savings through leveraged spend, and reduces administrative effort. As opposed to VHEPC, VASCUPP cooperative contracting is negotiated and managed by a lead institution with the resulting awards being made available to other schools to piggy-back or “ride” a cooperative contract.

VASCUPP member institutions have all received delegated purchasing authority from the state’s central purchasing agency and include: Virginia Tech, University of Virginia, George Mason University, James Madison University, Virginia Military Institute, Radford University, University of Mary Washington, Virginia Commonwealth University, Old Dominion University, Longwood and College of William and Mary.

**Procurements Managed By Virginia Tech Procurement**

In addition to the strategic partnerships stated above, the Virginia Tech Procurement department negotiates and manages a large number of contracts to support university operations. These procurement activities are public and transparent as required of all public agencies, including the higher education institutions in the Commonwealth of Virginia. Utilization of publicly advertised Request for Proposal and Invitation for Bid solicitations results in negotiations of contracts or direct awards resulting in the highest level of costs savings.

Internally, Virginia Tech Procurement has 475 negotiated term contracts in place for the purchase of recurring material and service commodities. Trackable cost savings from the negotiations of these contracts total $10.6 million.

Recently awarded procurements resulting in cost savings to the university include a gasoline and diesel fuel contract, athletic travel management services, and short term and long term disability insurance (Employee Benefit). For more details on the cost savings achieved through these recent procurement awards, see *Attachment B*.  

3  
*Presentation Date: June 4, 2018*
Value-Added/Operational Efficiency Procurements

While cost savings or cost avoidance is a primary focus of procurement activities, the procurement department also supports acquisition of goods and services that add value or enhance efficiency to the operations of the university. These projects typically arise as a result of strategic changes implemented at the university, new programs brought on board, or enhancements to university operations. Many of these types of contracts result in revenue generating opportunities.

The recent deployment of an Amazon Business e-Catalog within HokieMart is an illustration of such value-added procurement. Through a new partnership between Virginia Tech and Amazon Business, the university is now one of the first large research higher education institutions in the country to implement an e-catalog powered by Amazon Business within its own e-procurement system. The Amazon e-catalog provides a platform for the university to transition over $1.4 million of spend previously purchased individually by departments on Amazon.com through university purchasing cards to the e-procurement system, HokieMart. This transition brings the multiple, disparate Amazon accounts under one university account, thereby enhancing the internal controls over large volume of purchases. It enables greater oversight through standard approvals before the purchase is made and better reporting on the items the university buys from Amazon. The greatest benefit gained with this project is a reduction in potential fraud exposure by eliminating high volume, low spend pcard purchases at point of purchase.

Additional examples of efficiencies and value-added procurements include Intelligent Postal Lockers, Study Abroad Insurance, Turnkey Tailgating Services, and VT Magazine Print and Digital Ad Sales.

For more details on efficiencies and added value achieved through these procurement awards, see Attachment C.

Small, Women-owned, and Minority-owned Businesses (SWaM) Initiative

The Procurement department leads the supplier diversity initiative known as the SWaM initiative. As a vigorous initiative to find opportunities for small, woman-owned and minority-owned vendors, Procurement department engages with SWaM companies within Virginia Tech’s local economy, specifically, to locate and foster opportunities for these companies to do business with the university.

Over the last 18 months, Procurement has initiated a re-brand of its SWaM initiative to energize campus-wide efforts in support of a diverse supplier opportunity program. Emphasizing the identification and communication of opportunities for small, woman-owned and minority-owned vendors, the university’s SWaM initiative has been renamed the Virginia Tech Supplier Opportunity Program. The program is led by Mark Cartwright, Assistant
Director of Supplier Diversity, who returned to the university following service to Governor McDonnell as Special Assistant to the Governor for Supplier Diversity.

The pillars of the university’s supplier opportunity program are awareness, inclusion, and development with emphasis on increasing awareness within the university regarding the SWaM vendors, improving vendor relationships, enhancing language in Request for Proposals (RFPs) to make them more inclusive for SWaM vendors, and development of programs to further support SWaM efforts such as mentor/protégé programs and educational tools.

By direction of Governor Executive Orders and SCHEV management standards relating to SWaM utilization, the university establishes annual goals for its SWaM initiatives that align with the Commonwealth’s goals. Achievement of these goals are reported bi-annually as part of the university’s overall management standards scorecard. Virginia Tech has met all management standards relating to SWaM utilization since they were implemented.

Utilization of Small, Woman-owned and Minority-owned Businesses

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Small Business</th>
<th>Woman-Owned Business</th>
<th>Minority Owned Business</th>
<th>Total SWaM Spend</th>
<th>Total Discretional Spend**</th>
<th>Percentage of SWaM Spend to Discretional Spend**</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$50</td>
<td>$14</td>
<td>$7</td>
<td>$70</td>
<td>$243</td>
<td>29.2%</td>
</tr>
<tr>
<td>2016</td>
<td>$57</td>
<td>$9</td>
<td>$8</td>
<td>$74</td>
<td>$265</td>
<td>27.7%</td>
</tr>
<tr>
<td>2017</td>
<td>$57</td>
<td>$4</td>
<td>$4</td>
<td>$65</td>
<td>$249</td>
<td>26.0%</td>
</tr>
<tr>
<td>2018*</td>
<td>$47</td>
<td>$5</td>
<td>$5</td>
<td>$57</td>
<td>$202</td>
<td>28.3%</td>
</tr>
</tbody>
</table>

*thru 3rd quarter
**totals and percentages shown reflect rounding of dollars

Current Initiatives and Future Opportunities

Virginia Tech Procurement has engaged in a continuous improvement and best practices review utilizing the expertise in procurement through consulting services provided by Stonebridge Ventures, Inc. Since the first engagement with Stonebridge in 2016, a study of university spend targeted commodities that offered the greatest opportunity for standardization. These efforts have led to implementation of the following initiatives:
• Establishment of an inbound freight program with FedEx as the standardized carrier for inbound shipments of goods to campus. This program has resulted in over $130,000 in freight cost savings in the first 18 months.

• Additional standardization programs are underway including standardizing vendors that provide promotional products and catering services. These programs should be completed within the next year. Promotional items are defined as those items typically used to market the university and include the brand recognition of Virginia Tech’s marks and logos. Reducing the number of vendors providing promotional items further protects the brand of the university and allows for greater oversight of adherence to university brand requirements. Additionally, large volume purchases to a smaller number of promotional companies should lower pricing as well. Likewise, standardizing catering services will give greater oversight on the safety of catered products and services as well as cost savings.

• Two additional initiatives identified by Stonebridge which offer opportunities for improved efficiencies include:
  
  o Increasing the threshold for departmental direct purchase delegation to reduce the volume of small dollar requisitions processed through central procurement. Currently the department delegated amounts are purchases under $2,000. Raising the threshold for delegation of purchases to departments will allow the procurement staff to concentrate on more strategic purchasing activities.

  o Conducting an optimization review of the current HokieMart implementation to determine additional functionality or changes in the procure to pay technology that would offer Virginia Tech even more efficiencies. This review with Jaggaer is scheduled for fall of 2018.

  These initiatives are currently under consideration for implementation.

**Challenges**

As a decentralized and restructured higher education institution within the Commonwealth of Virginia, Virginia Tech has embraced the ability to implement procurement processes and procedures for the benefit of the university. However, each year the university must actively respond to legislation that serves to revert the delegated authority and decrease the autonomy previously granted. This is not targeted specifically towards Virginia Tech; however, it is a challenge to the decentralized procurement environment in higher education at the state level.
As new initiatives are introduced that offer opportunities for overall cost savings or efficiencies, the university has to adapt to a new culture of strategic and standardized procurement. The standardization of vendors competes with the opportunity for open selection or free choice of vendors in certain commodities and support for the SWaM initiative and results in resistance to change. This is an inherent challenge of a growing higher education institution.
VIRGINIA HIGHER EDUCATION PROCUREMENT COLLABORATIVE (VHEPC)

In 2015, 13 Virginia higher education institutions, including Virginia Tech, formalized a commitment to create a statewide purchasing collaborative for the establishment of negotiated contracts mutually benefitting all Commonwealth of Virginia (COVA) public higher education institutions. This collaborative concept was born from an idea originally proposed to COVA legislators by the Vice President for Finance and CFO at Virginia Tech and the Senior Vice President for Operations at the University of Virginia, to expand collaborative procurement activities for commonly procured goods and services needed by higher education institutions in the Commonwealth of Virginia. This procurement consortium would be successful in negotiating larger cost savings for public and even potentially private educational institutions in the Commonwealth, leveraging the total spend of all institutions versus each university’s individual negotiating power. The concept garnered support of several legislators and the Secretary of Education, however, the state’s legislative process would ultimately not approve to fund the consortium.

Current Status

The 13 higher education institutions came together to establish the collaborative for the mutual benefit of the institutions. The core mission of the consortium was to transition from traditional cooperative procurement methods to a true collaborative approach utilizing the total spending power of the 13 public institutions combined to negotiate the best opportunities for savings, discounts and incentives. With the added resource of an exclusive general manager and one data analyst hired to represent the collaborative, the VHEPC initiated their work in early 2015 first by analyzing overlapping existing vendor contracts of its member institutions. With a focus on re-negotiating existing agreements into a single master agreement recognizing the commitment of the 13 institutions and their collective spend, immediate results were achieved. True savings and a return on investment began to be realized by the end of fiscal year 2016. In fiscal year 2017, the consortium was ready for its first issued Request for Proposal (RFP) advertised as a VHEPC collaborative contracting opportunity by all 13 higher education institutions. Virginia Tech served as the lead procurement institution for the solicitation of a strategic contract for laboratory and research supplies. The procurement process succeeded resulting in an award and contract with Fisher Scientific. All member institutions are now utilizing this contract as well as several other higher education institutions and government entities across the country.

As of March 2018, cost savings from VHEPC procurement activities reached $2.9 million for Virginia Tech and a total of $13.9 million for the 13 member institutions. Virginia Tech has made a financial commitment to the collaboration of $120,866 since 2015 and has realized a 121 percent annualized return on investment over the last four years. Overall, Virginia Tech has experienced cost savings of 21 percent by utilizing VHEPC negotiated contracts.
compared to spend on previous institutionally issued contracts or “piggybacking” off cooperative contracts from another institution or national group purchasing organizations.

Member institutions of the VHEPC are: Virginia Tech, University of Virginia, George Mason University, James Madison University, Virginia Military Institute, Radford University, Longwood University, Virginia Commonwealth University, Old Dominion University, The College of William and Mary, University of Mary Washington, Christopher Newport University and the Virginia Community College System.

**Identified Virginia Tech Cost Savings by Contract from VHEPC efforts**

VHEPC has identified cost savings by comparing established collaborative VHEPC negotiated contracts to pricing offered in previous standalone institutional contracts with the same companies. The Fisher Scientific contract was the first VHEPC advertised and negotiated contract on behalf of all institutions, with Virginia Tech serving as the lead institution through negotiations and award of the contract that is now providing savings to all member institutions.

The table below demonstrates the volume of cost savings realized by Virginia Tech benefiting from the collaborative spend approach:

**Cost Savings Realized by Virginia Tech since FY 2016 via VHEPC Collaborative Contracts (In Thousands)**

<table>
<thead>
<tr>
<th>VIRGINIA TECH – Contract/Vendor</th>
<th>Commodity Description</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>Thru Q1 FY18</th>
<th>Sum of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fisher Scientific</td>
<td>Lab Supplies</td>
<td>$700</td>
<td>$1,300</td>
<td>$167</td>
<td>$2,167</td>
</tr>
<tr>
<td>Vantage Point Logistics</td>
<td>Inbound Freight</td>
<td></td>
<td>$119</td>
<td>$38</td>
<td>$157</td>
</tr>
<tr>
<td>Grainger</td>
<td>MRO</td>
<td>$37</td>
<td>$110</td>
<td>$102</td>
<td>$249</td>
</tr>
<tr>
<td>Bio-Rad</td>
<td>Lab Supplies</td>
<td></td>
<td>$65</td>
<td>$52</td>
<td>$117</td>
</tr>
<tr>
<td>Ferguson</td>
<td>MRO</td>
<td>$35</td>
<td>$11</td>
<td></td>
<td>$46</td>
</tr>
<tr>
<td>Sigma-Aldrich</td>
<td>Lab Supplies</td>
<td>$32</td>
<td>$20</td>
<td></td>
<td>$52</td>
</tr>
<tr>
<td>Enterprise</td>
<td>Vehicle Rental</td>
<td>$31</td>
<td>$9</td>
<td></td>
<td>$40</td>
</tr>
<tr>
<td>Specialty Underwriters</td>
<td>Equipment Maintenance Alternative</td>
<td></td>
<td>$20</td>
<td>$20</td>
<td>$40</td>
</tr>
<tr>
<td>Amtek</td>
<td>Lab Supplies</td>
<td>$10</td>
<td></td>
<td></td>
<td>$10</td>
</tr>
<tr>
<td>SHI</td>
<td>IT Peripherals</td>
<td>$2</td>
<td>$2</td>
<td></td>
<td>$4</td>
</tr>
<tr>
<td>GovSmart</td>
<td>IT Peripherals</td>
<td>$1</td>
<td>$1</td>
<td></td>
<td>$2</td>
</tr>
<tr>
<td><strong>Total Costs Savings - VT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$ 2,884</strong>*</td>
</tr>
<tr>
<td><strong>Total Costs Savings - VHEPC</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$13,163</strong>*</td>
</tr>
</tbody>
</table>

*These savings are expected to continue for future years of the contracts

Presentation Date: June 4, 2018
Internally, Virginia Tech Procurement has 475 negotiated term contracts in place for the purchase of recurring material and service commodities. Trackable cost savings from the negotiations of these contracts total $10.6 million. Highlights of some of those savings are as follows:

<table>
<thead>
<tr>
<th>Contract</th>
<th>Commodity</th>
<th>Procured By</th>
<th>Projection of Annual Cost Savings</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gasoline and Diesel Fuel</td>
<td>Fuel</td>
<td>RFP*</td>
<td>10% on regular deliveries, 20% on bulk deliveries</td>
<td>Had historically been procured via IFB**. Negotiations resulted in much lower pricing and higher level of service.</td>
</tr>
<tr>
<td>Athletic Travel Management</td>
<td>Travel Services</td>
<td>RFP</td>
<td>$186,972 in service costs across all travel modes</td>
<td>Historically, Athletics managed its own team travel. Awarded vendor, Anthony Travel, is leader in industry.</td>
</tr>
<tr>
<td>Short Term/Long Term Disability</td>
<td>Insurance</td>
<td>RFP</td>
<td>$318,000 annual savings realized by lower premiums for employees</td>
<td>Very competitive procurement with additional savings received through negotiations with major firms in the industry.</td>
</tr>
</tbody>
</table>

*Request for Proposal  
**Invitation for Bid
Procurement Activities Supporting Operational Efficiencies

Amazon Business e-Catalog within the HokieMart e-procurement system
Program Launched April 13, 2018

University departments made on average $1.4 million in purchases from Amazon.com on university pcards. This resulted in $1.4 million of spend not being captured within our e-procurement system and therefore not included in the purchasing pre-approval process. In addition, spend data was not captured at a line item detail level, which limits analysis of the commodities departments were purchasing. Instead, Amazon purchases were approved after the purchase through the reconciliation of the pcard monthly billing statements.

Through a new partnership between Virginia Tech and Amazon Business, the university is now one of the first higher education institutions in the country to implement its own Amazon e-catalog within its own e-procurement system. Purchasing rules have been established through functionality within HokieMart to replicate the same levels as discretionary departmental purchasing limits. This was done strategically in an effort to manage the impact to other university strategic vendors who provide a level of customer service and expertise not available from a large online retailer like Amazon. With the transition of Amazon spend from the university’s pcard to the university’s e-procurement system, routine reports can be used to analyze the type of products departments are purchasing with their discretionary departmental delegation with Amazon. These analyses will assist in negotiations of future contracts.

In the first month of the launch of the HokieMart e-catalog with Amazon, more than 600 departmental users utilized the e-catalog and made over $250,000 in purchases.

Intelligent Lockers to supplement package delivery/mail operations to students
Ongoing – future deployment, fall 2018

Through a public Request for Proposal process, the university awarded a contract to Telezgology, Inc. for the installation of intelligent lockers around the university’s residence halls to supplement package delivery for the students. This project is expected to be fully installed for the fall of 2018. These intelligent lockers will allow for electronic notification to students when a package is delivered. A personalized PIN and locker number are provided to the student which makes package delivery and pick up a self-service function for the students. The lockers are located conveniently on campus to allow for continuous package delivery to students.
Value-Added Procurements

The following are examples of recent procurement activities that fall in this category:

<table>
<thead>
<tr>
<th>Contract</th>
<th>Commodity</th>
<th>Value Added</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Study Abroad Insurance</td>
<td>Insurance</td>
<td>Expanded coverage to include most of all international travel situations</td>
<td>Also enhanced communication with faculty and students travel overseas.</td>
</tr>
<tr>
<td>VT Magazine Print Ad Sales/Commissions</td>
<td>Advertising</td>
<td>Projected to triple expected commissions. Increased advertisers and aligned with advertisers already in Athletics publications</td>
<td>Awarded to IMG</td>
</tr>
<tr>
<td>Turnkey Tailgate Services for VT Football Games</td>
<td>Services</td>
<td>New Program for VT Athletics. Revenue generation. Provides a first class tailgate village experience</td>
<td>Awarded to Tailgate Guys. First university in Virginia to offer this concept.</td>
</tr>
</tbody>
</table>
Procurement Opportunities
June 4, 2018

DWIGHT SHELTON,
INTERIM SENIOR VICE PRESIDENT FOR OPERATIONS AND ADMINISTRATION, VICE PRESIDENT FOR FINANCE AND CFO

MARY HELMICK,
DIRECTOR OF PROCUREMENT
Background and Introduction

- Three strategic objectives:
  - Cost Savings
  - Value-Added Opportunities
  - Operational Efficiencies

- Three delegated areas of procurement:
  - Direct purchasing authority by departments for items under $2,000
  - Decentralized information technology hardware and software acquisitions
  - Decentralized capital construction procurement
Procurement
$702 Million in Spend

- HokieMart Transactions (Procurement Office)
  $175 M 25%

- Purchasing Card
  $14.5 M 2%

- HokieMart Transactions (Departmental Self-Service)
  $512 M 73%
Operations

- Internal Buyers/Solicitations
- HokieMart e-Procurement Platform – campus wide
- Virginia Higher Education Procurement Consortium (VHEPC)
- Virginia Association of State College and University Purchasing Professionals (VASCUPP)
- Small, Women-owned, and Minority-owned Businesses (SWaM) Initiative
Cost Savings

- **VHEPC Procurement Efforts** –
  - Virginia Tech has benefitted from $2.9M in savings
  - All member universities have benefitted from $13.1M in savings

- **Recently Awarded from Internal Procurement Efforts** –
  - Negotiated 475 term contracts for purchase of re-occurring materials and service commodities resulting in total trackable cost savings of $10.6 million
    - Athletic Travel Management – potential of $186K annually in travel expenses in Athletics
    - Short Term/Long Term Disability - $318K annualized savings (lower premiums for employees)
    - Prime Food Vendor - $300,000 annual savings
Efficiencies Gained and Value-Added

- Amazon Business e-Catalog within HokieMart
  - Removal of $1.4 Million from Pcard Spend
  - Reduction of Fraud Risk from point of purchase
  - Standardized approvals to be consistent with other procurement protocol
  - Provides improved environment for procurement of a highly favored and very active vendor on campus

- Intelligent Package Delivery Lockers for Students
  - Improves service and convenience for students and creates an environment desired by students
Recent Revenue Generating Procurements

- Turnkey Tailgating Services for VT Football Games
  - Commission Revenue to Athletics based on annual gross revenue
  - Athletics received a $100,000 signing bonus in FY17

- VT Magazine Print Ad Sales
  - Commission Revenue to University Marketing
Future Opportunities

- Standardization
  - University-Wide Inbound freight Program - *Implemented*
  - Promotional Products
  - Catering

- Operational Efficiencies
  - Increasing Department Direct Purchase Delegation
  - Optimizing HokieMart for Future Enhancements
Future Challenges

- Protection of the University’s purchasing autonomy from Commonwealth of VA
- Resistance to standardization, reduction of choice for departments
Questions
Resource Development
June 4, 2018

DWIGHT SHELTON, INTERIM SR. VICE PRESIDENT FOR OPERATIONS AND ADMINISTRATION

TIM HODGE, ASSOCIATE VICE PRESIDENT FOR BUDGET AND FINANCIAL PLANNING
Tuition and Fee Approaches in Virginia

Overview

• Review three distinct tuition models in use by Virginia public institutions

• Consider the varying impact on students as they progress through four years of undergraduate education

• Consider the varying institutional revenue impact as each model is implemented

• Provide commentary on potential benefits and challenges of each tuition model
Tuition and Fee Approaches in Virginia

- **Traditional Annual Increase**: annual assessment of revenue needs
  - Driven by annual changes in cost and state support
  - Applied in the same amount to common categories of students

- **Cohort-based**: annual assessment of incoming student costs over 4 years
  - 4 years of estimated cost increases, which would normally include factors for:
    - Estimated annual inflationary increases
    - Additional assessment for new initiatives or risk mitigation
  - Price is front-loaded in early years and held constant across 4 years
  - Provides predictability for student and family planning

- **“Tuition Reset”**: one-time repositioning of price for entering students
  - Aligns costs with market-demand
  - Can be implemented in one or multiple entering classes
  - Inflationary increases assessed annually
  - Allows one-time institutional repositioning of programs
    - Example: significant realignment of student financial aid or compensation
## Virginia Public Four-Year Institutions
### Resident Undergraduate Tuition and E&G Fees for 2018-19

<table>
<thead>
<tr>
<th>Institution</th>
<th>2018-19</th>
<th>Increase</th>
<th>2018-19</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>William and Mary</td>
<td>$17,570</td>
<td>6.4%</td>
<td>$1,064</td>
<td>(1)</td>
</tr>
<tr>
<td>James Madison University</td>
<td>7,250</td>
<td>16.0%</td>
<td>1,000</td>
<td>(1)</td>
</tr>
<tr>
<td>Christopher Newport University</td>
<td>9,100</td>
<td>10.0%</td>
<td>830</td>
<td></td>
</tr>
<tr>
<td>Virginia Commonwealth University</td>
<td>12,247</td>
<td>6.7%</td>
<td>764</td>
<td></td>
</tr>
<tr>
<td>Radford University</td>
<td>7,980</td>
<td>7.0%</td>
<td>519</td>
<td></td>
</tr>
<tr>
<td>Virginia Military Institute</td>
<td>9,284</td>
<td>4.5%</td>
<td>400</td>
<td></td>
</tr>
<tr>
<td>George Mason University</td>
<td>9,060</td>
<td>4.5%</td>
<td>388</td>
<td></td>
</tr>
<tr>
<td>University of Virginia</td>
<td>14,148</td>
<td>2.4%</td>
<td>338</td>
<td>(2)</td>
</tr>
<tr>
<td><strong>Virginia Tech</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>University of Mary Washington</td>
<td>11,595</td>
<td>2.9%</td>
<td>332</td>
<td></td>
</tr>
<tr>
<td>Virginia State University</td>
<td>8,554</td>
<td>3.0%</td>
<td>248</td>
<td></td>
</tr>
<tr>
<td>Norfolk State University</td>
<td>5,769</td>
<td>4.0%</td>
<td>222</td>
<td></td>
</tr>
<tr>
<td>University of Virginia's College at Wise</td>
<td>TBD</td>
<td></td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>Old Dominion University</td>
<td>TBD</td>
<td></td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>Longwood University</td>
<td>TBD</td>
<td></td>
<td>TBD</td>
<td></td>
</tr>
</tbody>
</table>

(1) Rate for entering freshmen.
(2) Rate for entering first years.
## Traditional Annual Increase Example

### Revenue $s in millions

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Admit Term</td>
<td>$ Per Student</td>
<td>$ Per Student</td>
<td>$ Per Student</td>
<td>$ Per Student</td>
<td>$ Per Student</td>
<td>$ Per Student</td>
<td>$ Per Student</td>
</tr>
<tr>
<td>Prior to 2019-20</td>
<td>10,000</td>
<td>10,290</td>
<td>10,588</td>
<td>10,895</td>
<td>11,211</td>
<td>11,537</td>
<td>11,871</td>
</tr>
<tr>
<td>2019-20</td>
<td>10,290</td>
<td>51</td>
<td>10,588</td>
<td>53</td>
<td>10,895</td>
<td>54</td>
<td>11,211</td>
</tr>
<tr>
<td>2020-21</td>
<td>10,588</td>
<td>53</td>
<td>10,895</td>
<td>54</td>
<td>11,211</td>
<td>56</td>
<td>11,537</td>
</tr>
<tr>
<td>2021-22</td>
<td>10,895</td>
<td>54</td>
<td>11,211</td>
<td>56</td>
<td>11,537</td>
<td>58</td>
<td>11,871</td>
</tr>
<tr>
<td>2022-23</td>
<td>11,211</td>
<td>56</td>
<td>11,537</td>
<td>58</td>
<td>11,871</td>
<td>59</td>
<td></td>
</tr>
<tr>
<td>2023-24</td>
<td>11,537</td>
<td>58</td>
<td>11,871</td>
<td>59</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2024-25</td>
<td>11,871</td>
<td>59</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Annual Revenue</strong></td>
<td><strong>$ 200</strong></td>
<td><strong>$ 206</strong></td>
<td><strong>$ 212</strong></td>
<td><strong>$ 218</strong></td>
<td><strong>$ 224</strong></td>
<td><strong>$ 231</strong></td>
<td><strong>$ 237</strong></td>
</tr>
</tbody>
</table>

### Assumptions:
- Total population of 20,000 students
- Starting rate of $10,000/year
- Annual increase of 2.9%
Assumptions:
- Virginia Tech interpretation of model methodology
- Total population of 20,000 students
- Starting rate of $10,000/year
- Fixed Rate per Cohort
- Built-in Annual increase of 2.9%
- Risk mitigation factor of 3.0%

<table>
<thead>
<tr>
<th>Admit Term</th>
<th>2018-19 Per Student</th>
<th>2019-20 Cohort Revenue</th>
<th>2020-21 Per Student</th>
<th>2021-22 Cohort Revenue</th>
<th>2022-23 Per Student</th>
<th>2023-24 Cohort Revenue</th>
<th>2024-25 Per Student</th>
<th>2025-26 Cohort Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior to 2019-20</td>
<td>10,000</td>
<td>$ 200</td>
<td>10,290</td>
<td>$ 154</td>
<td>10,588</td>
<td>$ 106</td>
<td>10,895</td>
<td>$ 54</td>
</tr>
<tr>
<td>2019-20</td>
<td></td>
<td></td>
<td>11,069</td>
<td>55</td>
<td>11,069</td>
<td>55</td>
<td>11,069</td>
<td>55</td>
</tr>
<tr>
<td>2020-21</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>11,390</td>
<td>57</td>
<td>11,390</td>
<td>57</td>
</tr>
<tr>
<td>2021-22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>11,720</td>
<td>59</td>
<td></td>
</tr>
<tr>
<td>2022-23</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>12,060</td>
<td>60</td>
<td></td>
</tr>
<tr>
<td>2023-24</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>12,410</td>
<td>62</td>
<td></td>
</tr>
<tr>
<td>2024-25</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>12,770</td>
<td>64</td>
<td></td>
</tr>
<tr>
<td><strong>Total Annual Revenue</strong></td>
<td><strong>$ 200</strong></td>
<td><strong>$ 210</strong></td>
<td><strong>$ 218</strong></td>
<td><strong>$ 225</strong></td>
<td><strong>$ 231</strong></td>
<td><strong>$ 238</strong></td>
<td><strong>$ 245</strong></td>
<td></td>
</tr>
</tbody>
</table>
"Tuition Reset" Example

$s in millions

Assumptions:
• Virginia Tech interpretation of model methodology
• Total population of 20,000 students
• Starting rate of $10,000/year
• Annual increase of 2.9%
• Step increase of $1,000 in FY20 and FY21

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$ Per Student</td>
<td>$200</td>
<td>$211</td>
<td>$227</td>
<td>$244</td>
<td>$262</td>
<td>$275</td>
<td>$283</td>
</tr>
<tr>
<td>$ Per Student</td>
<td>$10,000</td>
<td>$11,290</td>
<td>$12,617</td>
<td>$13,983</td>
<td>$15,360</td>
<td>$16,847</td>
<td>$18,375</td>
</tr>
<tr>
<td>$ Per Student</td>
<td>$10,290</td>
<td>$11,617</td>
<td>$12,983</td>
<td>$14,360</td>
<td>$15,847</td>
<td>$17,375</td>
<td>$18,834</td>
</tr>
<tr>
<td>$ Per Student</td>
<td>$10,588</td>
<td>$11,954</td>
<td>$13,360</td>
<td>$14,847</td>
<td>$16,375</td>
<td>$17,834</td>
<td>$19,375</td>
</tr>
<tr>
<td>$ Per Student</td>
<td>$10,895</td>
<td>$12,301</td>
<td>$13,747</td>
<td>$15,244</td>
<td>$16,744</td>
<td>$18,275</td>
<td>$19,834</td>
</tr>
<tr>
<td>$ Per Student</td>
<td>$10,290</td>
<td>$11,617</td>
<td>$12,983</td>
<td>$14,360</td>
<td>$15,847</td>
<td>$17,375</td>
<td>$18,834</td>
</tr>
<tr>
<td>$ Per Student</td>
<td>$10,588</td>
<td>$11,954</td>
<td>$13,360</td>
<td>$14,847</td>
<td>$16,347</td>
<td>$17,834</td>
<td>$19,375</td>
</tr>
<tr>
<td>$ Per Student</td>
<td>$10,895</td>
<td>$12,301</td>
<td>$13,747</td>
<td>$15,244</td>
<td>$16,744</td>
<td>$18,275</td>
<td>$19,834</td>
</tr>
</tbody>
</table>

Total Annual Revenue

2018-19: $200
2019-20: $211
2020-21: $227
2021-22: $244
2022-23: $262
2023-24: $275
2024-25: $283
Comparison of Examples

$s in millions


Total Annual Revenue

Reset Cohort-based Annual Increase
Discussion
Background

The university has long had the authority to invest endowments, gifts, and other private funds in a wide array of financial securities. With the expanded authority to invest nongeneral funds provided in Section 23.1-2604 of the Code of Virginia, the university authority was expanded to include investment and management of endowment funds, endowment income, gifts, all other nongeneral fund reserves and balances, and local funds of or held by the university in accordance with this section and the provisions of the Uniform Prudent Management of Institutional Funds Act (§ 64.2-1100 et seq.). While the investments allowed under the expanded authority have the potential for higher returns, they also involve more risk.

While private gifts and endowments are normally received and invested by the Virginia Tech Foundation (Foundation), the focus of this report is on public university funds that, through the authority provided in Section 23.1-2604, are invested by the Foundation under an agency agreement. These investments are made in accordance with the provisions of the Virginia Uniform Prudent Management of Institutional Funds Act and the university’s investment policy.

As of December 31, 2017, the market value of university funds invested in the endowment pool managed by the Foundation was $225.7 million. This includes John Lee Pratt’s 1977 restricted gift of $11 million to support Animal Nutrition and the College of Engineering that has grown to $48.4 million as of December 31, 2017.

Investments are made for the purpose of generating higher investment income to advance university goals and objectives. Investment income currently supports university operations, initiatives, scholarships, and maintenance reserve programs while holding down student fees. Beginning in 2018-19, a portion of the investment income from unrestricted assets will support the university’s share of costs for the Virginia Tech Carilion School of Medicine.

Investment horizon is based on the nature of the funding and strategic plans. University owned long-term investments held in the Foundation endowment investment pool can effectively function as a quasi-endowment, where the purchasing power of the principal over the long term is preserved.
**Quasi-Endowment**

True endowments are funds received from a donor with the restriction that the principal is not expendable. This allows for the gift to have an impact over a longer period than if it were spent all at once. Endowments may also come with stipulations regarding usage. As a result, an endowment payout may be restricted to a specific purpose such as a scholarship, professorship, or program. Two examples of true endowments, held by the university, are the Rolls Royce Endowments which were created by the Commonwealth as part of the incentive package to recruit the company to Virginia and the Pouring Rights Scholarship from Coca-Cola.

Quasi-endowments represent university funds designated by the Board of Visitors rather than a donor. They carry the same intent to provide ongoing income from a long-term investment; however, the governing board retains the authority to repurpose such funds and to remove funds from the quasi-endowment asset category at any time.

The university has completed a comprehensive review of its long-term investments and strategic plans. As a result of this review, the university recommends that the following funds should be designated and/or reaffirmed by the Board of Visitors as quasi-endowments.

**Pratt Estate**

The Pratt Estate gift was previously designated by the board as a quasi-endowment in the late 1970s. The university recommends the Board of Visitors reaffirm this fund as a quasi-endowment for its restricted purpose of Animal Nutrition and the College of Engineering. The endowment value as of December 31, 2017 was $48.4 million.

**Donaldson Brown Scholarship**

During the 1940s, the late Mr. Donaldson Brown made gifts to the university designated for the President’s Student Loan Fund. Mr. Brown’s stipulations for administration of the fund allowed use of the funds for student loans or scholarship. In 1992, the funds were redirected to provide scholarships. The endowment value as of December 31, 2017 was $0.9 million. Due to the age of the gift, prior board designations are uncertain; as a result, the university seeks for the Board of Visitors to designate this fund as a quasi-endowment for scholarships consistent with the terms of the gift.

**Nationwide Scholarship**

A 2014 settlement agreement with Nationwide Life Insurance Company related to student medical insurance premiums included the establishment of a scholarship fund in their name from any residual or unclaimed funds. The university has invested these funds to create ongoing income for scholarships. The value as of December 31, 2017 was $6.2 million, and additional funds in the range of $2 to $3 million may be available.
for investment within the next year. The university seeks for the Board of Visitors to designate this fund and any future funds received as a quasi-endowment restricted for scholarships.

**Student Health Insurance Fund**

In 1997, the university received a stock conversion settlement from Trigon when the company went public. The university invested these funds to support the health care insurance program. The value as of December 31, 2017 was $0.4 million. The university recommends the Board of Visitors designate this fund as a quasi-endowment designated in support of the student health insurance program. This may include the administration of student insurance programs.

**Gloria Smith Professorship**

In August 2000, the university approved an allocation from the Athletic Department’s Sugar Bowl proceeds to serve as a base that would provide ongoing support for the Gloria Smith professorship. The professorship, named in honor of the late Gloria D. Smith, a counselor and advocate of minority students on campus before her retirement, is awarded for a period of two years to an outstanding faculty member who contributes significantly to the growth and development of minority students, student athletes, and scholarly pursuits. The value as of December 31, 2017 was $0.4 million. The university recommends the Board of Visitors authorize this fund as a quasi-endowment designated for the professorship.

**Multicultural Affairs Scholarship**

In August 2000, the university approved an allocation from the Athletic Department’s Sugar Bowl proceeds to serve as a base that would provide ongoing support for scholarships for Multicultural Affairs. These resources are held by the Foundation and generate annual payout that are available for scholarship expenditure. The value as of December 31, 2017 was $0.1 million. The university recommends the Board of Visitors authorize this fund as a quasi-endowment designated for scholarships.

**Chinese Endowed Geosciences Scholarship**

In 2002, the Department of Geological Sciences established a scholarship fund to support Chinese graduate students from funds provided by the People’s Republic of China. The value as of December 31, 2017 was $0.1 million. The university recommends the Board of Visitors authorize this fund as a quasi-endowment designated for scholarships to support scholarships for Chinese graduate students studying Geosciences.
Licensing & Trademark Scholarship

Over the last two decades, the University's Licensing & Trademark agreements have created one-time resources that have been invested to create ongoing income for scholarships. The value as of December 31, 2017 was $13.0 million. The university requests the Board of Visitors to designate this fund as a quasi-endowment for scholarships.

Management of Quasi-Endowments

The university has or will transfer these funds to the Virginia Tech Foundation to be invested in accordance with the university's agreement with the Foundation regarding the management of all such university funds.

The investment of university resources and designation as a quasi-endowment creates an ongoing revenue stream for the university. The university's Chief Financial Officer is responsible for the periodic monitoring of these quasi-endowments and for the deployment of the quasi-endowment payouts in the university’s budget process to achieve the intended objectives of the quasi-endowment.

RECOMMENDATION:

That the funds listed on Attachment A be reaffirmed and/or designated as quasi-endowments.

June 4, 2018
## Attachment A

### University Funds Recommended for Quasi-Endowment Reaffirmation and/or Designation

<table>
<thead>
<tr>
<th>Fund Title</th>
<th>Source of Funding</th>
<th>Use of Funds</th>
<th>Fund Purpose</th>
<th>Market Value*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reaffirm</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pratt Fund</td>
<td>Estate of John L. Pratt</td>
<td>Restricted</td>
<td>Animal Nutrition &amp; Engineering</td>
<td>$48.4M</td>
</tr>
<tr>
<td><strong>Designate</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donaldson Brown</td>
<td>Donaldson Brown Gift</td>
<td>Restricted</td>
<td>Scholarships</td>
<td>$0.9M</td>
</tr>
<tr>
<td>Nationwide</td>
<td>Medical Insurance Settlement from Nationwide</td>
<td>Restricted</td>
<td>Scholarships</td>
<td>$6.2M</td>
</tr>
<tr>
<td>Student Health Insurance</td>
<td>Trigon Stock Conversion Settlement</td>
<td>Unrestricted</td>
<td>Student Health Insurance</td>
<td>$0.4M</td>
</tr>
<tr>
<td>Gloria Smith Professorship</td>
<td>Athletics Sugar Bowl Proceeds</td>
<td>Unrestricted</td>
<td>Professorship</td>
<td>$0.4M</td>
</tr>
<tr>
<td>Multicultural Affairs</td>
<td>Athletics Sugar Bowl Proceeds</td>
<td>Unrestricted</td>
<td>Scholarships</td>
<td>$0.1M</td>
</tr>
<tr>
<td>Chinese Geosciences</td>
<td>People's Republic of China</td>
<td>Unrestricted</td>
<td>Scholarships</td>
<td>$0.1M</td>
</tr>
<tr>
<td>Licensing and Trademark</td>
<td>University Licensing &amp; Trademark Agreements</td>
<td>Unrestricted</td>
<td>Scholarships</td>
<td>$13.0M</td>
</tr>
</tbody>
</table>

* As of December 31, 2017
Endowment Types

- **True Endowments**
  - Created by donors
  - Investment income may be used, but the principal may not be spent
    - Received by the Virginia Tech Foundation directly
    - Could come to the university
      - Example: Rolls Royce and Coca-Cola Pouring Rights Endowment

- **Quasi-Endowments**
  - University funds designated by the board to function like an endowment
    - Purchasing power of the principal over the long term is preserved
  - Board has authority to repurpose the funds and to remove resources from the quasi-endowment at any time
The Virginia Tech Foundation receives and invests private funds and endowments given for the support of programs at Virginia Tech.

VTF also invests university funds in accordance with an agency agreement with the university.
University Investments

§23.1-2604 of the Code of Virginia provides the authority to invest and manage the endowment funds, endowment income, gifts, all other nongeneral fund reserves and balances, and local funds held by the university.

Investment and management of these funds

- While there is market risk, the objective is for higher investment income to advance university goals and objectives.
- Supports university operations, initiatives, scholarships, and maintenance reserve projects while holding down student fees.
  - Beginning in 2018-19, a portion of the investment income derived from unrestricted assets will support the university’s share of costs for Virginia Tech Carilion School of Medicine.
University Long-Term Investments

$225.7 Million Market Value
As of December 31, 2017

- True Endowments
  - Rolls Royce and Pouring Rights
  - Pratt Estate
- Quasi-Endowments
- Donaldson Brown, Nationwide, Student Health Insurance, Gloria Smith, Multicultural Affairs, Chinese Geosciences, Licensing & Trademark...
- Local & Nongeneral Fund Investments
  - 63%

As of December 31, 2017
# Listing of Quasi-Endowments Owned by the University

## Funds Previously Designated by the Board as Quasi-Endowment:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Type</th>
<th>Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pratt Fund</td>
<td>Restricted</td>
<td>Animal Nutrition and Engineering</td>
<td>$48.4M</td>
</tr>
</tbody>
</table>

## Funds Recommended as Board Designated Quasi-Endowments:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Type</th>
<th>Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donaldson Brown</td>
<td>Restricted</td>
<td>Scholarships</td>
<td>$0.9M</td>
</tr>
<tr>
<td>Nationwide</td>
<td>Restricted</td>
<td>Scholarships</td>
<td>$6.2M</td>
</tr>
<tr>
<td>Student Health Insurance</td>
<td>Unrestricted</td>
<td>Student Health Insurance</td>
<td>$0.4M</td>
</tr>
<tr>
<td>Gloria Smith Professorship</td>
<td>Unrestricted</td>
<td>Professorship</td>
<td>$0.4M</td>
</tr>
<tr>
<td>Multicultural Affairs</td>
<td>Unrestricted</td>
<td>Scholarships</td>
<td>$0.1M</td>
</tr>
<tr>
<td>Chinese Geosciences</td>
<td>Unrestricted</td>
<td>Scholarships</td>
<td>$0.1M</td>
</tr>
<tr>
<td>Licensing and Trademark</td>
<td>Unrestricted</td>
<td>Scholarships</td>
<td>$13.0M</td>
</tr>
</tbody>
</table>

**Total Recommended Quasi-Endowments** $69.5 M

*Market Values as of December 31, 2017*
Management of Quasi-Endowments

- The University has or will transfer these funds to the Virginia Tech Foundation to be invested in accordance with the university’s agreement with the Foundation regarding the management of all such university funds.

- Quasi-endowments create an ongoing revenue stream for the university to advance strategic goals and objectives while holding down tuition and fees.

- The university’s Chief Financial Officer is responsible for the periodic monitoring of these quasi-endowments and for the deployment of the quasi-endowment payments in the university budget process to achieve the intended objective(s) of the quasi-endowment.
RECOMMENDATION:

That the aforementioned funds be reaffirmed and/or designated as quasi-endowments.

June 4, 2018
Consistent with the trend at many major research institutions, the university has developed, and is in the process of implementing, an updated cash management strategy to leverage limited resources. This is accomplished through the investing of additional university operating reserves in the Virginia Tech Foundation’s (Foundation) endowment program. While this should result in achieving enhanced investment returns over time, it will also result in maintaining a reduced amount of operating reserves. A representative workgroup comprising of personnel from the Budget Office, Controller’s Office, and Investment and Debt Management identified the appropriate level of cash reserves to invest and concluded that a back-up operating line of credit would be needed to completely implement the new investment strategy. A line of credit is a common cash management tool utilized in many corporate operations. The workgroup examined the current and projected cash flows and determined that $185 million of external liquidity would be needed, based on the university’s FY 2018 annual budget. The plan results in the generation of enhanced investment income that will help advance university strategic needs, while reducing the need for tuition and fee increases.

While the university believes that it will be able to operate throughout the year with its planned internal reserves, it recognizes the possibility that a major demand on cash could occur unexpectedly and rapidly. If such an event did occur, this line of credit will provide time for the university to access its longer-term investments at the Foundation. Once the cash management strategy is fully implemented, the annual low point of the university’s seasonal cash flow cycles is anticipated to be approximately $185 million, which equates to roughly 45 days of highly liquid operating reserves. Management determined that it would be in its best interest to target approximately 90 days of reserve liquidity through a combination of internal operating reserves and two or more external bank lines of credit. Accordingly, three bank line of credit providers have been identified to provide loans for up to $200 million of liquidity in aggregate, which should provide enough flexibility to obtain approximately 45 days of liquidity based in the university’s estimated FY 2019 budget. The external liquidity, when combined with the university’s operating reserves, will provide approximately 90 days of highly liquid cash reserves.

Board approval is needed for the establishment and access to the lines of credit. Upon approval of the lines of credit, the university will be authorized to draw upon the lines of credit, as needed. The lines will be (a) revolving lines of credit, the principal amount of which may be borrowed, repaid, and re-borrowed, and (b) secured by the university's
general revenue pledge, and not considered debt of the Commonwealth of Virginia, either legal, moral, or otherwise. McGuireWoods serves as university bond counsel.

Under the terms of the resolution, the university will enter into one or more credit agreements that set forth the terms and conditions of the applicable line of credit, in substantially the form provided to the Board. The Board’s approval will (a) authorize the lines of credit for an aggregate amount of up to $200 million, (b) approve the terms of the bank proposals and the form of the credit agreement, which includes a form promissory note, (c) identify the President, Chief Financial Officer, and University Treasurer as authorized officers to negotiate, execute and deliver all necessary documents related to the credit lines, and (d) authorize the authorized officers to enter into extensions of and amendments to the lines of credit and new lines of credit with other financial institutions from time to time, so long as such extensions and amendments and new lines of credit are not inconsistent with the intent of this resolution and the aggregate principal amount of the lines of credit does not exceed the greater of $200 million or 45 days of university operating expenditures based on the then Board-approved operating budget.

The university will review its liquidity profile at least annually to determine if its liquidity target and/or bank allocations require rebalancing.
Resolution on University Lines of Credit

FINANCE AND RESOURCE MANAGEMENT COMMITTEE

May 5, 2018

WHEREAS, Chapter 26, Title 23.1 of the Code of Virginia of 1950, as amended (the "Virginia Code"), establishes a public corporation under the name and style of Virginia Polytechnic Institute and State University (the "University") which is governed by a Board of Visitors (the "Board"); and

WHEREAS, by Chapter 10, Title 23.1 of the Virginia Code (the "Act"), the University entered into a management agreement with the Commonwealth of Virginia, which was enacted as Chapter 1 of Chapter 933 of the 2006 Virginia Acts of Assembly, as amended, pursuant to which the University is (a) classified as a public institution of higher education and (b) granted the authority, pursuant to the Act, to issue bonds, notes, or other obligations that are consistent with debt capacity and management policies and guidelines established by the Board and without (i) obtaining the consent of any legislative body, elected official, commission, board, bureau, political subdivision, or agency of the Commonwealth, (ii) the approval required by the provisions of Article 8 of Chapter 24 of Title 2.2 of the Virginia Code, or (iii) any regulation or procedure, including a review or approval procedure, adopted pursuant to Chapter 11 of Title 23.1 of the Virginia Code; and

WHEREAS, the Act further authorizes the University to provide for the payment of the principal of and the interest on such bonds, notes, or other obligations from any one or more of the following sources: (a) its revenues generally; (b) income and revenues derived from the operation, sale, or lease of a particular project or projects, whether or not they are financed or refinanced from the proceeds of such bonds, notes, or other obligations; (c) funds realized from the enforcement of security interests or other liens or obligations securing such bonds, notes, or other obligations; (d) proceeds from the sale of bonds, notes, or other obligations; (e) payments under letters of credit, policies of municipal bond insurance, guarantees, or other credit enhancements; (f) any reserve or sinking funds created to secure such payment; (g) accounts receivable of the University; or (h) other available funds of the University; and

WHEREAS, the University has determined that it would be in the best interest of the University to enter into one or more lines of credit (the "Lines of Credit") as a source of liquidity to support the general operations of the University; and

WHEREAS, it is anticipated that the Lines of Credit will (a) be revolving lines of credit, the principal amount of which may be borrowed, repaid, and re-borrowed and (b) be secured by the University's general revenue pledge and not be in any way a debt of the Commonwealth of Virginia (the "Commonwealth") and shall not create or constitute any indebtedness or obligation of the Commonwealth, either legal, moral, or otherwise; and
WHEREAS, the University has solicited proposals from various financial institutions to provide the Lines of Credit, including proposals from Branch Banking and Trust Company, The First Bank and Trust Company, and Wells Fargo Bank, National Association (collectively, the "Proposals"), the terms of which Proposals were presented to the Board; and

WHEREAS, under the terms of the Proposals, the University will enter into one or more credit agreements or similar agreements that set forth the terms and conditions of the applicable Line of Credit, in substantially the form presented to the Board (each a "Credit Agreement"); and

WHEREAS, to evidence its obligations under a Credit Agreement, the University will execute a promissory note in favor of the applicable financial institution, in substantially the form attached as an exhibit to the applicable Credit Agreement (each a "Note"); and

WHEREAS, the Board intends (a) to authorize the Lines of Credit, (b) approve the terms of the Proposals, the form of the Credit Agreement, which includes a form of the Note, and (c) take such other actions as are authorized in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF VISITORS OF VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY:

1. Authorization of Credit. For the purpose of providing a source of back-up liquidity to support the general operations of the University, the Board authorizes the Lines of Credit in an aggregate principal amount of up to $200,000,000. The Lines of Credit shall bear interest on a taxable basis, and the payment of principal of and interest on the Lines of Credit shall be from one or more of the sources authorized by the Act, all as more particularly described in the applicable Proposal and Credit Agreement. The Board hereby approves the terms of the Proposals, the form of the Credit Agreement and the form of the Note.

2. Delegation and Execution. The Board authorizes the President of the University, the Chief Financial Officer of the University, or the University Treasurer (collectively, the "Authorized Officers") to negotiate, execute, and deliver all certificates, documents, and instruments related to the Lines of Credit with one or more financial institutions; provided that the initial closing of all such Lines of Credit must occur on or before January 31, 2019. The final approval of the terms and conditions of the Lines of Credit and the final selection of the financial institutions shall be evidenced by the execution and delivery of the Credit Agreements by one or more Authorized Officers. The Board authorizes all University officers and staff to take such other actions as may be necessary or desirable in connection with entering into and maintaining the Lines of Credit. The Board authorizes the Authorized Officers to enter into extensions of and amendments to the Lines of Credit and new Lines of Credit with other financial institutions from time to time (including to increase the aggregate principal amount thereof), so long as such extensions and amendments and new Lines of Credit are not inconsistent with the intent of this Resolution and the aggregate principal amount of the Lines of Credit does not exceed the greater of
(1) the amount authorized in paragraph (1) and (2) 45 days of operating expenditures of the University, based on the then Board-approved operating budget.

3. Other Acts. All other acts of the Authorized Officers and other officers and staff of the University that are in conformity with the purpose and intent of this Resolution are hereby approved, ratified and confirmed.

4. Not a Debt of the Commonwealth. The Lines of Credit shall not be in any way a debt of the Commonwealth and shall not create or constitute any indebtedness or obligation of the Commonwealth, either legal, moral, or otherwise.

5. Effective Date. This Resolution shall take effect immediately upon adoption.

RECOMMENDATION:

That the resolution identifying the authorized officers; approving the terms of the proposals and the form of the credit agreement; authorizing the authorized officers to enter into extensions of, and amendments to, the lines of credit and new lines of credit so long as such extensions and amendments to, the lines of credit and new lines of credit are consistent with the intent of this resolution and do not exceed the greater of $200 million or 45 days of operating expenditures, be approved.

June 4, 2018
<table>
<thead>
<tr>
<th>Bank Name</th>
<th>Term</th>
<th>Facility Amount</th>
<th>Undrawn Fee</th>
<th>Interest Rate (spread in basis points to 1-month LIBOR)</th>
<th>Term-Out Period</th>
<th>Terms</th>
<th>Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wells Fargo</td>
<td>1, 2 or 3</td>
<td>Up to $75M</td>
<td>1 year term: 13 basis points</td>
<td>1. Base Rate for 6 month interest only is the greater of: - The Bank's prime rate plus 1%, - The Federal Funds rate plus 2.0%, or - 7%</td>
<td>Three years</td>
<td>Six months interest only and a 2.5 year term loan</td>
<td>1. Base Rate for 6 month interest only is the greater of: - The Bank's prime rate plus 1%, - The Federal Funds rate plus 2.0%, or - 7%</td>
</tr>
<tr>
<td>BB&amp;T</td>
<td>1, 2 or 3</td>
<td>Up to $95M</td>
<td>1 year term: 7.5 basis points</td>
<td>2. Amortized 2.5 year term loan rate: - Base Rate plus 1.00%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The First Bank &amp; Trust Company</td>
<td>1, 2, 3 or 4</td>
<td>Up to $30M</td>
<td>1 year term: None</td>
<td>1. Base Rate for 6 month interest only is the greater of: - The Bank's prime rate plus 1%, - The Federal Funds rate plus 2.0%, or - 7%</td>
<td>None</td>
<td>Six months interest only and a 2.5 year term loan</td>
<td>2. Amortized 2.5 year term loan rate: - Base Rate plus 1.00%</td>
</tr>
</tbody>
</table>
REVOLVING CREDIT AGREEMENT

Dated as of __________, 2018

By and Between

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

and

[LENDER NAME]
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>ARTICLE I</th>
<th>DEFINITIONS ........................................................................................................</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 1.1.</td>
<td>Definitions ....................................................................................................</td>
<td>1</td>
</tr>
<tr>
<td>Section 1.2.</td>
<td>Accounting Terms and Determinations .........................................................</td>
<td>5</td>
</tr>
<tr>
<td>Section 1.3.</td>
<td>Rules of Construction ...................................................................................</td>
<td>5</td>
</tr>
<tr>
<td>ARTICLE II</td>
<td>THE FACILITY ................................................................................................</td>
<td>6</td>
</tr>
<tr>
<td>Section 2.1.</td>
<td>General .........................................................................................................</td>
<td>6</td>
</tr>
<tr>
<td>Section 2.2.</td>
<td>Advances by the Bank ..................................................................................</td>
<td>6</td>
</tr>
<tr>
<td>Section 2.3.</td>
<td>Procedure for Requesting Advances ................................................................</td>
<td>6</td>
</tr>
<tr>
<td>Section 2.4.</td>
<td>Interest on Advances ...................................................................................</td>
<td>6</td>
</tr>
<tr>
<td>Section 2.5.</td>
<td>Optional Prepayments ..................................................................................</td>
<td>7</td>
</tr>
<tr>
<td>Section 2.6.</td>
<td>The Note .......................................................................................................</td>
<td>8</td>
</tr>
<tr>
<td>Section 2.7.</td>
<td>Obligations Absolute ...................................................................................</td>
<td>8</td>
</tr>
<tr>
<td>ARTICLE III</td>
<td>TERMS ..............................................................................................................</td>
<td>9</td>
</tr>
<tr>
<td>Section 3.1.</td>
<td>Fees .............................................................................................................</td>
<td>9</td>
</tr>
<tr>
<td>Section 3.2.</td>
<td>Payment of Interest after Event of Default ..................................................</td>
<td>9</td>
</tr>
<tr>
<td>Section 3.3.</td>
<td>Taxes ............................................................................................................</td>
<td>9</td>
</tr>
<tr>
<td>Section 3.4.</td>
<td>Reduction of Available Commitment; Termination of Agreement ......................</td>
<td>10</td>
</tr>
<tr>
<td>Section 3.5.</td>
<td>Extension of Scheduled Expiration Date ..........................................................</td>
<td>10</td>
</tr>
<tr>
<td>Section 3.6.</td>
<td>Payments and Computations ........................................................................</td>
<td>10</td>
</tr>
<tr>
<td>Section 3.7.</td>
<td>Source of Payment; Pledge of General Revenues .............................................</td>
<td>11</td>
</tr>
<tr>
<td>Section 3.8.</td>
<td>Purpose of Advances ....................................................................................</td>
<td>11</td>
</tr>
<tr>
<td>ARTICLE IV</td>
<td>CONDITIONS PRECEDENT .............................................................................</td>
<td>11</td>
</tr>
<tr>
<td>Section 4.1.</td>
<td>Conditions Precedent to Effectiveness ...........................................................</td>
<td>11</td>
</tr>
<tr>
<td>Section 4.2.</td>
<td>Conditions Precedent to Each Advance ...........................................................</td>
<td>12</td>
</tr>
<tr>
<td>ARTICLE V</td>
<td>REPRESENTATIONS AND WARRANTIES ............................................................</td>
<td>12</td>
</tr>
<tr>
<td>Section 5.1.</td>
<td>Representations and Warranties of the University ...........................................</td>
<td>12</td>
</tr>
<tr>
<td>Section 5.2.</td>
<td>Representations and Warranties of the Bank ..................................................</td>
<td>14</td>
</tr>
<tr>
<td>ARTICLE VI</td>
<td>COVENANTS ....................................................................................................</td>
<td>14</td>
</tr>
<tr>
<td>Section 6.1.</td>
<td>Affirmative Covenants ..................................................................................</td>
<td>14</td>
</tr>
<tr>
<td>Section 6.2.</td>
<td>Negative Covenants .....................................................................................</td>
<td>16</td>
</tr>
</tbody>
</table>
ARTICLE VII  EVENTS OF DEFAULT AND REMEDIES ......................................................... 17
  Section 7.1.  Events of Default ................................................................. 17
  Section 7.2.  Remedies ................................................................. 18

ARTICLE VIII  MISCELLANEOUS ........................................................................ 18
  Section 8.1.  Notices ........................................................................ 18
  Section 8.2.  Liability of the Bank ......................................................... 19
  Section 8.3.  Costs and Expenses ......................................................... 19
  Section 8.4.  Participants ................................................................. 20
  Section 8.5.  Successors and Assigns .................................................. 20
  Section 8.6.  Final Agreement; Modification or Waiver of this Agreement ......................................................... 20
  Section 8.7.  No Waiver of Rights by the Bank; Cumulative Rights ............. 21
  Section 8.8.  Governing Law ................................................................. 21
  Section 8.9.  Severability ................................................................. 21
  Section 8.10. Counterparts ................................................................. 21
  Section 8.11. Captions ................................................................. 21
  Section 8.12. Patriot Act ................................................................. 21

Exhibit A – Form of Promissory Note
Exhibit B – Form of Request for Advances
Exhibit C – Form of Request for Termination or Reduction
Exhibit D – Form of Request for Extension of Scheduled Expiration Date
Exhibit E – Form of Notice of Extension of Scheduled Expiration Date
REVOLVING CREDIT AGREEMENT

THIS REVOLVING CREDIT AGREEMENT (this "Agreement") is dated as of __________, 2018, by and between VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY, an educational institution established by the Commonwealth of Virginia as a public body and governmental instrumentality for the dissemination of education (the "University"), and [LENDER NAME], a national banking association (together with its successors or assigns the "Bank").

WHEREAS, the University has applied to the Bank for a revolving line of credit in the maximum principal amount of $__________ (as more particularly described herein, the "Facility"), advances under which will be used by the University for working capital, for general corporate and operating purposes, and for any other lawful purpose; and

WHEREAS, the University and the Bank intend that the Facility will be governed by the terms and subject to the conditions contained herein.

NOW, THEREFORE, in consideration of the covenants herein, the University and the Bank hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1. Definitions.

In addition to terms defined above or elsewhere in this Agreement, the following terms shall have the following meanings unless otherwise expressly indicated, or unless the context clearly requires otherwise:

"Act" means Chapter 10, Title 23.1 of the Code of Virginia of 1950, as amended.

"Advance" means an advance under the Facility made pursuant to the terms of Section 2.2, and shall include the Liquidity Draw made pursuant to the terms of Section 2.5(b).

"Advance Date" means any date on which the Bank makes an Advance as described in Section 2.3.

"Applicable Interest Rate" means (a) with respect to each Advance (other than the Liquidity Draw), a per annum rate equal to LIBOR plus the Applicable Margin, with such rate to change (i) on the first day of each LIBOR Period with each change in LIBOR, and (ii) with each change in the Applicable Margin, and (b) with respect to the Liquidity Draw, the Liquidity Rate.

"Applicable Margin" means, initially, _____ basis points per annum.
"Authorized Officer" means the University Treasurer, the Assistant Treasurer, the Assistant Vice President for Finance and University Controller, or any functionally equivalent successor position to any of the aforementioned University positions but which bears a different title, or any other person authorized by resolution of the University to act as an Authorized Officer hereunder and for which a written certificate has been furnished to the Bank containing the specimen signature of such person.

"Available Commitment" means initially $__________, and thereafter shall mean such amount adjusted from time to time as follows: (i) downward by the amount of any reduction of the Available Commitment pursuant to Section 3.4; (ii) downward by the principal amount of any Advance made by the Bank pursuant to Section 2.2; and (iii) upward by the principal amount of any Advance repaid to the Bank pursuant to Section 2.5; provided, that in no event shall the Available Commitment exceed $__________. Any adjustment pursuant to clause (i), (ii) or (iii) above shall occur simultaneously with the event requiring such adjustment.

"Bond Ratings" means the long-term credit ratings assigned from time to time to the University's unenhanced General Revenue Obligations by each of the Rating Agencies. The Bond Ratings will change as of the date of any change in such long-term credit ratings.

"Business Day" means any day other than a Saturday, Sunday or a day on which banking institutions in the Commonwealth or the State of New York are closed.

"Claw Back Amount" means, for any period during which a payment obligation hereunder or under the Note bears interest at a rate in excess of the Maximum Rate, an amount equal to the difference between the amount of interest the Bank would have received hereunder or under the Note during such period, without regard to the limitations imposed by the Maximum Rate, and the amount of interest actually payable to the Bank at the Maximum Rate during such period.

"Commitment Period" means the period from and including the Effective Date to and including the Expiration Date.

"Commonwealth" means the Commonwealth of Virginia.

"Debt" means, with respect to any Person, without duplication, (i) all general obligations of such Person for borrowed money and reimbursement general obligations which are not contingent, (ii) all general obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services which purchase price is due twelve months or more from the date of incurrence of the obligation in respect thereof, (iv) all obligations of such Person as lessee under capital leases, (v) all payment obligations of such Person, in addition to any obligations set forth in clauses (i) through (iv) above, arising under any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate futures contract, interest rate option contract or other similar arrangement and under any foreign exchange contract, currency swap agreement,
foreign exchange futures contract, foreign exchange option contract, synthetic cap or other similar agreement, and (vi) all payment obligations set forth in clauses (i) through (v) above of any third party which are Guaranteed by such Person; provided, however, that the term "Debt" shall not include contingent obligations of any Person to reimburse the provider of any surety bonds or letters of credit to the extent that such surety bonds or letters of credit support obligations of such Person that would otherwise be included in the term "Debt" under clauses (i) through (v) above.

"Debt Instrument" and "Debt Instruments" have the meanings assigned to such terms in Section 5.1(d).

"Default" means any event or condition which constitutes an Event of Default or which with the giving of notice or the lapse of time, or both, would, unless cured or waived, become an Event of Default.

"Default Rate" means a per annum rate equal to the rate of interest otherwise applicable to Advances hereunder plus _____ basis points.

"Dollars" or the sign "$" means dollars in the lawful currency of the United States of America.

"Effective Date" has the meaning set forth in Section 4.1.

"Event of Default" has the meaning set forth in Section 7.1.

"Expiration Date" means the earliest to occur of (i) the Scheduled Expiration Date, (ii) the date on which the University terminates this Agreement pursuant to Section 3.4(b), and (iii) the date on which the Bank terminates its obligation to make Advances under the Facility pursuant to Section 7.2(a).

"Facility" means the obligation of the Bank to make Advances which in the aggregate at any one time will not exceed the Available Commitment.

"Fee Letter" means the Fee Letter dated of even date herewith between the Bank and the University regarding the payment of certain fees in connection with the Facility, as the same may be amended, restated, replaced or otherwise modified from time to time.

"Fitch" means Fitch, Inc. and its successors.

"GAAP" means generally accepted accounting principles applicable to governmental colleges and universities, as promulgated by the Governmental Accounting Standards Board from time to time.

"General Revenue Obligations" means Debt of the University to which the General Revenues of the University are pledged.

"General Revenues" has the meaning set forth in Section 3.6.
"Guarantee" means, with respect to any Person, any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise), (ii) entered into for the purpose of assuring in any other manner the obligee of such Debt of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part) or (iii) with respect to any letter of credit issued for the account of such other Person or as to which such other Person is otherwise liable for reimbursement of drawings; provided, that the term "Guarantee" shall not include (1) endorsements for collection or deposit in the ordinary course of business, or (2) performance or completion guarantees. The term "Guarantee" used as a verb has a corresponding meaning.

"LIBOR" means [Lender specific definition to be included].

"LIBOR Period" [Lender specific definition to be included].

"Lien" means, with respect to any asset, (i) any lien, charge, claim, mortgage, security interest, pledge or assignment of revenues of any kind in respect of such asset or (ii) the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such asset.

"Liquidity Draw" has the meaning given to it in Section 2.5(b).

"Liquidity Rate" means [Lender specific definition to be included].

"London Business Day" means any day that is a day for trading by and between banks in Dollar deposits in the London interbank market.

"Material Adverse Effect" means any material adverse effect on (i) the properties, assets, condition (financial or otherwise), results of operations or prospects of the University taken as a whole, or (ii) the ability of the University to perform its obligations under this Agreement or the Note.

"Maximum Rate" means the maximum rate of interest payable by the University on any repayment obligation pursuant to the laws of the Commonwealth.


"Note" means the promissory note of the University issued pursuant to this Agreement, substantially in the form of Exhibit A hereto, which evidences the obligation of the University to repay Advances made under the Facility, as the same may be amended, restated, replaced or otherwise modified from time to time.
"Participant" means any bank or other financial institution to which the Bank has granted a participation in the Bank's commitment to make Advances, pursuant to a Participation Agreement; provided, however, any such Participant shall take such participation subject to the terms of this Agreement.

"Participation Agreement" means any Participation Agreement between the Bank and a Participant, as described in accordance with Section 8.5 of this Agreement.

"Patriot Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107-56 (signed into law October 26, 2001), as amended, or any successor statute.

"Person" means an individual, a corporation, a partnership, a limited liability company, an association, a trust, a government, a political subdivision, a governmental agency or instrumentality or any other entity or organization.

"Rating Agencies" means, collectively, Moody's, S&P and Fitch.

"Request for Advance" means a written request for an Advance in substantially the form of Exhibit B.

"Sanctions" has the meaning set forth in Section 5.1(m).

"Scheduled Expiration Date" means __________, 20__, as such date may be extended pursuant to Section 3.5.


"Taxes" has the meaning set forth in Section 3.3.

Section 1.2. Accounting Terms and Determinations.

Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with GAAP as in effect from time to time, applied on a basis consistent (except for changes approved by the Auditor of Public Accounts of the Commonwealth) with the most recent financial statements of the University delivered to the Bank.

Section 1.3. Rules of Construction.

When used in this Agreement:

(i) the singular includes the plural and the plural includes the singular;

(ii) the use of the word "or" is not exclusive;

(iii) a reference to a law includes any amendment or modification of such law;
(iv) a reference to a person includes its permitted successors and permitted assigns;

(v) a reference to an agreement, instrument or document shall include such agreement, instrument or document as the same may have been and may from time to time be amended, modified or supplemented in accordance with its terms and as permitted hereby;

(vi) a reference to an Article, Section, paragraph or Exhibit shall mean a reference to an Article, Section or paragraph hereof or Exhibit hereto, unless the context expressly requires otherwise; and

(vii) a reference to "herein" or "hereof" shall mean in or of this Agreement.

ARTICLE II
THE FACILITY

Section 2.1. General.

Upon the terms and subject to the conditions of this Agreement, the Bank agrees to make the Facility available to the University during the Commitment Period.

Section 2.2. Advances by the Bank.

The Bank agrees to make one or more advances (each an "Advance") to the University on any Business Day during the Commitment Period; provided, however, that the principal amount to be advanced at any time does not exceed the Available Commitment at such time. Within the limits specified above, the University may request Advances, repay Advances and request further Advances under the Facility. Subject to Section 2.5(b), each Advance shall be due and payable in full on the Expiration Date.

Section 2.3. Procedure for Requesting Advances.

The University shall give written notice (in the form of a Request for Advance), which may be delivered by facsimile, and telephonic notice to the Bank not later than 11:00 a.m. (New York, New York time) on the proposed date an Advance is to be made (each such date, an "Advance Date"), specifying the principal amount of the proposed Advance and the proposed Advance Date. Upon receipt of a timely Request for Advance by the Bank from the University, the Bank, subject to the terms and conditions of Section 4.2, shall advance to the University or its designee by 3:00 p.m. (New York, New York time) on the Advance Date the amount requested in such Request for Advance, which amount shall not exceed the Available Commitment on such date, after taking into consideration (a) any reduction in the Available Commitment, including any other Advances by the Bank on such Advance Date and (b) any increase in the Available Commitment as a result of any payments of principal made by the University on such Advance Date. Advances may be in any amount. With respect to any Request for Advance received by the Bank after the time required by this Section 2.3, the Bank shall be required to make such Advance by 2:00 p.m. (New York, New York time) on the
Business Day following the Business Day on which the Bank would otherwise be required to make such Advance had such Request for Advance been timely presented. An Authorized Officer of the University shall sign each Request for Advance. Each Advance shall be made by the Bank by wire transfer of immediately available funds to the University or its designee in accordance with written instructions provided by the University.

Section 2.4. Interest on Advances.

(a) Except following the occurrence of an Event of Default hereunder, each Advance shall bear interest at the Applicable Interest Rate. Interest on each Advance shall be due and payable [monthly / quarterly] in arrears on the first (1st) Business Day of each [month / ______ 1, _____ 1, _____ 1, and _____ 1], and upon the maturity of such Advance in accordance with Section 2.2 above, in each case calculated on the basis of the actual number of days elapsed over a year of [360 / 365 or 366] days[, as applicable].

(b) After the occurrence of an Event of Default, all Advances shall bear interest at the Default Rate unless the Bank shall agree otherwise in writing.

(c) In addition to the foregoing, for any period during which any obligation hereunder or under the Note bears interest at a rate in excess of the Maximum Rate, and if, for any subsequent period, the Applicable Interest Rate or the Default Rate, as applicable, is less than the Maximum Rate, the interest payable for such subsequent period on said obligation remaining unpaid shall be increased by the Claw Back Amount, but only to the extent that the interest payable on said obligation remaining unpaid, taking into consideration the Claw Back Amount, would not for such subsequent period exceed the Maximum Rate. The Claw Back Amount which accrues to the extent the Applicable Interest Rate or the Default Rate, as applicable, exceeds the Maximum Rate shall bear interest at the Applicable Interest Rate plus _____ basis points per annum. Any Claw Back Amount not paid in full to the Bank on or prior to the Expiration Date shall, on said Expiration Date but subject to applicable law, become due and payable on such Expiration Date as an additional fee.

Section 2.5. Optional Prepayments.

(a) The University may prepay any Advance in whole or in part, without premium or penalty except as provided below, provided that on the date of each such prepayment, the University shall pay to the Bank the principal amount of the Advance or portion thereof to be prepaid, plus accrued interest thereon to the date of prepayment. In consideration of the Bank providing this prepayment option to the Borrower, or if any Advance shall become due and payable at any time prior to the last day of the LIBOR Period applicable thereto by acceleration or otherwise, the Borrower shall pay to the Bank immediately upon demand a fee which is the sum of the discounted monthly differences for each month from the month of prepayment through the month in which such LIBOR Period matures, calculated as follows for each such month:
(i) Determine the amount of interest which would have accrued on the amount prepaid at the interest rate applicable to such amount had it remained outstanding until the last day of the LIBOR Period applicable thereto.

(ii) Subtract from the amount determined in paragraph (i) above the amount of interest which would have accrued for the same month on the amount prepaid for the remaining term of such LIBOR Period at LIBOR in effect on the date of prepayment for new loans made for such term and in a principal amount equal to the amount prepaid.

(iii) If the result obtained in paragraph (ii) above for any month is greater than zero, discount that difference by LIBOR used in paragraph (ii) above.

The University acknowledges that prepayment of such amount may result in the Bank incurring additional costs, expenses and/or liabilities, and that it is difficult to ascertain the full extent of such costs, expenses and/or liabilities. The University, therefore, agrees to pay the above-described prepayment fee and agrees that said amount represents a reasonable estimate of the prepayment costs, expenses and/or liabilities of the Bank.

(b) On the Expiration Date, if no Event of Default has occurred and is continuing, and if all representations and warranties of the University hereunder are true and correct, the aggregate principal balance of all Advances outstanding under this Agreement shall be repaid with a final Advance referred to as the "Liquidity Draw." Interest on the Liquidity Draw shall continue as provided in Section 2.4. The principal portion of the Liquidity Draw shall be payable on or before the 180th day following the Expiration Date, except as provided in the following sentence. On the 180th day following the Expiration Date, if no Event of Default has occurred and is continuing, and all representations and warranties of the University hereunder are true and correct, any outstanding principal portion of the Liquidity Draw will be repaid semi-annually, in six equal payments, commencing 180 days after the Expiration Date, in an amount sufficient to fully-amortize such outstanding amount over a period of 36 months from the Expiration Date. The unpaid balance of any Liquidity Draw shall be due and payable in full on the third anniversary of the Expiration Date.

Section 2.6. The Note.

The University's obligation to repay outstanding Advances hereunder (and interest in connection therewith) shall be evidenced by the Note. The Note shall (i) be duly completed and payable to the Bank or its assigns, (ii) be dated the Effective Date (or such other date as may be agreed upon between the Bank and the University), (iii) be in a stated principal amount equal to the amount of the initial Available Commitment, and (iv) mature on the Expiration Date. The Bank is hereby authorized by the University to endorse on the Note (or on any schedule attached thereto, or on a continuation of such schedule attached thereto) or otherwise make in the Bank's records an appropriate notation of the date and amount of each Advance and each payment of principal made by the University. Such endorsements or other notations shall, in the absence of manifest
error, be conclusive as to the outstanding principal balance of the Note; provided, however, that any error in making or failure to make any such endorsement or notation shall not limit or otherwise affect the obligations of the University hereunder or under the Note.

Section 2.7. **Obligations Absolute.**

(a) The obligations of the University under this Agreement and the Note shall be absolute, unconditional and irrevocable and shall be paid and performed strictly in accordance with the terms hereof and thereof, under all circumstances whatsoever, including, without limitation, the following circumstances:

(i) any lack of validity or enforceability of this Agreement or the Note;

(ii) any amendment or waiver of or any consent to departure from the terms of this Agreement or the Note, if not effected in accordance with Section 8.7 hereof;

(iii) the existence of any claim, setoff, defense or other right which the University may have at any time against the Bank or any other Person, whether in connection with this Agreement, the Note or any unrelated transaction;

(iv) any voluntary or involuntary liquidation, dissolution, receivership, insolvency, bankruptcy, proceeding for relief, assignment for benefit of creditors, reorganization, composition or readjustment of, or sale or other disposition of all or substantially all of the assets of, or the marshalling of the assets and liabilities of, or any proceeding for accounting of, the University;

(v) any statement or any other document presented pursuant hereto that proves to be forged, fraudulent, invalid or insufficient in any respect or untrue or inaccurate in any respect whatsoever;

(vi) payment by the Bank hereunder against presentation of a Request for Advance which does not comply with the terms of this Agreement; provided, that such payment shall not constitute gross negligence of the Bank; and

(vii) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing; provided, that such other circumstance or happening shall not have been the result of gross negligence or willful misconduct of the Bank.

(b) Notwithstanding the foregoing, the Bank acknowledges the sovereign status of the University as a public body and governmental instrumentality of the Commonwealth.
ARTICLE III
TERMS

Section 3.1. Fees.

In consideration of the Bank's agreement to make the Facility available to the University hereunder, the University agrees to pay to the Bank the [undrawn / unused] fees (if any), and other fees as set forth in the Fee Letter. Any amounts due and payable under the Fee Letter shall be considered due and payable hereunder for all purposes of this Agreement as if the Fee Letter were set forth herein in full.

Section 3.2. Payment of Interest after Event of Default.

Upon the occurrence and during the continuance of any Event of Default, the Bank may from time to time demand from the University, and the University hereby agrees to pay upon such demand, accrued interest on any or all Advances outstanding at the time of the occurrence or continuance of such Event of Default.

Section 3.3. Taxes.

To the extent permitted by law, any and all payments by the University hereunder shall be made free and clear of and without deduction for any and all taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding taxes imposed on the overall net income of the Bank (and franchise taxes imposed in lieu of net income taxes) by the jurisdiction of the Bank's applicable lending office or any political subdivision thereof (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "Taxes"). If the University shall be required by law to withhold or deduct any Taxes from or in respect of any sum payable hereunder then, to the extent permitted by law, (i) the sum payable shall be increased as may be necessary so that after making all required withholdings or deductions (including those Taxes payable solely by reason of additional sums payable under this Section 3.4), the Bank receives an amount equal to the sum it would have received had no such withholdings or deductions been made, (ii) the University shall make such withholdings or deductions, and (iii) the University shall pay the full amount withheld or deducted to the relevant taxation authority or other authority in accordance with applicable law.

Section 3.4. Reduction of Available Commitment; Termination of Agreement.

(a) The University may permanently reduce the amount of the Available Commitment, at any time and from time to time, in any integral multiple of $1,000,000, by delivering to the Bank a certificate in substantially the form of Exhibit C at least thirty (30) days' prior to the proposed effective date of such reduction. In connection with any such reduction, the University shall prepay any Advances outstanding under the Facility in excess of the proposed reduced Available Commitment, together with all interest accrued or to accrue through the date of prepayment.
(b) Subject to the payment to the Bank of all amounts due hereunder, including amounts due under Section 3.1 and Section 3.2, the University may terminate this Agreement at any time by delivering to the Bank a certificate in substantially the form of Exhibit C at least thirty (30) days prior to the proposed effective date of such termination.

Section 3.5. Extension of Scheduled Expiration Date.

The Scheduled Expiration Date may be extended by the Bank, in its sole and absolute discretion, upon the written request of the University in the form of Exhibit D given to the Bank at least ninety (90) days prior to the Scheduled Expiration Date. Within thirty (30) days of receipt of a request for extension, the Bank shall either notify the University that the Scheduled Expiration Date will be extended to the new Scheduled Expiration Date set forth in a notice in the form of Exhibit E to the University or notify the University that the Scheduled Expiration Date will not be so extended. Failure of the Bank to so respond to any such request shall constitute a denial of such request. Upon any extension of the Scheduled Expiration Date pursuant to this Section, the Bank and the University reserve the right to renegotiate any provision hereof.

Section 3.6. Payments and Computations.

(a) All payments by the University under this Agreement and the Note shall be made to the Bank in Dollars and in immediately available funds to the account designated by the Bank.

(b) All payments by the University under this Agreement and the Note shall be made to the Bank not later than 1:00 p.m., New York, New York time on the payment date. If any payment hereunder becomes due and payable on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

(c) All interest and fees payable hereunder and under the Note shall be calculated on the basis of the actual number of days elapsed or to elapse over a year of 360 days. Any change in the Applicable Interest Rate or the Default Rate shall become effective as of the opening of business on the day on which such change shall become effective.

(d) Whenever a payment is due to the Bank under this Agreement, the University shall be deemed to have made such payment at the time such payment is made available to the Bank.
Section 3.7  
Source of Payment; Pledge of General Revenues.

The obligations of the University hereunder and under the Note are payable from any or all of the revenues now or hereafter available to the University, including, but not limited to, and subject to guidelines promulgated by the Secretary of Finance of the Commonwealth, moneys appropriated to the University from the general fund of the Commonwealth or from nongeneral funds, without regard to the source of such moneys, and which are not required by law or by binding contract entered into prior to the date of this Agreement to be devoted to some other purpose ("General Revenues"), which General Revenues are hereby pledged to the payment of all obligations of the University hereunder and under the Note on a parity basis with all other General Revenue Obligations.

Section 3.8  
Purpose of Advances.

The proceeds of each Advance made under the Facility shall be used by the University for working capital, for general corporate and operating purposes, and for any other lawful purpose.

ARTICLE IV  
CONDITIONS PRECEDENT

Section 4.1  
Conditions Precedent to Effectiveness.

The Commitment Period shall commence on the date (the "Effective Date") on which each of the following conditions precedent shall have been fulfilled to the satisfaction of the Bank; provided, however, that the Effective Date shall occur no later than __________, 2018:

(a) The Bank shall have received an original counterpart of this Agreement and the original Note, each duly completed and executed by an Authorized Officer on behalf of the University.

(b) The Bank shall have received certified copies of all resolutions and other required approvals authorizing this Agreement and the transactions contemplated hereby (the "Authorizing Resolution").

(c) The Bank shall have received a certificate setting forth the names, titles and specimen signatures of all Authorized Officers expected to effect transactions hereunder, upon which certification the Bank may conclusively rely.

(d) If the Effective Date is later than the date of this Agreement, the Bank shall have received a certificate of the University to the effect that each of the representations and warranties contained in Article V shall, except to the extent that they relate specifically to an earlier date, be true with the same effect as though such representations and warranties had been made on the Effective Date.
(e) The Bank shall have received an opinion of the University’s general counsel, dated the Effective Date, in form and substance satisfactory to the Bank and covering such matters as the Bank may reasonably request including, without limitation, the matters described in paragraphs (a) through (e) (other than clause (ii) thereof) and paragraph (h) of Section 5.1.

(f) The Bank shall have received an opinion of McGuireWoods LLP, as bond counsel to the University, dated the Effective Date, in form and substance satisfactory to the Bank and covering such matters as the Bank may reasonably request including, without limitation, the matters described in paragraphs (f) and (g) of Section 5.1.

(g) All fees and expenses due and payable in accordance with the Fee Letter and the provisions of Section 8.3 shall have been paid.

(h) All other legal matters pertaining to the execution and delivery of this Agreement and the Note shall be satisfactory to the Bank, and the Bank shall have received such other statements, certificates, agreements, documents and information with respect to the University and matters contemplated by this Agreement as the Bank shall have requested.

Section 4.2. Conditions Precedent to Each Advance.

The obligation of the Bank to make an Advance on any Advance Date is subject to the conditions precedent that: (a) the Bank shall have received a timely, complete and duly executed Request for Advance, (b) no Event of Default has occurred and is continuing, and (c) the Expiration Date shall not have occurred. Unless the University shall have otherwise previously advised the Bank in writing, delivery to the Bank of a Request for Advance shall be deemed to constitute a representation and warranty by the University that on the Advance Date all of such conditions have been satisfied.

ARTICLE V
REPRESENTATIONS AND WARRANTIES

Section 5.1. Representations and Warranties of the University.

The University hereby represents and warrants to the Bank, which representations and warranties shall survive the execution and delivery of this Agreement and the Note and the making of each Advance, as follows:

(a) Organization and Authorization. The University is an educational institution established by the Commonwealth as a public body and governmental instrumentality for the dissemination of education, duly organized and validly existing under laws of the Commonwealth.

(b) Authorization to Execute Documents. The University has full power and authority to execute and deliver this Agreement and the Note, and to perform its obligations under each of the foregoing.
(c) **Obligations Legal, Valid and Binding.** This Agreement has been, and the Note once executed and delivered will have been, duly and validly authorized, executed and delivered by the University, and each of this Agreement and the Note constitutes or will constitute the legal, valid and binding obligation of the University enforceable against the University in accordance with its terms, except insofar as the enforceability thereof may be limited by sovereign immunity, by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors’ rights and remedies generally, and by general principles of equity, whether applied by a court of law or equity.

(d) **University Not in Default.** (i) No Default or Event of Default has occurred and is continuing hereunder, and (ii) the University is not in default under any other mortgage, indenture, contract, agreement, bond resolution, instrument or other undertaking evidencing Debt of the University or which purports to be binding on the University or on any of its assets (each such mortgage, indenture, contract, agreement, bond resolution, instrument or other undertaking being referred to individually as a "Debt Instrument" and, collectively, as "Debt Instruments"), which default could reasonably be expected to have a Material Adverse Effect.

(c) **No Violation.** The execution, delivery and performance by the University of this Agreement and the Note do not (i) violate any provision of the Act, any other laws of the Commonwealth or the United States of America or any other applicable law, regulation, order, writ, judgment or decree of any court, arbitrator or governmental authority, or (ii) violate any provision of, constitute a default under, or result in the creation or imposition of any Lien on any of the assets of the University pursuant to the provisions of, any Debt Instrument. The University is not a party to, or otherwise subject to, any provision contained in any Debt Instrument, or any other contract or agreement which limits the amount of, or otherwise imposes restrictions on the incurring of, obligations of the University that could reasonably be expected to result in a Material Adverse Effect.

(f) **Consents.** The University has obtained all consents and approvals of, and has made all filings, registrations and declarations with, all governmental authorities required under the Act or other applicable law for the execution, delivery and performance by the University of this Agreement and the Note and the pledge of General Revenues hereunder, and all such consents, approvals, filings, registrations and declarations remain in full force and effect.

(g) **Obligations of the University.** The obligations of the University hereunder and under the Note are payable from General Revenues of the University, and the pledge of such General Revenues hereunder is a valid and legally binding pledge thereof on a parity basis with all other General Revenue Obligations.

(h) **Litigation.** There is no action, suit, investigation or proceeding pending or, to the best of the University’s knowledge after due inquiry, threatened against or affecting the University, in which an adverse determination could reasonably be expected to have a Material Adverse Effect.
(i) **Disclosure.** The representations and statements made by the University herein, in the Note, and in any other document furnished to the Bank by the University in connection herewith or therewith, are accurate in all material respects. No information, exhibit or report, including, without limitation, the financial statements furnished by or on behalf of the University to the Bank, contains any untrue statement of a material fact or omits any statement of a material fact necessary to make the statements contained herein, in light of the circumstances under which they were made, not misleading, and there are no facts that the University has not disclosed to the Bank that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

(j) **Financial Condition.** The balance sheet of the University for the fiscal year of the University ended June 30, 2018 (or any subsequent fiscal year if annual financial statements for such fiscal year have been delivered to the Bank as required by Section 6.1(a)), and the related statements of revenues, expenses and changes in fund balances, present fairly the University's financial position as of the end of such fiscal year and the results of its operations and its income, fund balances and changes in financial position for the end of such fiscal year, in conformity with GAAP. No change has occurred relating to such balance sheet and related statements of revenues, expenses and changes (other than as are disclosed by the University to the Bank) that could reasonably be expected to have a Material Adverse Effect.

(k) **Incorporation of Representations and Warranties by Reference.** The representations and warranties of the University set forth in the Debt Instruments are true and accurate in all material respects.

(l) **No Proposed Legal Changes.** There is (i) no amendment or, to the knowledge of the University, proposed amendment to the Constitution of the Commonwealth, (ii) no published administrative interpretation of the Constitution or any other law of the Commonwealth, (iii) no legislation that has passed either house of the General Assembly of the Commonwealth, and (iv) no published judicial decision interpreting any of the foregoing, in any case which could reasonably be expected to have a Material Adverse Effect.

(m) **Patriot Act Compliance.** The University is not the target of any trade or economic sanctions promulgated by the United Nations or the governments of the United States, the United Kingdom, the European Union, or any other jurisdiction in which the University is located or operates (collectively, "Sanctions").

Section 5.2. **Representations and Warranties of the Bank.**

The Bank hereby represents and warrants to the University that this Agreement has been duly authorized by the Bank and, upon its execution and delivery by the Bank, will constitute the legal, valid and binding obligation of the Bank enforceable against the Bank in accordance with its terms except insofar as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights and remedies generally, and by general principles of equity, whether applied by a court of law or equity.
ARTICLE VI
COVENANTS

Section 6.1. Affirmative Covenants.

As long as this Agreement is in effect, and until all Advances and other amounts payable hereunder and under the Note are indefeasibly paid in full, the University will perform and observe the covenants set forth below:

(a) Financial Records; Other Reports. (i) The University shall at all times maintain financial records and furnish to the Bank, as soon as available but no later than 270 days after the end of each fiscal year of the University, financial statements prepared in accordance with GAAP including (i) a balance sheet as of the end of each fiscal year, (ii) the related statements of revenues, expenses and changes in fund balances for such fiscal year, and (iii) statements of cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year of the University, audited by the Auditor of Public Accounts of the Commonwealth and accompanied by a certificate of an Authorized Officer of the University to the effect that no Default or Event of Default has occurred and is continuing. The University shall also provide the Bank promptly upon their becoming available, copies of any non-routine periodic or special reports filed by the University with any governmental authority, if such reports indicate that any event has occurred or condition exists which could reasonably be expected to have a Material Adverse Effect.

(ii) If the University delivers any of the information described in Section 6.1(a)(i) to the Electronic Municipal Market Access established by the Municipal Securities Rulemaking Board (“EMMA”) within the timeframe required under Section 6.1(a)(i), the University shall not be obligated to furnish such information to the Bank.

(b) Notice of Certain Events. The University shall notify the Bank in writing as soon as possible after the University acquires knowledge of (i) the occurrence of any Default, (ii) any change in any Bond Rating, (iii) the occurrence of any default or other event under any Debt Instrument which could reasonably be expected to have a Material Adverse Effect, and (iv) the filing of any action or the occurrence of any activity which could lead to an initiative or referendum or any other similar event which could reasonably be expected to have a Material Adverse Effect.

(c) Other Information. The University shall furnish to the Bank, as the Bank may reasonably request, such additional financial information concerning the University in order to enable the Bank to determine whether the covenants, terms and provisions of this Agreement and the Note have been complied with by the University, and for that purpose, all pertinent books, documents and vouchers relating to the University's business, affairs and properties shall at all reasonable times during regular business hours and upon reasonable prior notice be open to the inspection of such accountants or other agents (who may make copies of all or any part thereof at their own cost and expense) as shall from time to time be designated by the Bank. Without limiting the
foregoing, upon reasonable prior notice, the University will permit the Bank to visit and
inspect any of the properties of the University during regular business hours and to
discuss the affairs, finances and accounts of the University with its officials and any
accounting firm performing services for the University, as often as the Bank may
reasonably request.

(d) **Compliance with Obligations and Laws.** The University shall observe and
comply with all of its obligations arising in connection with this Agreement, the Note and
the Debt Instruments and all laws of the Commonwealth and the United States of
America, including any rules and regulations thereunder, applicable to the University.

(e) **Litigation.** The University shall forthwith notify the Bank in writing with
respect to any pending or threatened litigation with respect to the University the existence
of which causes the representation set forth in Section 5.1(h) to be untrue or inaccurate
in any material respect.

(f) **Licenses, Permits, Etc.** The University will take all necessary and
appropriate action to ensure the continuance in force of all material consents, licenses,
permits, orders, decrees, approvals, authorizations, registrations and filings obtained or
made in connection with this Agreement and the Note or necessary to maintain the
enforceability against the University of this Agreement or the Note.

(g) **Books and Records.** The University shall keep or cause to be kept
adequate and proper records and books of account with respect to its revenues,
expenses and assets in which complete and correct entries shall be made.

(h) **Maintenance of Existence.** The University shall use its best efforts to
preserve and maintain (i) its existence as an educational institution and a public body and
governmental instrumentality of the Commonwealth, and (ii) its rights, franchises and
privileges material to its ability to repay the obligations hereunder and under the Note.

(i) **Other Matters.** The University shall execute and deliver to the Bank all such
documents and instruments, and do all such acts and things, as may be necessary or
reasonably required by the Bank to enable the Bank to exercise and enforce its rights
under this Agreement and the Note and to realize thereon, and record and file and re-
record and re-file all such documents and instruments, at such time or times, in such
manner and at such place or places, all as may be necessary or reasonably required by
the Bank to validate, preserve and protect its rights under this Agreement and the Note.

(j) **Patriot Act Compliance.** The University shall observe and comply with (a)
all Sanctions, (b) all laws and regulations that relate to money laundering, any predicate
crime to money laundering, or any financial record keeping and reporting requirements
related thereto, (c) the U.S. Foreign Corrupt Practices Act of 1977, as amended, (d) the
U.K. Bribery Act of 2010, as amended, and (e) any other applicable anti-bribery or anti-
corruption laws and regulations.

Section 6.2. **Negative Covenants.**
As long as this Agreement is in effect, and until all Advances and other amounts payable hereunder and under the Note are indefeasibly paid in full, the University shall not, unless the Bank shall otherwise consent in writing:

(a) amend, supplement, extend, modify, waive, revise or otherwise alter or terminate any Debt Instrument if such amendment, supplement, extension, modification, waiver, revision, alteration or termination could reasonably be expected to result in a Material Adverse Effect;

(b) violate any law, rule, regulation, or governmental order to which it is subject, which violation could reasonably be expected to result in a Material Adverse Effect; or

(c) merge, consolidate, sell, transfer, lease or otherwise dispose of all or any substantial part of its property, other than a merger with or consolidation into any other governmental entity that assumes all obligations of the University under this Agreement and the Note.

ARTICLE VII
EVENTS OF DEFAULT AND REMEDIES

Section 7.1. Events of Default.

Each of the following events shall constitute an event of default (an "Event of Default") hereunder:

(a) Certain Payments. The University shall fail to pay the principal of or interest on any Advance (other than accelerated Advances) when the same shall become due and payable, whether at maturity or as otherwise scheduled, and such failure shall continue unremedied for a period of five (5) calendar days or more.

(b) Default under General Revenue Obligations. The University shall default in the payment of principal or interest on any General Revenue Obligations; provided that, for purposes of this Section 7.1(b) only, "General Revenue Obligations" shall only include Debt of the University described in clauses (ii) and (iv) of the definition of "Debt" in Section 1.1.

(c) Invalidity. The University challenges the validity or enforceability of any material provision of this Agreement or the Note concerning the payment of principal or interest, or any court or governmental authority having jurisdiction over this Agreement or the Note finds or rules that any material provision of this Agreement or Note concerning the payment of principal or interest is not valid and binding on the University.

(d) Appointment of Receiver, Etc. (i) An order or decree is entered, with the consent or acquiescence of the University, appointing a receiver or receivers of the University or of the revenues thereof, or if such order or decree, having been entered without the consent or acquiescence of the University, is not vacated or discharged or stayed on appeal within sixty (60) days after the entry thereof; or (ii) any proceeding is instituted, with the consent or acquiescence of the University, for the purpose of effecting
a composition between the University and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted.

(c) Certain Other Payments. The University shall fail to pay accelerated principal of or interest on any Advance, or shall fail to pay any fee or other amount payable hereunder, when the same shall become due and payable.

(f) Representations Untrue. Any representation, warranty, certification or statement made by the University in or pursuant to this Agreement or in any certificate, financial statement or other document delivered pursuant to this Agreement or incorporated herein, shall (in any such case) have been incorrect or untrue in any material respect when made or deemed to have been made.

(g) Covenant Defaults. The University shall default in the due performance or observance of any term, covenant or agreement contained herein (other than those covered by paragraph (a) or (e) above).

(h) Invalidity. Any material provision of this Agreement or the Note concerning the payment of principal or interest shall, for any reason, cease to be valid and binding on the University.

Section 7.2. Remedies.

(a) Upon the occurrence and during the continuance of an Event of Default, the Bank may:

(i) immediately terminate its obligation to make Advances under the Facility; and

(ii) immediately, without presentment, demand, protest, notice of dishonor or any other notice of any kind, all of which are hereby expressly waived, anything contained herein or in the Note to the contrary notwithstanding, declare all outstanding Advances, all interest thereon and all other amounts payable under this Agreement and the Note to be immediately due and payable (and in the case of an Event of Default under Section 7.1(d), such amounts shall automatically become due and payable).

(b) In addition to the rights and remedies set forth in paragraph (a) above, in the case of any Event of Default, the Bank may exercise any or all other rights and remedies existing at law or in equity (including, without limitation, the right to proceed by appropriate court action, either at law or in equity, to enforce performance by the University of the applicable representations and warranties and covenants of this Agreement and the Note or to recover damages for the breach thereof).

(c) The Bank acknowledges that, if at any time there are insufficient funds to pay debt service on the University's General Revenue Obligations, as described in Section 7.3 of the University's bond resolution adopted August 31, 2015 (the "Bond Resolution"), a trustee may be appointed to represent the holders of Parity Credit
Obligations (as defined in the Bond Resolution) and to provide for a pro-rata distribution of available funds among all Parity Credit Obligations, including the obligations of the University to the Bank under this Agreement. The provisions of such Section 7.3 (which are referred to herein as the "Bond Provisions") are included in substantially similar form in the University's prior bond resolutions, are required to be included in its future bond resolutions, and are hereby incorporated into this Agreement by reference. The Bank, as the holder of a Parity Credit Obligation, agrees to the appointment of such trustee and covenants to cooperate with such trustee in the pro-rata distribution of funds among Parity Credit Obligations as provided in the Bond Provisions.

ARTICLE VIII
MISCELLANEOUS

Section 8.1. Notices.

Unless otherwise specifically provided herein, all notices and other communications hereunder shall be in writing and shall be given by courier, United States certified or registered mail, or facsimile transmission. Notices and communications hereunder shall be effective when received and shall be sent to the following addresses (or to such other address(es) of which either party hereto shall notify the other party in accordance herewith):

If to the Bank, to:

[Lender Name]
[Lender Address]
Attention:
Telephone:

If to the University, to:

Virginia Polytechnic Institute and State University
210 Burrus Hall
800 Drillfield Drive
Blacksburg, Virginia 24061
Attention: John J. Cusimano, University Treasurer
Telephone: (540) 231-7094

Section 8.2. Liability of the Bank.

The University assumes all risks with respect to the use of the proceeds of each Advance. Neither the Bank nor any of its officers, directors, employees or agents shall be liable or responsible for (i) the use which may be made of the proceeds of any Advance, (ii) the form, validity, sufficiency or genuineness of documents, or of any endorsement(s) thereon (other than the validity as against the Bank of any agreement to which the Bank is a party), even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged, (iii) the lack of validity or enforceability
of this Agreement (other than the validity or enforceability as against the Bank), or (iv) any other circumstances whatsoever in making or failing to make payment under this Agreement or the Note; provided, however, that the University shall have a claim against the Bank, and the Bank shall be liable to the University, to the extent of any direct, as opposed to consequential, damages suffered by the University which the University proves were caused by (a) the Bank’s willful misconduct or negligence in determining whether a Request for Advance presented hereunder complied with the terms hereof, or (b) the Bank’s willful failure to make an Advance required to be made by it hereunder after receipt by it of a Request for Advance. In furtherance and not in limitation of the foregoing, the Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

Section 8.3. Costs and Expenses.

The University agrees to pay (a) on or prior to the Effective Date, all reasonable costs and expenses paid or incurred by the Bank, including the reasonable fees and out-of-pocket expenses of counsel for the Bank, in connection with the preparation, review, execution and delivery of this Agreement and the Note, and (b) upon demand and to the extent allowable by law, all other reasonable costs and expenses paid or incurred by the Bank, including the reasonable fees and out-of-pocket expenses of counsel for the Bank, or otherwise arising in connection with this Agreement or the Note, including without limitation, in connection with any transfer, amendment, supplement, modification or waiver with respect to this Agreement or the Note, the enforcement hereof or thereof or the protection of the rights of the Bank hereunder or thereunder.

Section 8.4. Participants.

The Bank shall have the right to grant participations from time to time (to be evidenced by one or more participation agreements or certificates of participation (each a "Participation Agreement")) in this Agreement and the Facility to one or more other persons or entities (each a "Participant"); provided, that the grant of any such participation shall not terminate or otherwise affect any obligation of the Bank hereunder. Each Participant purchasing such a participation shall, in the discretion of the Bank, have all rights of the Bank hereunder to the extent of the participation purchased; provided that the grant of any such participation (1) shall not require the University to deal with any Participant for matters related to this Agreement and the Facility, and (2) shall require the University to deal only with the Bank for matters related to this Agreement and the Facility. In connection with the granting of participations, the Bank may disclose to any proposed Participant any information that the University delivers or discloses, or causes to be delivered or disclosed, pursuant to this Agreement. The Bank shall give notice to the University of each Participant that is granted a participation pursuant to this Section 8.4; provided that the failure to give such notice shall not affect the validity of such participation.

Section 8.5. Successors and Assigns.
This Agreement shall be binding upon and inure to the benefit of the University and the Bank and their respective successors and assigns, except that (a) the University shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Bank, and (b) the Bank shall not have the right to assign its rights hereunder or any interest herein except (i) in connection with a participation as provided in Section 8.4, (ii) after the occurrence and during the continuance of an Event of Default, and (iii) otherwise with the prior written consent of the University (such consent not to be unreasonably withheld, conditioned or delayed). If the Bank requests the University's consent to such an assignment under clause (b)(iii) above and (1) the University fails to respond within 120 days of the University's receipt of the request, or (2) the University unreasonably withholds, conditions or delays its consent to such assignment for 120 days after its receipt of the request, then the University shall be deemed to have consented to such assignment.

Section 8.6. Final Agreement; Modification or Waiver of this Agreement.

This Agreement and the Note are intended by the parties hereto as final expressions of their agreement with respect to the subject matter hereof and thereof, are intended as complete and exclusive statements of the terms and conditions of that agreement, and may not be contradicted, modified or supplemented in any way by evidence of any prior or contemporaneous written or oral agreements of the University and the Bank. No modification or waiver of any provision of this Agreement (including this Section 8.6) shall be effective unless the same shall be in writing and signed by the Bank and the University. Any modification or waiver referred to in this Section 8.6 shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on the University in any case shall entitle the University to any other or further notice or demand in the same, similar or other circumstances.

Section 8.7. No Waiver of Rights by the Bank; Cumulative Rights.

No course of dealing or failure or delay on the part of the Bank or the University in exercising any right, power or privilege hereunder shall preclude any other or further exercise of any right, power or privilege. The rights of the Bank and the University under this Agreement and the Note are cumulative and not exclusive of any rights or remedies which the Bank or the University would otherwise have.

Section 8.8. Governing Law.

The obligations of the Bank and the University hereunder and under the Note shall be construed in accordance with and governed by the laws of the Commonwealth. Any suits and actions arising out of this Agreement or the Note shall be instituted in a court of competent jurisdiction in the Commonwealth.

Section 8.9. Severability.

In case any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired.
thereby. The parties shall negotiate in good faith to replace any invalid, illegal or unenforceable provision with a valid provision, which, to the extent possible, will preserve the economic effect of the invalid, illegal or unenforceable provisions.

Section 8.10. **Counterparts.**

This Agreement may be executed in two counterparts, each of which shall constitute an original but both of which, when taken together, shall constitute but one document, and shall become effective when copies hereof, when taken together, bear the signatures of each of the parties hereto.

Section 8.11. **Captions.**

The captions in this Agreement are for convenience only and do not define or limit the scope or intent of any provisions of this Agreement.

Section 8.12. **Patriot Act.**

The Bank hereby notifies the University that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies the Issuer, which information includes the name and address of the Issuer and other information that will allow the Bank to identify the University in accordance with the Patriot Act. The University shall promptly provide such information upon request by the Bank.

[Signatures begin on following page]
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective representatives thereunto authorized as of the date first above written.

UNIVERSITY:

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

By: __________________________
Name: _________________________
Title: __________________________

[Signatures continue on following page]
BANK:

[LENDER NAME]

By: ______________________
Name: ____________________
Title: ____________________
EXHIBIT A

FORM OF PROMISSORY NOTE

$__________.00 __________, 2018

Blacksburg,

Virginia

FOR VALUE RECEIVED, VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY, an educational institution established by the Commonwealth of Virginia as a public body and governmental instrumentality for the dissemination of education (the "University"), promises to pay to the order of [LENDER NAME], a national banking association, or its registered assigns (the "Bank"), the lesser of the unpaid principal amounts advanced by the Bank to the University hereunder (the "Advances") and the principal sum of _____ MILLION AND NO/100 DOLLARS ($__________.00) on the Expiration Date (as defined in the Credit Agreement, as hereinafter defined) or in the case of a Liquidity Draw (as defined in the Credit Agreement) in accordance with the terms of the Credit Agreement. The University promises to pay the unpaid principal amount of the Advances and interest thereon on the dates and at the rate or rates provided for in the Credit Agreement. All such payments of principal and interest shall be made in lawful money of the United States of America, in immediately available funds, to such account which the Bank may designate in accordance with the Credit Agreement.

This note is the "Note" referred to in the Revolving Credit Agreement dated as of even date herewith by and between the University and the Bank (as the same may be amended from time to time, the "Credit Agreement"). Terms defined in the Credit Agreement are used herein with the same meanings.

All Advances and repayments of the principal of the Advances may be recorded by the Bank and appropriate notations to evidence the foregoing information with respect to the Advances may be endorsed by the Bank on the schedule attached hereto, or on a continuation of such schedule attached to and made a part hereof; provided, that the failure of the Bank to make any such recordation or endorsement shall not affect the obligations of the University hereunder or under the Credit Agreement.

As provided in the Credit Agreement, this note is payable from General Revenues of the University, which General Revenues have been pledged to the Bank by the University on a parity basis with all other General Revenue Obligations. This note and the interest hereon shall not be deemed to constitute a debt or liability of the Commonwealth of Virginia, legal, moral or otherwise. Neither the Commonwealth of Virginia nor the University shall be obligated to pay the principal of or interest on this note or other costs incident hereto except from the sources noted above, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia are pledged to the payment of the principal of or interest on this note or other costs incident hereto.
IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all conditions, acts and things required by the Constitution and laws of the Commonwealth of Virginia to exist, to have happened and to have been performed precedent to and in the issuance of this note do exist, have happened and have been performed in due time, form and manner as required by law and that the issuance of this note does not violate any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the University has caused this note to be executed in the name of and for the University, and has caused this note to be dated as of the date set forth above.

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

By: ______________________
Name: ______________________
Title: ______________________
SCHEDULE TO PROMISSORY NOTE

ADVANCES AND PAYMENTS OF PRINCIPAL

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount of Advance</th>
<th>Amount of Principal Repaid</th>
<th>Notation Made By</th>
</tr>
</thead>
</table>


EXHIBIT B

FORM OF REQUEST FOR ADVANCE

[Date]

[Lender Name]
[Lender Address]
Attention:

Ladies and Gentlemen:

Reference is made to the Revolving Credit Agreement dated as of __________, 2018 (the "Credit Agreement"), by and between Virginia Polytechnic Institute and State University (the "University") and [Lender Name] (the terms defined therein being used herein as therein defined). The University hereby requests, pursuant to Section 2.3 of the Credit Agreement, that you make an Advance under the Credit Agreement, and in that connection sets forth below the following information relating to such Advance:

(a) The amount of the Advance requested is $____________________.
(b) The Advance Date requested is ____________________.

The University hereby certifies that the proceeds of the Advance will be used by the University for working capital, for general corporate and operating purposes or for another lawful purpose.

This Advance should be made by wire transfer of immediately available funds to the undersigned in accordance with the instructions set forth below:

[Insert wire instructions]

Very truly yours,

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

By: ____________________________
Authorized Officer
EXHIBIT C

FORM OF REQUEST FOR TERMINATION OR REDUCTION

[Date]

[Lender Name]
[Lender Address]
Attention:

Ladies and Gentlemen:

Reference is made to the Revolving Credit Agreement dated as of __________, 2018 (the "Credit Agreement"), by and between Virginia Polytechnic Institute and State University (the "University") and [Lender Name] (the terms defined therein being used herein as therein defined).

[The University hereby requests that the Credit Agreement be terminated in accordance with, and subject to, the terms thereof.]

OR

[The University hereby requests that the Available Commitment be permanently reduced from [insert amount as of the date of Certificate] to [insert new amount], such reduction to be effective on ________.] The reduction in the Available Commitment is an integral multiple of $1,000,000.

Very truly yours,

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

By: ________________________________
Authorized Officer
EXHIBIT D

FORM OF REQUEST FOR EXTENSION OF SCHEDULED EXPIRATION DATE

[Date]

[Lender Name]
[Lender Address]
Attention:

Ladies and Gentlemen:

Reference is made to the Revolving Credit Agreement dated as of __________, 2018 (the "Credit Agreement"), by and between Virginia Polytechnic Institute and State University (the "University") and [Lender Name] (the terms defined therein being used herein as therein defined). Pursuant to Section 3.5 of the Credit Agreement, the University hereby requests an extension of the Scheduled Expiration Date to __________, 20___.

The University hereby represents and warrants that, except as noted below, no Default or Event of Default has occurred and is continuing and all representations and warranties of the University in the Credit Agreement are true and correct on the date hereof.

[IDENTIFY PENDING DEFAULT OR EVENT OF DEFAULT]

IN WITNESS WHEREOF, the undersigned has executed and delivered this Request for Extension of Scheduled Expiration Date as of the ____ day of __________, 20___.

Very truly yours,

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

By: ________________________________
Authorized Officer
Ladies and Gentlemen:

Reference is made to the Revolving Credit Agreement dated as of __________, 2018 (the "Credit Agreement"), by and between Virginia Polytechnic Institute and State University (the "University") and [Lender Name] (the terms defined therein being used herein as therein defined). Pursuant to Section 3.5 of the Credit Agreement, the University has requested an extension of the Scheduled Expiration Date to __________, 20__.

Please be advised that:

[COMPLETE AS APPROPRIATE.]

1. At the request and for the account of the University, the Bank hereby extends the Scheduled Expiration Date to __________, 20__ [INCLUDE ADDITIONAL TERMS IF APPLICABLE].

2. Except as specifically provided in the paragraph 1 above, all of the terms and conditions of the Credit Agreement remain unchanged and in full force and effect.

3. This Notice of Extension of Scheduled Expiration Date is an integral part of the Credit Agreement.

[OR]

The Bank hereby elects not to extend the Scheduled Expiration Date.
IN WITNESS WHEREOF, the undersigned has executed and delivered this Notice of Extension of Scheduled Expiration Date as of the ____ day of __________, 20___.

Very truly yours,

[LENDER NAME]

By: ______________________
Name: _____________________
Title: _____________________
Approval of University Operating Lines of Credit
June 4, 2018

JOHN CUSIMANO
UNIVERSITY TREASURER
Overview of Operating Fund Balances

Operating Working Capital vs. Operating Reserves

- Operating working capital is cash expended for the general day-to-day operations of the university
  - Working capital has recently ranged from $475M to $775M

- Operating reserves are cash balances below the annual low point of $475M

- Total of $57.3M was invested in VTF endowment from FY14 to FY16

- Decision in FY17 to invest additional $250M of unrestricted reserves in VTF endowment
  - $110M invested through March 30, 2018
  - $140M TBD and invested opportunistically over the next 3 – 6 quarters
The Need for External Source of Liquidity

Reserve Liquidity After Endowment Investment

- Low point in cash cycle is estimated to be $185M
  - $185M represents 45 days of internal operating reserves on hand for FY18 expenditures
- Desire to have an approximate target of 90 days of highly liquid reserves
- RFP for bank lines of credit for 45 days of external liquidity
  - Requested one-, two- and three-year facilities
  - Revolving line of credit
  - Secured with a general revenue pledge of the university
  - Term-out provision, if possible
  - No financial covenants
Narrowed Down to Three Proposals

Top Proposals Received from Wells Fargo, BB&T and First Bank & Trust

- Three price points:
  - Undrawn facility fee
  - Loan rate if drawn
  - Three year term-out rates

- Undrawn fees range from 0bps – 15bps, with WACC* of .092% at $200M
- Loan rates from LIBOR + 24bps to LIBOR + 225bps
- Term-out rates:
  - Six-month base rate: The greater of Prime+1%, Fed Funds +2%, or 7%
  - 2.5 year term loan rate: Base rate plus 1%

* Weighted Average Cost of Capital
Resolution to Approve Lines of Credit

Board Approval is Needed to Establish and Access the Lines of Credit

- Upon approval of the lines of credit, the university will be authorized to draw upon the lines of credit, as needed

- Passing the resolution will:
  - Approve credit lines of $200 million in aggregate
  - Approve the terms of the proposals and the form credit agreement
  - Identify the authorized officers to negotiate, execute and deliver all necessary documents
  - Authorize extensions, amendments and new lines if consistent with the intent of this resolution and do not exceed the greater of $200M or 45 days of operating expenditures
Resolution on University Lines of Credit

RECOMMENDATION:

That the resolution identifying the authorized officers; approving the terms of the proposals and the form of the credit agreement; authorizing the authorized officers to enter into extensions of, and amendments to, the lines of credit and new lines of credit so long as such extensions and amendments and new lines of credit are consistent with the intent of this resolution and do not exceed the greater of $200 Million or 45 days of operating expenditures, be approved.

June 4, 2018
The university continues to use the parameters provided in the “Consolidated Salary Authorization for Faculty Positions in Institutions of Higher Education” document from the Secretary of Education to develop the annual Faculty Compensation Plan. This document defines the qualification criteria for teaching and research faculty and administrative and professional faculty, provides guidance on the authorized salary average for full-time teaching and research faculty positions, and requires board approval.

In accordance with the most recent Consolidated Salary Authorization, the 2018-19 Faculty Compensation Plan provides information about (1) the 2018-19 pay structure, (2) the promotion and tenure process, (3) the annual evaluation and salary adjustment process for teaching and research faculty and administrative and professional faculty, and (4) salary adjustments within the evaluation period.

This faculty compensation plan covers only faculty positions. The compensation plan for staff is administered separately by the university administration in accordance with the Board of Visitors’ approval of the university’s Management Agreement, effective July 1, 2006, as well as guidance from the commonwealth and the state Department of Human Resource Management.

**Authorized Salary Average**

The Authorized Salary Average applies to all full-time teaching and research positions with the rank of professor, associate professor, assistant professor, instructor, or lecturer that are engaged in teaching and research for 50 percent or more of the time. As noted in the Consolidated Salary Authorization document, “Institutions are expected to award differential salary increases to their faculty based on performance and other circumstances such as promotions, tenure, and changes in responsibility. The net effect of all salary actions should be an average salary that approximates the state authorized salary average.”

The commonwealth measures the adequacy of faculty salaries by comparing the institutional average with the average of a unique benchmark group for each public college and university. The benchmark groups are constructed by matching characteristics of colleges and universities, such as size of the student body, percentage of degrees granted in various disciplines, percentage of graduate degrees conferred, and research activity levels. The General Assembly established an objective in the late 1980s to fund a faculty salary average at all institutions that would approximate the salary average at the 60th percentile in the ranking of salary averages in individual benchmark groups. The State Council of Higher Education for Virginia (SCHEV) last reviewed and
updated each institution’s Faculty Salary Peer Group in 2007. The current benchmarking of Virginia Tech’s Faculty Salary Average is made using the peer group established in 2007.

The Authorized Salary Average is updated from time to time by SCHEV. However, given that the University’s Actual Salary Average currently exceeds the Authorized Salary Average, the university’s current focus is the comparison of the Actual Salary Average to peer averages to determine the university’s competitive position. This is consistent with Joint Legislative Audit and Review Commission’s recent review and recommendations.

**Actual Salary Average**

For Fall 2016, Virginia Tech's Actual Salary was $100,552. This placed Virginia Tech at the 35th percentile of its peer group for Fall 2016, based on the most recent peer salary data available data from the Integrated Postsecondary Education Data System (IPEDS). Fall 2017 peer salary data is not yet available; however, based upon SCHEV’s forecast of salary escalation at peer institutions, the university estimates that the Actual Salary Average will rank at the 33rd percentile of peer institutions for Fall 2017. Summary statistics are provided in the table below. The university’s competitive positioning among peers for Fall 2017 will be recomputed once IPEDS data becomes available.

<table>
<thead>
<tr>
<th></th>
<th>Fall 2016</th>
<th>Fall 2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>60th Percentile</td>
<td>$109,878</td>
<td>$112,955*</td>
<td>2.8%</td>
</tr>
<tr>
<td>Actual Average Salary</td>
<td>$100,552</td>
<td>$102,470</td>
<td>1.9%</td>
</tr>
<tr>
<td>Rank - Actual</td>
<td>18 of 26</td>
<td>20 of 26*</td>
<td>-2</td>
</tr>
<tr>
<td>Percentile - Actual</td>
<td>35th</td>
<td>33rd*</td>
<td>-2</td>
</tr>
</tbody>
</table>

*IPEDS peer salary data for Fall 2017 is not yet available. Estimates are based on the State Council of Higher Education’s forecast of 2.8% salary escalation at peer institutions.

Attachment A provides a list of the university’s peer group and the comparative estimated salary averages for Fall 2016.

**2018-19 Pay Structure**

In accordance with the intent of the Consolidated Salary Authorization, a pay structure for the teaching and research faculty for 2018-19 is presented in Attachment B. This plan is derived from the 2017-18 approved plan. It incorporates the proposed merit adjustment for 2018-19. The attachment also displays the normal entrance rate for each faculty category along with the change from the approved compensation rate for each rank, along with the distribution of faculty across the ranks.

The salary average for administrative and professional faculty may not exceed the authorized salary average for the teaching and research faculty by more than 35 percent.
Promotion, Tenure, and Continued Appointment

Promotion to a higher rank and appointment with tenure may be granted to faculty members on a regular faculty appointment who have demonstrated outstanding accomplishments in an appropriate combination of learning, discovery, and engagement. A current curriculum vitae together with student and peer evaluations of teaching, reprints of publications, evaluations by external reviewers from the same or a related field, and other similar documents comprise a dossier which furnishes the principal basis for promotion and tenure decisions. Faculty members being considered for either promotion or the awarding of tenure will have their dossiers reviewed at three levels: by a departmental committee and the head or chair; by a college committee and the dean; and by a university committee and the provost. Each candidate for promotion or tenure will be evaluated in the light of the tripartite mission of the university: learning, discovery, and engagement. Although not all candidates can be expected to have equal levels of commitment or equal responsibilities in each of these missions, a high level of general competence is expected in recognition of the need for flexibility in the future establishment of priorities in academic programs. Beyond that basic foundation of competence, decisions related to tenure or promotion to associate professor will require evidence of excellence in at least one area.

The university’s mission and commitment as a major research institution require high accomplishment for promotion to professor. Faculty members must demonstrate a high level of competence in an appropriate combination of instruction, outreach, and professional activities relevant to their assignment. Because of the university’s mission and commitment as a major research institution, successful candidates for the rank of professor must demonstrate excellence in research, scholarship, or creative achievement, as appropriate for the candidate’s discipline and assignment. Promotion to the rank of professor is contingent upon national or international recognition as an outstanding scholar and educator.

In addition to the material contained in this section, the Faculty Handbook provides detailed policies and procedures for the departmental evaluation, the college evaluation, and the university evaluation.

Members of the Library faculty and Cooperative Extension faculty not holding appointments in a collegiate department may be considered for continued appointment or for promotion in faculty rank in recognition of appropriate professional accomplishments. Candidates for promotion or continued appointment will be reviewed at two levels: first by the University Libraries or Extension promotion and continued appointment committee and dean of University Libraries or director of Virginia Cooperative Extension, and second by the University Promotion and Continued Appointment Committee and the provost.
The following raises are recommended for promotions to:

- Professor: $7,000
- Associate Professor: 5,000
- Assistant Professor: 3,000

For academic-year faculty members who have Research Extended Appointments (10, 11, or 12 month appointments funded by sponsored projects) with salaries adjusted in accordance with formulas in Policy 6200 - Policy on Research Extended Appointments, or for those who have a limited-term appointment as department head or other administrator, the stipend is adjusted by the same conversion rate to preserve its value when the faculty member returns to the academic-year base appointment.

**Clinical Faculty**

The clinical faculty track provides for long-term, full-time or part-time faculty appointments to individuals whose primary responsibilities are instruction and/or service in a clinical setting, such as veterinary medicine. Tenure cannot be earned in these ranks, and time spent in one of these ranks is not applicable toward probationary tenure-track faculty service. There are four clinical ranks beginning with Clinical Instructor. Those clinical faculty members with outstanding performance may be considered for promotion in rank by the relevant departmental and college promotion and tenure committees, with administrative approval by the provost.

The following raises are recommended for promotions to:

- Clinical Professor: $7,000
- Clinical Associate Professor: 5,000
- Clinical Assistant Professor: 3,000

**Collegiate Faculty**

The collegiate professor series provides for short- or long-term, full- or part-time, non-tenure-track faculty appointments for individuals who bring specialized expertise to the instructional programs of the university, thereby complementing the qualifications and contributions of tenure-track faculty. There are three collegiate professor ranks, beginning with Collegiate Assistant Professor. Tenure will not be awarded at any of these ranks and service at these ranks is excluded from the pre-tenure probationary period if the faculty member is subsequently appointed to a tenure-track position. Collegiate professors with a record of significant scholarly and/or professional achievement may be considered for promotion in rank by the relevant departmental and college promotion and tenure committees, with administrative approval by the provost.

- Collegiate Professor: $7,000
- Collegiate Associate Professor: 5,000
- Collegiate Assistant Professor: 3,000
Professor of Practice

The professor of practice series provides for short- or long-term, full- or part-time, non-tenure-track faculty appointments for individuals who bring specialized expertise to the instructional programs of the university, thereby complementing the qualifications and contributions of tenure-track faculty. There are three professor of practice ranks, beginning with Assistant Professor of Practice. Tenure will not be awarded at any of these ranks and all service at one of these ranks will be excluded from the probationary period should the faculty member later be appointed to a tenure-track position. Professor of practice faculty members with a record of outstanding performance may be considered for promotion in rank by the relevant departmental and college promotion and tenure committees, with administrative approval by the provost.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professor of Practice</td>
<td>$7,000</td>
</tr>
<tr>
<td>Associate Professor of Practice</td>
<td>5,000</td>
</tr>
<tr>
<td>Assistant Professor of Practice</td>
<td>3,000</td>
</tr>
</tbody>
</table>

Instructors

The instructor track provides for full- and part-time appointments to individuals whose primary responsibilities are to the undergraduate instructional program. Tenure will not be awarded at any of these ranks and all service at any instructor rank will be excluded from the probationary period should the faculty member later be appointed to a tenure track position. There are three ranks in the series: Instructor, Advanced Instructor, and Senior Instructor. Those instructors with outstanding performance may be considered for promotion in rank by the relevant departmental and college promotion and tenure committees, with administrative approval by the provost.

The following raises are recommended for promotions to:

<table>
<thead>
<tr>
<th>Rank</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Instructor</td>
<td>$5,000</td>
</tr>
<tr>
<td>Advanced Instructor</td>
<td>3,000</td>
</tr>
</tbody>
</table>

Extension Agents

There are three ranks for extension agents: Associate Extension Agent, Extension Agent, and Senior Extension Agent. Criteria for promotion in rank include educational preparation, performance, and professionalism. The Director of Cooperative Extension makes a recommendation to the Provost based on an evaluation of the candidate’s dossier and recommendations of the Peer Review Committees, District Director, and Associate Directors of Cooperative Extension.

The following raises are recommended for promotions within Cooperative Extension:

<table>
<thead>
<tr>
<th>Rank</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Extension Agent</td>
<td>$5,000</td>
</tr>
<tr>
<td>Extension Agent</td>
<td>3,000</td>
</tr>
</tbody>
</table>
In addition to the rank promotions within the faculty categories described above, faculty may be promoted to ranks within other faculty categories, as appropriate (for example, an Instructor may be promoted to a rank within the Professor of Practice or Collegiate Faculty categories.)

At the June meeting each year, the university will submit to the Board of Visitors a report of recommended promotion, tenure, and continued appointment actions for review and approval.

**Annual Evaluation and Salary Adjustments**

**Teaching and Research Faculty**

An evaluation of every faculty member's professional performance is held each year. All persons holding non-temporary faculty appointments are asked to prepare a report at the end of each academic year (or other appropriate 12-month period) citing their instructional activities, creative scholarship, and other professional activities and recognitions during the year. Salary recommendations are based upon performance documented in these annual reports, which are reviewed by departmental personnel committees in some cases, by the department head or chair, and the dean.

Salary adjustments are based on merit; they are not automatic. Recommendations for salary adjustments originate with the department head or chair and are reviewed by the dean. At the university level, the dean reviews the salary adjustment recommendations at a formal salary hearing with the president, the provost, the chief financial officer, and others as needed.

**Administrative and Professional Faculty**

Administrative and Professional Faculty are comprised of Senior Administrators and Managers and Professionals. Senior Administrators perform work directly related to management of the educational and general activities of the institution at least 50 percent or more of their contractual time, and typically serve in executive leadership roles such as vice president, dean, and assistant or associate vice president or dean. Managers have responsibility for supervision and evaluation of a significant number of staff and/or professional faculty, and budgetary responsibility for their unit or a substantive program. Professionals provide direct service to students, other university constituencies, or clients external to the university as part of the university's missions of learning, discovery, and engagement. Professionals include, but are not limited to, extension agents, librarians, coaches, physicians, lawyers, engineers, architects, student or academic affairs professionals, development officers, specialists in public relations, human resources, information technology, and financial specialists.

Evaluations are based upon standards set by the supervisor with the participation of the faculty member and relate closely to the duties inherent in the functional title and job description of the position. Annually set expectations become one of the important criteria
for judging professional job performance in the subsequent year. In addition to maintaining a high level of performance in carrying out their job-related duties and responsibilities, senior administrators, managers, and professionals are expected to participate in and provide leadership of departmental, divisional, or university-wide committees, special university-wide assignments, or similar activity on behalf of important university priorities.

Salary adjustments are based on merit; they are not automatic. Recommendations for salary adjustments originate with the supervisor and are reviewed as appropriate by the department head, dean, and vice president. At the university level, the dean or vice president reviews the salary adjustment recommendations at a formal salary hearing with the president, the provost, the chief financial officer, and others as needed.

**Research Faculty**

Research faculty are those with the titles of research associate, senior research associate, postdoctoral associate, research scientist, senior research scientist, research assistant professor, research associate professor, research professor, project associate, senior project associate, or project director. Research faculty appointments are intended to promote and expedite the research activities of the university. Tenure cannot be earned in these ranks and service is not applicable toward probationary faculty service.

Each research faculty member is evaluated and given a merit adjustment on the same schedule for evaluations and raise recommendations as the other faculty groups. Salary adjustments are based on merit; they are not automatic. An annual performance review by the principal investigator and/or department head becomes part of the basis for salary adjustments. Recommendations for salary adjustments originate with the supervisor (usually the principal investigator or the department head or chair) and are reviewed as appropriate by the department head or chair, dean, and vice president for research and innovation. At the university level, the dean or vice president reviews the salary adjustment recommendations at a formal salary hearing with the president, the provost, the chief financial officer, and others as needed.

**Other Salary Adjustments**

Faculty salary adjustments are normally reviewed and approved by the Board of Visitors in two phases: adjustments for promotion are recommended at the June meeting and adjustments based on performance are recommended at the fall meeting. In addition to this process, it is sometimes necessary to adjust the salaries of specific faculty members at other times during the fiscal year. These adjustments are primarily for changes in duties and responsibilities, for special temporary assignments, for retention or other exceptional needs, and for faculty selected for a different position as part of a search. Adjustments on the anniversary date of appointment for a restricted faculty member may also be approved in lieu of the normal merit process.
To recognize continued educational attainment, faculty members may receive a base salary adjustment of up to $3,000 for completion of the doctorate effective upon official certification by the degree-granting institution that all requirements have been met for award of the degree.

The president, provost, and chief financial officer are authorized to administer the faculty compensation plan during the year and act upon requests for salary adjustments. The President has issued a set of guidelines establishing the parameters for approval of special salary adjustments. By separate resolution, the Board has delegated authority to the President or designee for approval of changes in employment status that do not involve any salary action, salary adjustments made in accordance with existing policies and standard formulas, off-cycle salary adjustments less than 10 percent, new appointments and salary adjustments for faculty members on restricted contracts, and new appointments of non-tenure track instructional faculty or administrative and professional faculty below the level of senior administrator and their direct reports. The quarterly Personnel Changes Report will reflect those actions of strategic importance to the institution as identified in the resolution.

**Faculty Research Incentive Plan**

During 2011-12, a university workgroup developed a university savings program by incentivizing faculty research activities. This effort resulted in the Board’s creation of a Faculty Research Incentive Program (FRIP) that has similarities to programs at peer institutions. This plan was implemented in 2012-13 and will be continued in 2018-19.

The goal of the FRIP is to provide an incentive for principal or co-principal investigators to secure additional competitively awarded, externally sponsored activities. Through the leveraging of appropriately charged time to competitive grants and contracts, research time that is funded by departments or colleges can be reduced, resulting in salary savings that can be used to both support the incentive program as well as to support academic initiatives.

One-time research incentive payments are made from department or college salary savings and are based on a minimum savings threshold that is applied equitably within departments or colleges. Faculty must apply in advance to be considered for the program. Research incentive payments must be approved by the department head or chair, the dean, and the vice president for research and innovation (or the appropriate administrators based on reporting structure); all disapprovals must also be reviewed by each management level. When salary savings result in a reduction in faculty assignments, those salary savings are excluded from the program.

**Implementation of the 2018-19 Merit Review and Compensation Process**

Recognizing the critical nature of faculty compensation, the university’s standing relative to the 60th percentile of the university’s peer group average salary, the higher levels of competing offers being received by key faculty, and to minimize the high cost of turnover,
the university proposes continuing the traditional annual merit-based faculty salary increase program in 2018-19.

This plan authorizes management to plan and budget for the resource allocations necessary to support a merit-based faculty salary increase averaging 2.0 percent for faculty for 2018-19.

To implement the merit review and compensation program the Budget Office will develop salary pools for each academic and administrative area based upon 2.0 percent of the actual salary expenses prior to this 2018-19 merit process.

The university may also elect to create a supplemental pool to achieve certain targeted salary compensation or retention needs. For example, in some years the university has worked to address issues such as salary compression and equity needs. For 2018-19 such changes may result from one or more of the following processes:

- The university establishes a special pool of funds to address salary inequity and retention issues for specific faculty, such as national distinction. If implemented, the funding will only be used to make adjustments based on evaluations of specific circumstances surrounding individual faculty members. As such, these adjustments would not be available to all faculty members and may occur at any time during the year, subject to approval by the Board. Based on the uncertainty of the State Budget for 2018-19, the university currently envisions funding in the range of zero to 0.7 percent in support of the national distinction program.

- The President may use a special pool of funds to adjust individual salary recommendations made by the vice presidents and deans when he determines that a different adjustment is warranted.

**RECOMMENDATION:**

That the proposed 2018-19 Faculty Compensation Plan be approved.

June 4, 2018
## Virginia Tech Actual Salary Average Percentile

### 35th

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1. Average salary of peer institutions is based on the latest available data (Fall 2016) from IPEDS.
# 2018-19 Pay Structure

Virginia Tech

<table>
<thead>
<tr>
<th></th>
<th>9-Month Faculty</th>
<th>12-Month Faculty</th>
<th>Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Entrance</td>
<td>Change</td>
<td>Entrance</td>
</tr>
<tr>
<td>Professor</td>
<td>$91,587</td>
<td>2%</td>
<td>$111,704</td>
</tr>
<tr>
<td>Associate Professor</td>
<td>70,049</td>
<td>2%</td>
<td>84,880</td>
</tr>
<tr>
<td>Assistant Professor</td>
<td>57,948</td>
<td>2%</td>
<td>70,486</td>
</tr>
<tr>
<td>Senior Instructor</td>
<td>49,699</td>
<td>2%</td>
<td>64,668</td>
</tr>
<tr>
<td>Advanced Instructor</td>
<td>44,310</td>
<td>2%</td>
<td>57,483</td>
</tr>
<tr>
<td>Instructor</td>
<td>40,613</td>
<td>2%</td>
<td>52,841</td>
</tr>
</tbody>
</table>
2018-19 Faculty Compensation Plan
June 4, 2018

DWIGHT SHELTON
INTERIM SENIOR VICE PRESIDENT FOR OPERATIONS AND ADMINISTRATION, VICE PRESIDENT FOR FINANCE AND CFO
2018-19 Faculty Compensation Plan Elements

- Authorized - Actual Salary Average
- 2018-19 pay structure
- Promotion and tenure process
- Annual evaluation and salary adjustment process
- Other salary adjustments
- Merit Review and Compensation Process
Peer Salary Benchmarking

<table>
<thead>
<tr>
<th></th>
<th>Fall 2016</th>
<th>Fall 2017*</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>60th Percentile IPEDS</td>
<td>$109,878</td>
<td>$112,955</td>
<td>2.8%</td>
</tr>
<tr>
<td>Actual Average Salary(a)</td>
<td>100,552</td>
<td>102,470</td>
<td>1.9%</td>
</tr>
<tr>
<td>Rank — Actual</td>
<td>18 of 26</td>
<td>20 of 26</td>
<td>-2</td>
</tr>
<tr>
<td>Percentile — Actual</td>
<td>35th</td>
<td>33rd</td>
<td>-2</td>
</tr>
</tbody>
</table>

*IPEDS peer salary data for Fall 2017 is not yet available. Estimates are based on the State Council of Higher Education’s forecast of 2.8% salary escalation at peer institutions.

(a) Computed in accordance with traditional consolidated salary average guidelines provided by the Secretary of Education.

If the market moves as forecast by SCHEV, the university’s 2018-19 merit action (2%), P&T adjustments, and National Distinction program will likely maintain our current relative market position.
Estimated* Fall 2017 Peer Salary Average

*IPEDS peer salary data for Fall 2017 is not yet available. Estimates are based on the State Council of Higher Education's forecast of 2.8% salary escalation at peer institutions.
2018-19 Pay Structure

- Establishes entrance salaries for each faculty rank
- Summarizes distribution of faculty across ranks

<table>
<thead>
<tr>
<th>Rank</th>
<th>9-Month Faculty Entrance</th>
<th>12-Month Faculty Entrance</th>
<th>Approximate % of Total Faculty By Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professor</td>
<td>$91,587</td>
<td>$111,704</td>
<td>30%</td>
</tr>
<tr>
<td>Associate Professor</td>
<td>70,049</td>
<td>84,880</td>
<td>27%</td>
</tr>
<tr>
<td>Assistant Professor</td>
<td>57,948</td>
<td>70,486</td>
<td>29%</td>
</tr>
<tr>
<td>Senior Instructor</td>
<td>49,699</td>
<td>64,668</td>
<td>3%</td>
</tr>
<tr>
<td>Advanced Instructor</td>
<td>44,310</td>
<td>57,483</td>
<td>2%</td>
</tr>
<tr>
<td>Instructor</td>
<td>40,613</td>
<td>52,841</td>
<td>9%</td>
</tr>
</tbody>
</table>
Promotion to a higher rank and appointment with tenure may be granted to faculty members on a regular faculty appointment who have demonstrated outstanding accomplishments.

Each candidate for promotion or tenure will be evaluated in light of the triple mission of the university: instruction, research, and outreach.
Annual Evaluation and Salary Adjustments

- Faculty Activity Report (FAR)
  - Teaching/Research Faculty: instructional activities, creative scholarship, outreach and service contributions and other professional activities and recognitions
  - Administrative/Professional faculty: activities in support of their specific job goals as they relate to the broader mission of the university
- FAR forms the basis of faculty evaluations conducted annually by departments independent of the faculty merit process
• Salary adjustments in the faculty merit process are based on performance, not automatic.
• All merit recommendations are reviewed at three levels before presenting to Board of Visitors for approval.
Merit Review and Compensation Process

- 2018-19 merit-based faculty salary program
  - 2.0% pool for faculty, allows Senior Management Area to supplement
  - Effective on September 10th (September 28th paycheck)

- Other adjustments may happen for:
  - Changes in duties and responsibilities
  - Recognition and retention
    - National Distinction
  - Special temporary assignments

- Off-cycle adjustments are submitted, appropriate, for ratification to the Board of Visitors on a quarterly basis on the Faculty Personnel Changes Report.
Summary & Recommendation

- University current ranks at 33rd percentile of peer salary average
- State has not proposed salary increase for 2018-19
- University annual merit process recommended to maintain and ultimately improve university standing among peers
  - 2.0% minimum, units may supplement
  - Other adjustments allowed due to National Distinction, retention, change of responsibilities

RECOMMENDATION:
That the proposed 2018-19 Faculty Compensation Plan be approved.

June 4, 2018
Additional Information
## Promotion & Tenure

(1) No change to amounts from 2016-17 Faculty Compensation Plan.

<table>
<thead>
<tr>
<th>Faculty</th>
<th>Clinical Faculty</th>
<th>Collegiate Faculty</th>
<th>Professor of Practice</th>
<th>Instructor</th>
<th>Cooperative Extension</th>
<th>Amount (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professor</td>
<td>Clinical Professor</td>
<td>Collegiate Professor</td>
<td>Professor of Practice</td>
<td></td>
<td></td>
<td>$7,000</td>
</tr>
<tr>
<td>Associate Professor</td>
<td>Clinical Associate Professor</td>
<td>Collegiate Associate Professor</td>
<td>Associate Professor of Practice</td>
<td>Senior Instructor</td>
<td>Senior Agent</td>
<td>$5,000</td>
</tr>
<tr>
<td>Assistant Professor</td>
<td>Clinical Assistant Professor</td>
<td>Collegiate Assistant Professor</td>
<td>Assistant Professor of Practice</td>
<td>Advanced Instructor</td>
<td>Agent</td>
<td>$3,000</td>
</tr>
</tbody>
</table>

(1) No change to amounts from 2016-17 Faculty Compensation Plan.
The Finance and Resource Management Committee will receive an update on the Special Session of the General Assembly.
The Finance and Resource Management Committee will receive an update on University Tuition and Fees.
Virginia Tech has four master resolution bond covenants securing debt issues referred to as Systems. The four systems are the Athletic Facility System, Dormitory and Dining System, Electric Service Utility System, and the University Services System. The resolutions authorizing and securing each system requires the adoption of an annual budget by the Board of Visitors.

The budget presentation to the Board of Visitors provides documentation that the revenues to be received during the fiscal year will be sufficient to meet the operating costs of the System, the principal and interest requirements, and usual expenses of maintenance, repair, and operation. The annual budget will be the basis for making payments from the revenue fund to meet the operating costs of the System during the fiscal year. The university works to ensure that the systems remain in good working order and that compliance with the terms and conditions of the bond covenants are maintained.

The budget of each of the four Systems for the 2018-19 fiscal year are attached. The system budgets are also included within the university’s overall budget.

**RECOMMENDATION:**

That the recommended budget for fiscal year July 1, 2018 to June 30, 2019 for the operation of the Athletic Facility System, Dormitory and Dining System, Electric Service Utility System, and the University Services System be approved.

June 4, 2018
The resolution authorizing and securing the Dormitory and Dining Hall System revenue bonds requires the adoption of an annual budget by the Board of Visitors. The budget presentation to the Board of Visitors provides documentation that the revenues to be received during the fiscal year will be sufficient to meet the operating costs of the System, the principal and interest requirements, and usual expenses of maintenance, repair, and operation.

Subject to approval by the Board of Visitors, the annual budget will be the basis for making payments from the revenue fund to meet the operating costs of the System during the fiscal year. In compliance with Section 5.1 and 5.5 of the resolution authorizing and securing the Dormitory and Dining Hall System revenue bonds, the estimate of the resources to be used for the operation of the System during the fiscal year July 1, 2018 to June 30, 2019 and a recommended budget of current expenses for the System for the same period are summarized below. The rates and charges for the next fiscal year are sufficient for the current expenses, debt service, and reserve requirements set forth in Section 5.1 of the resolution.

<table>
<thead>
<tr>
<th>Estimated Revenues</th>
<th>Residential</th>
<th>Dining</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Fees</td>
<td>$55,033,012</td>
<td>$58,613,511</td>
<td>$113,646,523</td>
</tr>
<tr>
<td>Other Income</td>
<td>2,291,153</td>
<td>11,177,016</td>
<td>13,468,169</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$57,324,165</td>
<td>$69,790,527</td>
<td>$127,114,692</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current Expenses</th>
<th>Residential</th>
<th>Dining</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Services</td>
<td>$13,069,209</td>
<td>$26,367,519</td>
<td>$39,436,728</td>
</tr>
<tr>
<td>Operations</td>
<td>14,089,843</td>
<td>30,431,932</td>
<td>44,521,775</td>
</tr>
<tr>
<td>Administrative Charge</td>
<td>2,119,343</td>
<td>4,659,360</td>
<td>6,778,703</td>
</tr>
<tr>
<td>Maintenance Reserve</td>
<td>4,457,038</td>
<td>948,039</td>
<td>5,405,077</td>
</tr>
<tr>
<td>Debt Service</td>
<td>13,365,728</td>
<td>3,563,778</td>
<td>16,929,506</td>
</tr>
<tr>
<td>One-Time Projects</td>
<td>5,589,973</td>
<td>2,046,080</td>
<td>7,636,053</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$52,691,134</td>
<td>$68,016,708</td>
<td>$120,707,842</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reserve Contribution (Draw)</th>
<th>Residential</th>
<th>Dining</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$4,633,031</td>
<td>$1,773,819</td>
<td>$6,406,850</td>
<td></td>
</tr>
</tbody>
</table>

| Net                          | $0          | $0     | $0    |
The resolution authorizing and securing the Electric Service Utility System revenue bonds requires the adoption of an annual budget by the Board of Visitors. The budget presentation to the Board of Visitors provides documentation that the revenues to be received during the fiscal year will be sufficient to meet the operating costs of the System, the principal and interest requirements, and usual expenses of maintenance, repair, and operation.

Subject to approval by the Board of Visitors, the annual budget will be the basis for making payments from the revenue fund to meet the operating costs of the System during the fiscal year. In compliance with Section 5.1 and 5.5 of the resolution authorizing and securing the Electric Service Utility System revenue bonds, the estimate of the resources to be used for the operation of the System during the fiscal year July 1, 2018 to June 30, 2019 and a recommended budget of current expenses for the System for the same period are summarized below. The rates and charges for the next fiscal year are sufficient for the current expenses, debt service, and reserve requirements set forth in Section 5.1 of the resolution.

<table>
<thead>
<tr>
<th>Estimated Revenues</th>
<th>Current Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales to University Departments $21,683,983</td>
<td>Personnel Services $3,999,490</td>
</tr>
<tr>
<td>All Other Sales 15,177,196</td>
<td>Purchase of Electricity 25,796,088</td>
</tr>
<tr>
<td>Investment Income 31,747</td>
<td>Operating Expenditures 4,759,951</td>
</tr>
<tr>
<td>Total Revenues $36,892,926</td>
<td>Capital Maintenance Reserve Projects 860,000</td>
</tr>
<tr>
<td></td>
<td>Maintenance, Repairs and Equipment Replacement 497,890</td>
</tr>
<tr>
<td></td>
<td>Debt Service 769,507</td>
</tr>
<tr>
<td></td>
<td>Total Expenses $36,682,926</td>
</tr>
<tr>
<td>Reserve Contribution (Drawdown) $210,000</td>
<td></td>
</tr>
<tr>
<td>Net $0</td>
<td></td>
</tr>
</tbody>
</table>
The resolution authorizing and securing the University Services System* revenue bonds requires the adoption of an annual budget by the Board of Visitors. The budget presentation to the Board of Visitors provides documentation that the revenues to be received during the fiscal year will be sufficient to meet the operating costs of the System, the principal and interest requirements, and usual expenses of maintenance, repair, and operation.

Subject to approval by the Board of Visitors, the annual budget will be the basis for making payments from the revenue fund to meet the operating costs of the System during the fiscal year. In compliance with Section 5.1 and 5.5 of the resolution authorizing and securing the University Services System revenue bonds, the estimate of the resources to be used for the operation of the System during the fiscal year July 1, 2018 to June 30, 2019 and a recommended budget of current expenses for the System for the same period are summarized below. The rates and charges for the next fiscal year are sufficient for the current expenses, debt service, and reserve requirements set forth in Section 5.1 of the resolution.

<table>
<thead>
<tr>
<th>Estimated Revenues</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Fees</td>
<td>$44,723,118</td>
</tr>
<tr>
<td>Sales and Services</td>
<td>4,188,690</td>
</tr>
<tr>
<td>Other Income</td>
<td>2,654,614</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$51,566,422</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current Expenses</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Services</td>
<td>$24,607,255</td>
</tr>
<tr>
<td>Operating</td>
<td>14,449,734</td>
</tr>
<tr>
<td>Debt Service</td>
<td>4,495,541</td>
</tr>
<tr>
<td>Capital Maintenance Reserve</td>
<td>2,115,534</td>
</tr>
<tr>
<td>Non-Capital Maintenance Reserve</td>
<td>286,800</td>
</tr>
<tr>
<td>Student Organization Allocation</td>
<td>1,563,774</td>
</tr>
<tr>
<td>One-Time Expenses</td>
<td>3,324,016</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$50,842,654</td>
</tr>
</tbody>
</table>

| Reserve Contribution (Drawdown)     | $723,768 |

| Net                                 | $0       |

* University Services System includes Career and Professional Development, Center for the Arts, Health Services, Recreational Sports, Student Engagement and Campus Life, Student Organizations, and Rescue Squad.
The resolution authorizing and securing the Athletic Facilities System revenue bonds requires the adoption of an annual budget by the Board of Visitors. The budget presentation to the Board of Visitors provides documentation that the revenues to be received during the fiscal year will be sufficient to meet the operating costs of the System, the principal and interest requirements, and usual expenses of maintenance, repair, and operation.

Subject to approval by the Board of Visitors, the annual budget will be the basis for making payments from the revenue fund to meet the operating costs of the System during the fiscal year. In compliance with Section 5.1 and 5.5 of the resolution authorizing and securing the Athletic Facilities System revenue bonds, the estimate of the resources to be used for the operation of the System during the fiscal year July 1, 2018 to June 30, 2019 and a recommended budget of current expenses for the System for the same period are summarized below. The rates and charges for the next fiscal year are sufficient for the current expenses, debt service, and reserve requirements set forth in Section 5.1 of the resolution.

### Estimated Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Fees</td>
<td>$10,395,122</td>
</tr>
<tr>
<td>Sales and Services</td>
<td>61,501,046</td>
</tr>
<tr>
<td>Other Income</td>
<td>2,631,300</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$74,527,468</strong></td>
</tr>
</tbody>
</table>

### Current Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Services</td>
<td>$35,068,462</td>
</tr>
<tr>
<td>Operations</td>
<td>21,827,591</td>
</tr>
<tr>
<td>Administrative Charge</td>
<td>4,776,305</td>
</tr>
<tr>
<td>Capital Maintenance Reserve</td>
<td>1,512,189</td>
</tr>
<tr>
<td>Maintenance, Repairs, &amp; Equipment Replacement</td>
<td>2,403,649</td>
</tr>
<tr>
<td>Debt Service</td>
<td>5,643,334</td>
</tr>
<tr>
<td>One-Time Projects</td>
<td>1,530,000</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$72,761,530</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserve Contribution (Drawdown)</td>
<td>$1,765,938</td>
</tr>
</tbody>
</table>

| **Net**                           | **$0**     |
2018-19 Auxiliary System Budgets
June 4, 2018

DWIGHT SHELTON
INTERIM SENIOR VICE PRESIDENT FOR OPERATIONS AND ADMINISTRATION, VICE PRESIDENT FOR FINANCE AND CFO
System Budget Overview

- Virginia Tech has four master resolution bond covenants securing debt issues referred to as Systems:
  - Dormitory and Dining System
  - University Services System
  - Athletic Facility System
  - Electric Service System

- The resolutions authorizing and securing each system requires the adoption of an annual budget by the Board of Visitors.
System Budget Overview

- Revenues are sufficient to meet the operating costs, the principal and interest requirements, and usual expenses of maintenance, repair, and operation.

- The University works to ensure that:
  - The systems remain in good working order
  - Compliance with the terms and conditions of the bond covenants are maintained
## System Budgets

**(dollars in millions)**

<table>
<thead>
<tr>
<th></th>
<th>Dormitory &amp; Dining</th>
<th>University Services</th>
<th>Athletic Facility</th>
<th>Electric Service</th>
</tr>
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<tbody>
<tr>
<td>Revenues</td>
<td>$127.1</td>
<td>$51.6</td>
<td>$74.5</td>
<td>$36.9</td>
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<td>Expenses</td>
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<td>72.8</td>
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<td>Contribution/(Draw)</td>
<td>$6.4</td>
<td>$0.8</td>
<td>$1.7</td>
<td>$0.2</td>
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</table>
Summary & Recommendation

- Revenues to be received during the fiscal year will be sufficient to meet:
  - The operating costs of the System
  - The principal and interest requirements
  - Normal expenses of maintenance, repair, and operation
  - Terms and conditions of bond covenants

Recommendation:

That the recommended budget for fiscal year July 1, 2018 to June 30, 2019 for the operation of the Athletic Facility System, Dormitory and Dining System, Electric Service Utility System, and the University Services System be approved.

June 4, 2018
Each June, the university provides the Board of Visitors with an overview of the operating and capital budgets for the upcoming fiscal year.

**State Appropriations**

As of May 17, 2018, the 2018 General Assembly Session had not passed a final 2018-20 biennial budget. Called back into a Special Session on April 11th, the legislature continues to deliberate the commonwealth’s biennial budget. Though no final state budget is available, the university has moved forward with the development of its 2018-19 operating and capital budget utilizing a conservative estimate of the state funding support for the university in 2018-19. Once the state completes the 2018-20 biennial budget and the university understands the actual 2018-19 level of General Fund support, the university’s internal forecast will be updated and revised accordingly.

Virginia Tech anticipates an initial state authorization of $1.5 billion for fiscal year 2018-19 to carry out all of its programs, based on the forecast of direct appropriations to the university. However, the annual internal budget varies from this external expenditure authorization for several reasons, some of which increase the annual expenditure authority while others reduce the expenditure plans. For example, the university’s expenditure authorization will be adjusted during 2018-19 when the state allocates the Central Appropriation funding for the state share of fringe benefit rate changes. Additionally, under the sum sufficient authority granted as part of restructuring, nongeneral fund appropriations may be established as needed by the institution.

**Forecast of State Budget Revenue Changes**

For 2018-19, the university forecasts an incremental increase in General Fund appropriation of $3.3 million from the adjusted 2017-18 budget. This is comprised of an estimated General Fund increase of $2.4 million for Educational and General programs in the University Division (Agency 208), an estimated increase of $0.6 million for the land-grant programs in the Cooperative Extension and Agricultural Experiment Station (Agency 229) and an increase of $0.2 million for Student Financial Aid. As shown in Table 2 on page 5, the General Fund increase for the University Division includes changes in direct appropriations and the university estimate of Central Appropriation fund transfers during the fiscal year. State support includes the state’s share of the continuation of the 2017-18 faculty and staff salary increases, estimated funding for the restoration of interest earnings and credit card rebate, and the state’s share of the fringe benefit rate increases. The details of the state support are described further in each budget section.
With these state resources, the state support per Virginia student will remain stable in 2018-19. Unfortunately, total state support per Virginia student for 2018-19 is projected to be 26 percent below the funding provided in 2001. The university enrolls over 4,000 additional Virginia undergraduates as compared to fall 2004, a figure projected to grow to over 4,400 in fall 2018. Inflation adjusted, the university will receive 55 percent less General Fund support per student than in fiscal year 2001, as seen in Figure 1. It is important to note that this analysis presents the state support in the most favorable light since it includes all General Fund resources allocated to E&G, including support for activities beyond instruction such as research and public service. Figure 1 below is presented in this manner because it is a commonly utilized perspective by external groups.

The state policy for funding higher education is to fund 67 percent of the cost of education of each Virginia resident at the institution. Figure 2 below displays the status of actual funding for instruction in relation to this policy over time. In 2018-19, the state will provide an estimated 35.4 percent of this cost. In response, the university has worked to reduce costs and streamline operations, but the shortfall in General Fund support has also created pressure to grow nongeneral fund resources.
Proposed Budgets for 2018-19

For 2018-19, the recommended internal budget for all operations is $1.6 billion. This is an increase of $34.5 million, approximately 2.3 percent, over the adjusted 2017-18 budget. This increase reflects changes in nongeneral fund revenues for 2018-19 and forecasted conservative estimates of the outcome of the 2018 General Assembly session that will impact the 2018-19 General Fund appropriation. The overall change includes an increase of $45.7 million attributable to the Educational and General program and $10.2 million of projected growth in auxiliary enterprises. The total General Fund allocation is estimated to be approximately $265.4 million, an increase of $3.3 million from the 2017-18 adjusted budget. General Fund revenues will provide $241.4 million in support for the instructional, research, and extension programs, $21.7 million for student financial assistance, and $2.3 million for the Unique Military Activities program. As shown in Figure 3 below, the General Fund appropriation represents 21.6 percent of the University Division’s Educational and General budget (as compared to 53.6 percent in the 2001-02 budget) and 17.0 percent of the total budget. (See Schedule 1)
Schedule 1 displays the proposed operating budgets for 2018-19, by major program and revenue and expense category. Schedule 2 is an expansion of the projected auxiliary operations budgets, categorized by major activity. These schedules also display the 2017-18 budget, as approved in June 2017, and the current adjusted 2017-18 budget for comparison purposes. This report provides a brief discussion of the changes in the operating budget for each of the major programs.

Educational and General

The university’s Educational and General budget will be $849.2 million in 2018-19. The Educational and General budgets for the University Division (Agency 208) and the Cooperative Extension/Agricultural Experiment Station Division (Agency 229) are presented below by source of funding.
The year-to-year comparison of the budget in Schedule 1 shows an overall revenue increase in the Educational and General program of $45.7 million, or 5.7 percent, over the adjusted 2017-18 budget.

The 2018-19 operating and capital budgets have been developed utilizing the forecasted state funding support for the university in 2018-19. The university forecasts the following changes:

<table>
<thead>
<tr>
<th>(Dollars in Millions)</th>
<th>University Division</th>
<th>CE/AES Division</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in General Fund Support:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Continuation of 2017-18 Salary Program</td>
<td>0.3</td>
<td>0.1</td>
<td>0.4</td>
</tr>
<tr>
<td>Restoration of Interest Earnings and Rebates</td>
<td>0.7</td>
<td>0.0</td>
<td>0.7 **</td>
</tr>
<tr>
<td>Prospective Fringe Benefit Rate Changes</td>
<td>1.4</td>
<td>0.5</td>
<td>1.9 **</td>
</tr>
<tr>
<td>Total General Fund Change</td>
<td>2.4</td>
<td>0.6</td>
<td>3.0</td>
</tr>
</tbody>
</table>

*Forecasted outcome of General Assembly.
**Estimate. These items are funded centrally by the state at a later date.

The percentage of the Educational and General budget for the University Division provided by the General Fund decreased from 22.6 percent in the 2017-18 adjusted budget to 21.6 percent in 2018-19.

The 2018-19 tuition and fee budget increased by $36.4 million, or 7.1 percent, over the adjusted 2017-18 budget. The difference in the tuition and fee budget reflects strategic undergraduate enrollment growth, Virginia Tech Carilion School of Medicine integration, increase in the tuition rates (approved by the Board of Visitors in March) including Veterinary Medicine, specialized program fees, immigration services fee, the technology
fee and the library fee. The increase also includes unfunded and tuition funded scholarships to student aid programs, and adjustments to the other E&G fee budgets. Unfunded scholarships support both undergraduate need based aid and a portion of the graduate tuition remission program. Tuition and Fee funded scholarships are targeted to support the institution’s strategic priorities, including enrollment growth. Additionally, the revenue from the Facility and Equipment fee will be transferred to the Commonwealth for debt service on new facilities and equipment; thus, it is not reflected in the net revenue total.

Of the $36.4 million increase in the tuition and fee budget in 2018-19, $7.3 million is attributable to the July 1, 2018 integration of the Virginia Tech Carilion School of Medicine (VTCSOM) as the ninth college of Virginia Tech. Consistent with the resolution to acquire and integrate the Virginia Tech Carilion School of Medicine as approved in November 2017, the university has ratified the tuition rate established by the VTCSOM board and has reviewed the VTCSOM budget with Carilion Clinic. The 2018-19 investments by the partners include contributions of $3.4 million from Carilion Clinic and $3.4 million of investment income from Virginia Tech. Revenue from additional miscellaneous sources totals $0.6 million. These resources comprise the 2018-19 Virginia Tech Carilion School of Medicine budget of $14.7 million.

**Enrollment Growth**

The university is experiencing a significant increase in student demand. Undergraduate applications once again reached a new high for fall 2018, increasing 18.0 percent from the previous year. Demand is broad-based and includes several areas where Virginia Tech is in a strong or unique position to provide additional access to qualified students. To meet demand for undergraduate enrollment, particularly in the STEM-H disciplines, the university is planning the strategic addition of undergraduates for 2018-19. Figure 4 below illustrates the historical trend in undergraduate applications.
Auxiliary Enterprises

The total 2018-19 auxiliary revenue budget is $351.5 million, a growth of $10.2 million or 3.0 percent over the adjusted 2017-18 budget, with a significant portion of the increase attributable to growth in Residential and Dining Programs, Student Health Services, Transportation, Career and Professional Development, Telecommunications Services, and Electric Service. This increase includes resources to cover proposed changes in compensation and fringe benefit rate changes, enrollment growth, enhancements to student health and counseling services, student programming, wireless network equipment renewal, enhanced transit services, increased energy costs, maintenance of existing facilities, and the cost of new facilities.

Financial Assistance for Educational and General Programs

The projected annual budget for Financial Assistance for Educational and General Programs is $322.1 million, a decrease of $22.8 million or 6.6 percent less than the adjusted 2017-18 budget. The budget was reduced to better align the 2018-19 budget with the projected federal sponsored program activity. This budget is comprised primarily of sponsored program activities but also includes the Eminent Scholars program, the Enterprise Fund for distance and distributed learning, and the Commonwealth’s General Fund support for research. The most significant activity in this category is externally sponsored research. The General Fund support of $5.4 million for research is forecasted to remain unchanged in 2018-19. Although Sponsored Programs activity is anticipated to grow over 2017-18 actuals, the 2018-19 budget can accommodate the growth while technically realigning the budget for optimistic forecasts in prior fiscal periods.
Appropriated Student Financial Assistance

The projected annual 2018-19 budget for the Student Financial Assistance program is $30.2 million, a growth of $3.6 million over the adjusted 2017-18 budget. This budget includes forecasted increase of $0.2 million in state General Fund support for Undergraduate Scholarships, Graduate Fellowships, Soil Scientist Scholarships, Virginia Military Survivors and Dependents, Two-Year College Transfer Grant and the Multicultural Academic Opportunity Program to a total projected $21.7 million General Fund student financial aid budget in 2018-19. This budget also includes an increase of $3.4 million in the annual nongeneral fund student financial assistance budget to a total projected nongeneral fund student financial aid budget of $8.5 million in 2018-19. The university plans to utilize the nongeneral fund student financial assistance to advance strategic initiatives such as access and enrollment growth.

All Other Programs

The All Other Programs component is comprised of the Unique Military Activities appropriation, surplus property, federal work study program, and local funds. The annual budget for these funds is based on historic trends and projections of activity levels by program managers. These programs are funded by resources that are designated for specific purposes. The General Fund support for Unique Military Activities is forecasted to remain constant in 2018-19 at $2.3 million. For All Other Programs, the recommended budget is $7.3 million, and reflects a decrease of $2.3 million over the adjusted budget for 2017-18.

Planned Change in Reserves

Existing state requirements, along with the university’s budgeting and financial management strategies, generally result in the establishment of breakeven budgets for the major budget components, with the exception of auxiliary enterprises. That is the case for 2018-19, where only the auxiliary budgets project an addition to the reserves as of June 30, 2019. The projected addition of $12.8 million is the result of the intentional rebuilding of reserves in specific auxiliaries where expenditures in prior years created the need for restoring the reserves so that it may operate as a revolving fund. In other cases, the projected addition to reserves reflects the temporary positive impact of planning activities for new capital projects. The 2018-19 budget for auxiliary enterprises is also designed to ensure that the reserve levels remain in compliance with the tenets of bond covenants as well as SCHEV reserve targets.

Compensation Plan

Contingent upon funding availability and approval of the 2018-19 operating budget, the university plans to implement faculty and university staff merit programs for fiscal year 2018-19. The attached operating budget includes funding, consistent with traditional funding principles, for the following proposed employee compensation actions:
• 2.00 percent faculty merit compensation program.

• 2.00 percent university staff compensation program. The university will provide an opportunity for the state classified staff to convert to university staff and gain eligibility for the university staff merit process. Classified staff are defined as staff members hired before July 1, 2006 who have not subsequently converted to the university staff system.

• As reviewed at the March 2018 Board of Visitors meeting, a National Distinction program is planned for 2018-19 to allow the university to proactively address salary amounts, as a retention strategy, for faculty members that have achieved national distinction and excellence in their field and provide valuable contributions to the university. The ability to allocate any resources to fund this additional compensation program will be determined based on the results of the General Assembly Session and whether the university can identify any additional resources as it completes the budget development work. If funded, it is expected that the adjustments will be limited in the number of faculty included yet meaningful in size.

If the state authorizes a salary or a bonus program for fiscal year 2018-19, the university will redesign the merit programs in light of the new authorization and proceed accordingly.

Budget Allocations

The process of finalizing the 2018-19 operating budget allocations for the colleges and major operating units is currently underway. This process will be completed during June 2018 and issued to the university community by the Vice President for Finance and Chief Financial Officer. The Office of Budget and Financial Planning will allocate these budgets to the colleges and vice presidential areas in time for the departments to open the new fiscal year with the allocations in place in the university accounting system. The university develops the annual budget as a one-year quantification of the university’s strategic plan. The strategic plan is the framework for enacting the university’s mission.

Capital Outlay Projects

Virginia Tech’s capital outlay program includes projects for the University Division and the Cooperative Extension/Agricultural Experiment Station Division. Initiation of a capital project requires authorization of a budget and funding sources from the state or the Board of Visitors.

The state appropriates projects supported entirely or partially with General Fund revenues. The university requests General Fund appropriations for new projects as part of the state capital budget cycle. If appropriated, these projects normally become effective and are added to the program at the beginning of a fiscal year.
Under the restructuring legislation and the 2006 Management Agreement between the Commonwealth and the university, the Board of Visitors has the authority to authorize capital projects funded entirely with nongeneral fund resources. New projects approved by the Board of Visitors become effective upon approval of a university resolution and are reflected on the subsequent Financial Performance Report.

The university develops a financing plan to support the entire budget of each capital project prior to its initiation. Upon initiation, the whole project budget is entered in the accounting system. The revenues to support capital expenditure budgets are a mix of state support, university supported debt, and self-generated cash resources including private gifts. When projects have multiple sources of funding, the university generally utilizes the resources in the following order: state support, bond proceeds, and then cash. This order allows the most effective use of the university’s nongeneral fund resources.

The typical project lifespan is two to four years, and a refined level of precision is needed to optimize resource management. Cash flow models are used to predict the pace of spending by month for each project for its anticipated life. This analysis is then used to plan the timing to move each resource to a project budget on an as needed basis. Under this approach, project resources are held in their most productive location for as long as possible to maximize earnings. This analysis is further used to optimize the timing for external debt issuances to manage exposure to the cost of capital.

Each active capital project is included on the Financial Performance Report for its entire fiscal life and until all its funds in the accounting system are terminated. A project is removed from the Financial Performance Report at the end of the fiscal year it closes.

The portfolio of the capital outlay program for 2018-19 is comprised of 11 Educational and General projects and 11 Auxiliary Enterprise projects for a total of 22 projects. As part of the resource management process, each project has an annual budget. Schedule 3 lists the projects by major program and major phase of progress. Each project for 2018-19 is listed with the total project authorization by revenue source, total expenditures incurred from project inception to fiscal year 2017-18, available balance for 2018-19, annual budget for 2018-19, and balance at the close of 2018-19. The accuracy of annual budgets, and the cash flows models on which they are based, are most sensitive to construction start dates. For example, a large project that starts construction three months later than expected may be several million dollars underspend for the year. The total capital program for 2018-19 includes approximately $593 million of authorizations with an estimated annual budget of approximately $125 million.

**RECOMMENDATION:**

That the proposed 2018-19 operating and capital budgets, as displayed on Schedules 1, 2, and 3, be approved.

June 4, 2018
# TOTAL OPERATING BUDGET FOR VIRGINIA TECH

**Fiscal Year 2018-19**

**(Dollars in Thousands)**

<table>
<thead>
<tr>
<th>Revenues</th>
<th>2017-18 Original Budget</th>
<th>2017-18 Adjusted Budget</th>
<th>2018-19 Recommended Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Educational and General</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>University Division</strong></td>
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<td></td>
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<tr>
<td>General Fund</td>
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<td>$161,994</td>
<td>$164,427</td>
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<td>Tuition and Fees</td>
<td>501,950</td>
<td>515,714</td>
<td>552,081</td>
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<tr>
<td>All Other Income</td>
<td>39,349</td>
<td>37,867</td>
<td>44,529</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td>702,974</td>
<td>715,574</td>
<td>761,037</td>
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<tr>
<td><strong>CE/AES Division</strong></td>
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<tr>
<td>General Fund</td>
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<td>71,007</td>
<td>71,603</td>
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<td>Federal Funds</td>
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<td>All Other Income</td>
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<td>1,120</td>
<td>880</td>
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<td><strong>Subtotal</strong></td>
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<td>87,867</td>
<td>88,123</td>
</tr>
<tr>
<td><strong>Total Educational and General</strong></td>
<td>$790,455</td>
<td>$803,441</td>
<td>$849,160</td>
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<tr>
<td><strong>Auxiliary Enterprises</strong></td>
<td>$333,313</td>
<td>$341,265</td>
<td>$351,498</td>
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<tr>
<td><strong>Financial Assistance for E&amp;G Programs (a)</strong></td>
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<tr>
<td>General Fund</td>
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<td>5,389</td>
<td>5,389</td>
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<td>Nongeneral Fund</td>
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<td>316,714</td>
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<td>$344,879</td>
<td>$322,103</td>
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<td><strong>Student Financial Assistance</strong></td>
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<td></td>
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<tr>
<td>General Fund</td>
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<td>Nongeneral Fund</td>
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<td><strong>All Other Programs (b)</strong></td>
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<td>General Fund (UMA)</td>
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<td>2,284</td>
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<td>Nongeneral Fund</td>
<td>5,115</td>
<td>7,295</td>
<td>5,021</td>
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<td><strong>Total</strong></td>
<td>$7,399</td>
<td>$9,579</td>
<td>$7,305</td>
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<tr>
<td><strong>Total</strong></td>
<td>$1,500,881</td>
<td>$1,525,785</td>
<td>$1,560,303</td>
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<table>
<thead>
<tr>
<th>Expense</th>
<th>2017-18 Original Budget</th>
<th>2017-18 Adjusted Budget</th>
<th>2018-19 Recommended Budget</th>
</tr>
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<tbody>
<tr>
<td><strong>Educational and General</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>University Division</strong></td>
<td>$702,974</td>
<td>$715,574</td>
<td>$761,037</td>
</tr>
<tr>
<td><strong>CE/AES Division</strong></td>
<td>87,481</td>
<td>87,867</td>
<td>88,123</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td>790,455</td>
<td>803,441</td>
<td>849,160</td>
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<tr>
<td><strong>Auxiliary Enterprises</strong></td>
<td>326,617</td>
<td>368,248</td>
<td>338,733</td>
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<td><strong>Financial Assistance for E&amp;G Programs (a)</strong></td>
<td>344,174</td>
<td>344,879</td>
<td>322,103</td>
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<td><strong>Student Financial Assistance</strong></td>
<td>25,540</td>
<td>26,620</td>
<td>30,238</td>
</tr>
<tr>
<td><strong>All Other Programs (b)</strong></td>
<td>7,399</td>
<td>10,034</td>
<td>7,305</td>
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<tr>
<td><strong>Total</strong></td>
<td>$1,494,185</td>
<td>$1,553,221</td>
<td>$1,547,538</td>
</tr>
</tbody>
</table>

| Planned Change in Reserve | | | |
| Reserve Drawdown/(Deposit) (c) | (6,696) | 27,437 | (12,765) |
| **Net** | $0 | $0 | $0 |

(a) Financial Assistance for E&G Programs includes Sponsored Programs, the Eminent Scholars Program, and General Fund Research Initiative.
(b) All Other Programs include Unique Military Activities, Surplus Property, Local Funds, Federal Work Study, and Alumni Affairs.
(c) Reserve contributions are based on the budget plans of Auxiliary Enterprise units.

*Presentation Date: June 4, 2018*
## TOTAL OPERATING BUDGETS FOR AUXILIARY ENTERPRISES

**Fiscal Year 2018-19**

**(Dollars in Thousands)**

<table>
<thead>
<tr>
<th></th>
<th>2017-18 Original Budget</th>
<th>2017-18 Adjusted Budget</th>
<th>2018-19 Recommended Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Residence and Dining Hall System</strong>*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>$120,157</td>
<td>$122,539</td>
<td>$127,115</td>
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<tr>
<td>Expenses</td>
<td>-117,364</td>
<td>-124,296</td>
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<tr>
<td>Reserve Drawdown/(Addition)</td>
<td>-2,793</td>
<td>1,757</td>
<td>-6,407</td>
</tr>
<tr>
<td>Net</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Parking and Transportation</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>$13,704</td>
<td>$13,903</td>
<td>$15,061</td>
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<tr>
<td>Expenses</td>
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<tr>
<td>Reserve Drawdown/(Addition)</td>
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<td>-576</td>
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<tr>
<td>Net</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Telecommunications Services</strong></td>
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<tr>
<td>Revenues</td>
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<td>$22,087</td>
<td>$22,551</td>
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<td>Expenses</td>
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<tr>
<td>Reserve Drawdown/(Addition)</td>
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<tr>
<td>Net</td>
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<td>$0</td>
<td>$0</td>
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<tr>
<td><strong>University Services System</strong>*</td>
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<tr>
<td>Revenues</td>
<td>$48,521</td>
<td>$48,531</td>
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<tr>
<td>Expenses</td>
<td>-47,655</td>
<td>-49,919</td>
<td>-50,843</td>
</tr>
<tr>
<td>Reserve Drawdown/(Addition)</td>
<td>-866</td>
<td>1,388</td>
<td>-723</td>
</tr>
<tr>
<td>Net</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Intercollegiate Athletics</strong>*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>$69,283</td>
<td>$76,039</td>
<td>$74,527</td>
</tr>
<tr>
<td>Expenses</td>
<td>-68,903</td>
<td>-77,079</td>
<td>-72,762</td>
</tr>
<tr>
<td>Reserve Drawdown/(Addition)</td>
<td>-380</td>
<td>1,040</td>
<td>-1,765</td>
</tr>
<tr>
<td>Net</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Electric Service System</strong>*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>$36,061</td>
<td>$34,720</td>
<td>$36,893</td>
</tr>
<tr>
<td>Expenses</td>
<td>-35,531</td>
<td>-34,562</td>
<td>-36,683</td>
</tr>
<tr>
<td>Reserve Drawdown/(Addition)</td>
<td>-530</td>
<td>-158</td>
<td>-210</td>
</tr>
<tr>
<td>Net</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Inn at Virginia Tech and Skelton Conference Center</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>$11,855</td>
<td>$12,337</td>
<td>$12,000</td>
</tr>
<tr>
<td>Expenses</td>
<td>-11,799</td>
<td>-12,299</td>
<td>-12,170</td>
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<tr>
<td>Reserve Drawdown/(Addition)</td>
<td>-56</td>
<td>-38</td>
<td>170</td>
</tr>
<tr>
<td>Net</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Other Enterprise Functions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>$11,645</td>
<td>$11,109</td>
<td>$11,785</td>
</tr>
<tr>
<td>Expenses</td>
<td>-8,938</td>
<td>-31,539</td>
<td>-8,783</td>
</tr>
<tr>
<td>Reserve Drawdown/(Addition)</td>
<td>-2,707</td>
<td>20,430</td>
<td>-3,002</td>
</tr>
<tr>
<td>Net</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>$333,313</td>
<td>$341,265</td>
<td>$351,498</td>
</tr>
<tr>
<td>Expenses</td>
<td>-326,617</td>
<td>-368,248</td>
<td>-338,733</td>
</tr>
<tr>
<td>Reserve Drawdown/(Addition)</td>
<td>-6,696</td>
<td>26,983</td>
<td>-12,765</td>
</tr>
<tr>
<td>Net</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

* University Systems include Dormitory and Dining Hall System, University Service System, Intercollegiate Athletics System, and Electric Service System. The University Service System includes Health Services, Career Services, Student Engagement & Campus Life, Recreational Sports, Center for the Arts, Student Organizations and VT Rescue Squad.

Presentation Date: June 4, 2018
## EDUCATIONAL AND GENERAL CAPITAL PROJECT AUTHORIZATIONS FOR FISCAL YEAR 2019

(Dollars in Thousands)

as of April 30, 2018

<table>
<thead>
<tr>
<th>Design Phase</th>
<th>Construction Phase</th>
<th>Close-Out</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Educational and General Projects</strong></td>
<td><strong>State Support</strong></td>
<td><strong>Nongeneral Fund</strong></td>
</tr>
<tr>
<td>Improve Kentland Facilities</td>
<td>$9,363</td>
<td>$ -</td>
</tr>
<tr>
<td>Agriculture Production Facilities</td>
<td>22,136</td>
<td>-</td>
</tr>
<tr>
<td>Chiller Plant Phase II</td>
<td>31,024</td>
<td>-</td>
</tr>
<tr>
<td>Holden Hall Renovation</td>
<td>44,386</td>
<td>-</td>
</tr>
<tr>
<td>Gas-Fired Boiler at the Central Steam Plant</td>
<td>-</td>
<td>6,800</td>
</tr>
<tr>
<td>Planning: Undergraduate Science Laboratory Building</td>
<td>-</td>
<td>3,084</td>
</tr>
<tr>
<td>Planning: Intelligent Infrastructure and Construction Commp</td>
<td>-</td>
<td>6,000</td>
</tr>
<tr>
<td><strong>Construction Phase</strong></td>
<td><strong>State Support</strong></td>
<td><strong>Nongeneral Fund</strong></td>
</tr>
<tr>
<td>Maintenance Reserve</td>
<td>15,530</td>
<td>-</td>
</tr>
<tr>
<td>Academic Buildings Renewal</td>
<td>35,029</td>
<td>-</td>
</tr>
<tr>
<td>Renovate Undergraduate Science Laboratories</td>
<td>-</td>
<td>10,000</td>
</tr>
<tr>
<td>Health Sciences &amp; Technology</td>
<td>48,307</td>
<td>17,765</td>
</tr>
<tr>
<td><strong>Close-Out</strong></td>
<td><strong>State Support</strong></td>
<td><strong>Nongeneral Fund</strong></td>
</tr>
<tr>
<td>Fire Alarm Systems and Access</td>
<td>4,891</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Educational and General Projects</strong></td>
<td>$210,666</td>
<td>$43,649</td>
</tr>
</tbody>
</table>
# AUXILIARY ENTERPRISE CAPITAL PROJECT AUTHORIZATIONS FOR FISCAL YEAR 2019

(Dollars in Thousands)  
as of April 30, 2018

<table>
<thead>
<tr>
<th>Auxiliary Enterprises Projects</th>
<th>ESTIMATED STATE SUPPORT FUND</th>
<th>NONGENERAL AGENCY DEBT</th>
<th>ESTIMATED TOTAL BALANCE</th>
<th>ESTIMATED ANNUAL BUDGET FY2019</th>
<th>ESTIMATED TOTAL BALANCE AT CLOSE OF FY2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Design Phase</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Wellness Improvements</td>
<td>$ -</td>
<td>$ 6,010</td>
<td>$ 56,990</td>
<td>$ 63,000</td>
<td>$ 2,785</td>
</tr>
<tr>
<td>Creativity &amp; Innovation District Residence Hall</td>
<td>-</td>
<td>-</td>
<td>26,818</td>
<td>26,818</td>
<td>1,500</td>
</tr>
<tr>
<td>Dietrick First Floor and Plaza Renovation</td>
<td>-</td>
<td>5,000</td>
<td>2,000</td>
<td>7,000</td>
<td>500</td>
</tr>
<tr>
<td>Student-Athlete Performance Center</td>
<td>-</td>
<td>15,165</td>
<td>-</td>
<td>15,165</td>
<td>250</td>
</tr>
<tr>
<td>Commonwealth Ballroom Improvements</td>
<td>-</td>
<td>3,246</td>
<td>-</td>
<td>3,246</td>
<td>200</td>
</tr>
<tr>
<td><strong>Construction Phase</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance Reserve</td>
<td>-</td>
<td>7,200</td>
<td></td>
<td>-</td>
<td>7,200</td>
</tr>
<tr>
<td>Lane Substation Expansion</td>
<td>-</td>
<td>2,000</td>
<td>4,500</td>
<td>6,500</td>
<td>4,727</td>
</tr>
<tr>
<td>ACC Network Studio</td>
<td>-</td>
<td>-</td>
<td>10,000</td>
<td>10,000</td>
<td>250</td>
</tr>
<tr>
<td><strong>Close-Out</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Upper Quad Residential Facilities</td>
<td>-</td>
<td>35,671</td>
<td>53,729</td>
<td>89,400</td>
<td>87,764</td>
</tr>
<tr>
<td>O'Shaughnessy Renovation</td>
<td>-</td>
<td>8,867</td>
<td>12,633</td>
<td>21,500</td>
<td>18,231</td>
</tr>
<tr>
<td>Athletic Facilities Improvements</td>
<td>-</td>
<td>37,500</td>
<td>-</td>
<td>37,500</td>
<td>34,450</td>
</tr>
<tr>
<td><strong>Total Auxiliary Enterprise Projects</strong></td>
<td>$ -</td>
<td>$ 120,659</td>
<td>$ 166,670</td>
<td>$ 287,329</td>
<td>$ 150,657</td>
</tr>
</tbody>
</table>

**GRAND TOTAL ALL CAPITAL PROJECTS**  
$ 210,666  $ 164,308  $ 217,760  $ 592,734  $ 196,335  $ 396,399  $ 125,066  $ 271,333
2018-19 Operating and Capital Budgets

June 4, 2018

DWIGHT SHELTON
INTERIM SENIOR VICE PRESIDENT FOR OPERATIONS AND ADMINISTRATION, VICE PRESIDENT FOR FINANCE AND CFO
Operating Budget
## 2018-19 Operating Budget
($ in Millions)

<table>
<thead>
<tr>
<th></th>
<th>2017-18 Adjusted Budget</th>
<th>2018-19 Proposed Budget</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Educational and General</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>University Division</td>
<td>$715.6</td>
<td>$761.0</td>
<td>$45.4</td>
</tr>
<tr>
<td>Coop Ext/Ag Experiment</td>
<td>87.9</td>
<td>88.1</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$803.4</td>
<td>$849.2</td>
<td>$45.7</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>$341.3</td>
<td>$351.5</td>
<td>$10.2</td>
</tr>
<tr>
<td>Sponsored Programs</td>
<td>344.9</td>
<td>322.1</td>
<td>(22.8)</td>
</tr>
<tr>
<td>Financial Aid (Appropriated)</td>
<td>26.6</td>
<td>30.2</td>
<td>3.6</td>
</tr>
<tr>
<td>UMA and Other Activities</td>
<td>9.6</td>
<td>7.3</td>
<td>(2.3)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,525.8</td>
<td>$1,560.3</td>
<td>$34.5</td>
</tr>
</tbody>
</table>

Note: Dollars shown in millions for display purposes. Due to rounding, numbers presented in table above and throughout presentation may not add up precisely to the totals provided.
## 2018-19 Annual Change in University Division – Educational and General Budget

($ in Millions)

<table>
<thead>
<tr>
<th>University Division (E&amp;G)</th>
<th>2017-18 Adjusted Budget</th>
<th>2018-19 Proposed Budget</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$162.0</td>
<td>$164.4</td>
<td>$2.4</td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>515.7</td>
<td>552.1</td>
<td>36.4</td>
</tr>
<tr>
<td>All Other Income</td>
<td>37.9</td>
<td>44.5</td>
<td>6.6</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$715.6</strong></td>
<td><strong>$761.0</strong></td>
<td><strong>$45.4</strong></td>
</tr>
</tbody>
</table>
# 2018-19 Components of Financial Assistance for E&G Programs

($ in Millions)

<table>
<thead>
<tr>
<th></th>
<th>2017-18 Adjusted Budget</th>
<th>2018-19 Proposed Budget</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$5.4</td>
<td>$5.4</td>
<td>$0.0</td>
</tr>
<tr>
<td>Nongeneral Fund</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sponsored Grants and Contracts</td>
<td>268.1</td>
<td>239.0</td>
<td>(29.1)</td>
</tr>
<tr>
<td>Other</td>
<td>71.4</td>
<td>77.8</td>
<td>6.4</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$344.9</strong></td>
<td><strong>$322.1</strong></td>
<td><strong>(22.8)</strong></td>
</tr>
</tbody>
</table>
General Fund Support by Program

- University Division
- CE/AES Division
- Financial Assistance for E&G Programs
- Student Financial Aid
- Unique Military Activities

*Projected
# 2018-19 Educational and General Budget Components

($ in Millions)

<table>
<thead>
<tr>
<th>Educational and General Budget</th>
<th>University Division</th>
<th>CE/AES Division</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$164.4</td>
<td>$71.6</td>
<td>$236.0</td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>$552.1</td>
<td>$0.0</td>
<td>$552.1</td>
</tr>
<tr>
<td>Federal Funds</td>
<td>$0.0</td>
<td>$15.6</td>
<td>$15.6</td>
</tr>
<tr>
<td>Other</td>
<td>$44.5</td>
<td>$0.9</td>
<td>$45.4</td>
</tr>
<tr>
<td><strong>Total Educational and General</strong></td>
<td><strong>$761.0</strong></td>
<td><strong>$88.1</strong></td>
<td><strong>$849.2</strong></td>
</tr>
</tbody>
</table>

| Percent of Total                              |                     |                 |       |
| General Fund                                  | 21.6%               | 81.3%           | 27.8% |
| Tuition and Fees                              | 72.5%               | 0.0%            | 65.0% |
| Federal Funds                                 | 0.0%                | 17.7%           | 1.9%  |
| Other                                         | 5.9%                | 1.0%            | 5.3%  |
| **Total Percentage**                          | **100.0%**          | **100.0%**      | **100.0%**|
Net Tuition and E&G Fee Revenue Trend by Student Group

- Resident Undergraduate
- Nonresident Undergraduate
- Resident Graduate (incl VM)
- Nonresident Graduate (incl VM)
- VTCSOM

Total: $123
Total: $535

Using ABD Budget Figures
Undergraduate Student Financial Aid

State and Institutional Undergraduate Scholarship Support

![Graph showing state and institutional scholarship support from 2000-01 to 2018-19. The graph indicates a steady increase in support, with projected figures for 2018-19. The data points show an increase from $8.8 million in 2000-01 to $16.9 million in 2014-15 and a projected $26.9 million for 2018-19. The graph includes labels for 'State Scholarship Support' and 'Institutional Scholarship Support.'
## 2018-19 Key Auxiliary Enterprise Revenue Budget Changes

($ in Millions)

<table>
<thead>
<tr>
<th></th>
<th>2017-18 Original Budget</th>
<th>2017-18 Adjusted Budget</th>
<th>2018-19 Proposed Budget</th>
<th>Change</th>
<th>$</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residence and Dining Hall System</td>
<td>$120.2</td>
<td>$122.5</td>
<td>$127.1</td>
<td>$4.5</td>
<td>3.7%</td>
<td></td>
</tr>
<tr>
<td>Intercollegiate Athletics</td>
<td>$69.3</td>
<td>$76.0</td>
<td>$74.5</td>
<td>(1.5)</td>
<td>-2.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$189.5</strong></td>
<td><strong>$198.6</strong></td>
<td><strong>$201.6</strong></td>
<td><strong>$3.0</strong></td>
<td>1.5%</td>
<td></td>
</tr>
</tbody>
</table>
Auxiliary Enterprise Revenue Trend by Unit


Total: $352

Other: $118

Residence and Dining Halls: $127

Intercollegiate Athletics: $75

Electric Service: $61

University Services System: $52

Other: $37

Total: $12

Millions

Compensation Plan

- The university is planning the following compensation programs to be effective on September 10, 2018:
  - 2.0% merit program for T&R and A/P Faculty
  - 2.0% merit program for University Staff
    - Classified Staff have the opportunity to convert to University Staff.

- Enhance the competitiveness of entering salaries in pay bands 1-3 in the staff structure by $0.50 per hour, effective May 25th, 2018.

- Recognition of National Distinction
  - Final outcomes of state budget and budget development will determine funding availability
## VTCSOM 2018-19

($ in Millions)

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Student Tuition</td>
<td>$7.3</td>
</tr>
<tr>
<td>Partnership Nongeneral Funds</td>
<td>6.8</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>0.6</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>14.7</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Instruction</td>
<td>(14.7)</td>
</tr>
<tr>
<td><strong>Net</strong></td>
<td><strong>$0</strong></td>
</tr>
</tbody>
</table>
Capital Budget
Capital Project Authorizations

- Improvements =>$2M and/or =>5,000 gross square feet of new construction
- Acquisitions regardless of cost
- Capital leases
- Authorizations encompass program, scope, total cost, and funding sources
Capital Project Authorizations

- Only the State or Board of Visitors may authorize a capital project.

**State**
- $1+ General Fund

**Board of Visitors**
- 100% nongeneral funds
Capital Project Budgets

- University develops a financing plan to support the entire budget of each capital project prior to its authorization.
Fiscal Year 2019 Capital Projects

End FY 2018 28
- Projects closed out June 30th - 5
- New projects effective July 1st 0

Start FY 2019 23
- 12 in design
- 7 in construction
- 4 in close-out
Fiscal Year 2019 Capital Budget

($ in millions):

FY2019 total capital budget $592.7
Less total expenditures through June 30th - 196.3
Budget available for FY2019 $396.4

Estimated capital expenditures for FY2019 $125.1
Capital Annual Budget Development

Most sensitive to construction start dates
Escalation and Interest Rates

- Each project budget escalated to the mid-point of construction during development
Trend of Capital Program Expenses

Fiscal Year 1990 - Fiscal Year 2018

$ in Thousands

- Total YTD Expenses
- E&G
- Aux

Capital Budget Summary

- Capital projects represent large expenditure commitments that occur in a relatively short period of time.
- Resource plans for capital projects are generally developed several years prior to authorization.
- This lead time is necessary to prepare resources for such large costs.
- Once initiated, a capital project requires approximately four years to complete.
- The annual budget reflects the projected expenditure activity for the given fiscal year.
RECOMMENDATION:
That the proposed 2018-19 operating and capital budgets, as displayed on Schedules 1, 2, and 3, be approved.

June 4, 2018
The Financial Performance Report of income and expenditures is prepared from two sources: actual accounting data as recorded at Virginia Tech and the annual budgets which are also recorded in the university accounting system. The actual accounting data reflect the modified accrual basis of accounting, which recognizes revenues when received rather than when earned and commitments to buy goods and services as encumbrances when obligated and as an expenditure when paid. The Original Budget was approved by the Board of Visitors at the June meeting. The Adjusted Budget reflects adjustments to incorporate actual experience or changes made during the fiscal year. These changes are presented for review and approval by the Finance and Resource Management Committee and the Board of Visitors through this report. Where adjustments impact appropriations at the state level, the university coordinates with the Department of Planning and Budget to ensure appropriations are reflected accurately.

The July to March 2017-18 budget (year-to-date) is prepared from historical data which reflects trends in expenditures from previous years as well as known changes in timing. Differences between the actual income and expenditures and the year-to-date budget may occur for a variety of reasons, such as an accelerated or delayed flow of documents through the accounting system, a change in spending patterns at the college level, or increases in revenues for a particular area.

Quarterly budget estimates are prepared to provide an intermediate measure of income and expenditures. Actual revenues and expenditures may vary from the budget estimates. The projected year-end budgets are, however, the final measure of budgetary performance.
### Educational and General Programs

#### University Division

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Change</th>
<th>Original</th>
<th>Adjusted</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>$127,796</td>
<td>$127,796</td>
<td>$0</td>
<td>$161,675</td>
<td>$161,994</td>
<td>$319</td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>$512,376</td>
<td>$510,903</td>
<td>1,473</td>
<td>$501,950</td>
<td>$515,701</td>
<td>13,751</td>
</tr>
<tr>
<td>All Other Income</td>
<td>28,381</td>
<td>28,711</td>
<td>-330</td>
<td>39,350</td>
<td>37,879</td>
<td>-1,471</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$668,553</td>
<td>$667,410</td>
<td>$1,143</td>
<td>$702,975</td>
<td>$715,574</td>
<td>$12,599</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
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<tr>
<td>Academic Programs</td>
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<td>-334,874</td>
<td>238</td>
<td>-439,964</td>
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<td>Support Programs</td>
<td>-190,443</td>
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#### CE/AES Division

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<td>All Other Income</td>
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<td>908</td>
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<td>880</td>
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<tr>
<td><strong>Total Revenues</strong></td>
<td>$72,281</td>
<td>$70,240</td>
<td>$2,041</td>
<td>$87,481</td>
<td>$87,866</td>
<td>$385</td>
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<tr>
<td><strong>Expenses</strong></td>
<td></td>
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#### Auxiliary Enterprises

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<tr>
<td><strong>Revenues</strong></td>
<td>$290,077</td>
<td>$289,997</td>
<td>$80</td>
<td>$333,313</td>
<td>$341,265</td>
<td>$7,952</td>
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<td>Reserve Drawdown (Deposit)</td>
<td>-35,847</td>
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<td>-7,941</td>
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#### Sponsored Programs

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<td><strong>Revenues</strong></td>
<td>$228,430</td>
<td>$250,830</td>
<td>-$22,400</td>
<td>$344,174</td>
<td>$344,879</td>
<td>$705</td>
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<td><strong>Expenses</strong></td>
<td>-233,221</td>
<td>-279,383</td>
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<td>-344,879</td>
<td>-705</td>
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<td>Reserve Drawdown (Deposit)</td>
<td>4,791</td>
<td>28,553</td>
<td>-23,762</td>
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#### Student Financial Assistance

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<td><strong>Revenues</strong></td>
<td>$26,180</td>
<td>$26,487</td>
<td>-$307</td>
<td>$25,514</td>
<td>$26,620</td>
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<td>547</td>
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#### All Other Programs *

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<td>$7,168</td>
<td>-$800</td>
<td>$7,399</td>
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<td><strong>Expenses</strong></td>
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<td>-4,092</td>
<td>761</td>
<td>-7,399</td>
<td>-10,034</td>
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<tr>
<td>Reserve Drawdown (Deposit)</td>
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<td>-3,076</td>
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#### Total University

<table>
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<tr>
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<th>Change</th>
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<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>$1,291,889</td>
<td>$1,312,132</td>
<td>-$20,243</td>
<td>$1,500,883</td>
<td>$1,525,783</td>
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<td><strong>Expenses</strong></td>
<td>-1,109,257</td>
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<td>Reserve Drawdown (Deposit)</td>
<td>-35,127</td>
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<td>$141,609</td>
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</table>

*All Other Programs include federal work study, surplus property, and unique military activities.*
1. Tuition and Fee revenue collections are ahead of historical projections due to the timing of tuition collection.

2. Support program expenditures are lower than projected due to timing of expenses.

3. The budget for federal revenue is established to match projected allotments from the federal government that are expected to be drawn down during the state fiscal year. All expenses in federal programs are covered by drawdowns of federal revenue up to allotted amounts. Federal revenue in the Cooperative Extension/Agriculture Experiment Station Division was greater than the projected budget due to the timing of federal draw that were requested in 2016-17, but received in 2017-18.

4. Quarterly and projected annual variances are explained in the Auxiliary Enterprises section of this report.

5. Historical patterns have been used to develop a measure of the revenue and expenditure activity for Sponsored Programs. Actual revenues and expenses may vary from the budget estimates because projects are initiated and concluded on an individual basis without regard to fiscal year. Total sponsored research revenues and expenses are less than projected. Total sponsored program expenditures are 0.6% greater than March 31, 2017.

6. Revenue and expenses for All Other Programs were less than projected due to timing of revenues and surplus property expense activity.

7. The University Division General Fund revenue budget was increased by $0.3 million for Health Insurance and other central fund adjustments.

8. At the beginning of the year, the annual budget for Tuition and Fees had been increased $1.7 million for the finalization of the budgets for tuition and Education & General fees. During the second quarter, the budget for Tuition and Fees had been increased $8.6 million due to higher than projected undergraduate enrollment for fall semester, lower than projected enrollment in the graduate programs, and a decrease in Summer session revenues. The budget for Tuition and Fees has been increased by $3.5 million in the third quarter for stronger than projected spring retention and winter session revenues. The corresponding expenditure budgets have been adjusted accordingly.

9. The All Other Income revenue budget for the University Division has been decreased $1.8 million for budget finalizations in Sales and Services and Continuing Education. The budget for Earmarked Sales and Services has been increased by $0.2 million for stronger than projected activity in the Equine Medical Center, $0.15 million for milk sales, $0.06 million for VA Racing Revenue and decreased by $0.03 million for miscellaneous self-supporting activities. The corresponding expenditure budgets have been adjusted accordingly.

10. The Cooperative Extension/Agriculture Experiment State Division General Fund revenue budget was increased $0.05 million for Health Insurance and other central fund adjustments. Federal funds revenue budget was increased $0.1 million for carryover of unexpended federal Hatch funds. The self-generated revenue budget increased $0.24 million for greater than projected self-generated revenues. The corresponding expenditure budgets have been adjusted accordingly.

11. The Sponsored Programs revenue and expense budgets were increased $0.7 million to finalize budgets.

12. During budget finalizations, the Student Financial Assistance general funds revenue and expense budgets were increased $0.7 million. In the first quarter of 2017-18, the Student Financial Assistance revenue and expenditure budgets were increased $0.4 million to support enrollment growth beyond the originally planned enrollment growth.

13. The projected annual budget for All Other Programs was increased $2.2 million to finalize budgets and $0.45 million for outstanding 2016-17 commitments that were initiated but not completed before June 30, 2017.
Dollars in Thousands

### Residence and Dining Halls *

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Change</th>
<th>Original</th>
<th>Adjusted</th>
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</thead>
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<td>$114,759</td>
<td>$907 (1)</td>
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<tr>
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<tr>
<td>Reserve Drawdown (Deposit)</td>
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### Parking and Transportation

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<td>$13,903</td>
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### Telecommunications Services

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<tr>
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<td>$22,087</td>
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<tr>
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<td>Reserve Drawdown (Deposit)</td>
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### University Services * **

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<tbody>
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<td>$47,907</td>
<td>$609 (4)</td>
<td>$48,521</td>
<td>$48,531</td>
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<tr>
<td>Expenses</td>
<td>-35,879</td>
<td>-37,597</td>
<td>1,718 (4)</td>
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<td>-49,919</td>
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<td>Reserve Drawdown (Deposit)</td>
<td>-12,637</td>
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### Intercollegiate Athletics *

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<tr>
<td>Revenues</td>
<td>$52,569</td>
<td>$52,341</td>
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<td>$69,283</td>
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<td>-61,508</td>
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### Electric Service *

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<tr>
<td>Revenues</td>
<td>$24,099</td>
<td>$24,913</td>
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### Inn at Virginia Tech/Skelton Conf. Center

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<th>Original</th>
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<td>$9,473</td>
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<td>-72</td>
<td>-56</td>
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<td>18 (7,8,9,15)</td>
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### Other Enterprise Functions ***

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<th>Original</th>
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</thead>
<tbody>
<tr>
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### TOTAL AUXILIARIES

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<th>Original</th>
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<tbody>
<tr>
<td>Revenues</td>
<td>$290,077</td>
<td>$289,997</td>
<td>$80</td>
<td>$333,313</td>
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<td>$0</td>
<td>$0</td>
<td>$0</td>
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</table>

* University Systems include Dormitory and Dining Hall System, University Services System, Intercollegiate Athletics System, and Electric Service System. The Systems were created to provide assurance to bond holders that system revenues are pledged for the payment of debt service and to allow for dedicated repair and replacement that are not subject to liens of any creditor of the university.

** University Services System includes Career Services, Center for the Arts, Health Services, Recreational Sports, Student Centers & Activities, Student Organizations, and the VT Rescue Squad.

*** Other Enterprise Functions include Golf Course, Hokie Passport, Library Café, Library Photocopy, Licensing & Trademark, Little Hokie Hangout, New Student and Family Programs, Pouring Rights, Printing Services, Software Sales, Student Athlete Academic Support Services (SAASS), Tailor Shop and Clearing Accounts.
1. Revenues in Residence and Dining Halls are higher than projected due to residence hall occupancy and self-generated revenue being greater than planned. Expenses are lower than projected due to timing of operating and project expenses.

2. Expenses in Parking and Transportation Services are lower than projected due to timing of operating expenses and Fleet vehicle purchases.

3. Revenues and expenses for Telecommunications Services are lower than projected due to lower than anticipated special project volume.

4. Revenues for the University Services System are higher than projected due to higher than budgeted Health and Recreational Sports program revenues. Expenses are lower than projected due to the timing of Recreational Sports project expenses.

5. Revenue and expenses for the Electric Service auxiliary are lower than projected due to lower than anticipated electricity consumption. Expenses are also lower than projected due to lower than forecasted total cost of purchased electricity.

6. The projected annual revenue, expense, and reserve budgets for Residence and Dining Halls were increased for student enrollment revenue, dining business volume, $0.67 million in Dining equipment, and $1.3 million in Residential facility projects. Revenue and expense budgets were decreased for reduced Steger Center enrollment.

7. The projected annual expense and reserve budgets for Auxiliary Enterprises were increased $0.08 million for state compensation actions for high-turnover positions.

8. The projected annual expense budget for Auxiliary Enterprises was increased $5.9 million for outstanding 2016-17 commitments and projects that were initiated but not completed before June 30, 2017. This amount includes $1.0 million for Residence Halls, $3.2 million in Dining Hall commitments and projects, and $0.3 million for Electric Service. The remainder is spread across the other auxiliary programs.

9. The projected annual expense and reserve draws for the Auxiliary Enterprises were increased $0.46 million for the auxiliary share of the state’s assessment of a one-time Virginia Retirement System (VRS) investment in 2015 which help contain future VRS actuarial rates.

10. The projected annual revenue, expense, and reserve budgets for Parking and Transportation Services were increased for parking permit sales and operating expenses.

11. The projected annual expense and reserve budgets for Telecommunications Services were increased for enhancement of network security software and Roanoke campus network infrastructure.

12. The projected annual expense and reserve budgets for the University Services System were increased for two additional counseling positions and psychiatric nurse practitioner for Cook Counseling Center, Career and Professional Development personnel, health and recreation sports services in Roanoke, Recreational Sports challenge course, and growth in self-generated revenues.

13. The projected annual revenue budget for Intercollegiate Athletics was increased $6.8 million to accommodate additional revenue of $1 million for the football team’s participation in the Camping World Bowl, $3.3 million in self-generated revenue, and $2.5 million in private fundraising for the Cassell seating project, men’s basketball locker room, athlete meals, and indoor practice facility. Annual expense and reserve draw budgets were increased $8.8 million to accommodate increases of $0.9 million for coaching staff transitions, athletic contracts, and competitive compensation, $2.1 million for Camping World Bowl expenses, $3.1 million for sports expenses, $0.3 million for operating expenses, $0.1 million for English Field astroturf, $0.6 million for Cassell seating project, $0.5 million for men’s basketball locker room project, $1.4 million for indoor practice facility capital project, and $0.9 million for videoboards and audio projects. The budget was decreased $1.1 million for the technical realignment of Student Athlete Academic Support Services.

14. The projected annual revenue and expense budgets for the Electric Services auxiliary were decreased due to lower than projected cost of wholesale electricity.

15. The projected annual revenue, expense, and reserve budgets for the Inn at Virginia Tech and Skelton Conference Center were increased for business volume and facility maintenance.

16. The projected annual revenue, expense, and reserve budget for Other Enterprise Functions were increased for additional business volume in Licensing and Trademark and Software Sales, student affairs operating support, $22 million internal financing of board approved Athletics facilities improvements project, and scholarship expenses in Licensing and Trademark. The revenue budget was decreased for lower than projected Printing Services business volume.
### CAPITAL OUTLAY PROJECTS

**AUTHORIZED AS OF MARCH 31, 2018**

Dollars in Thousands

<table>
<thead>
<tr>
<th>PROJECT INITIATED</th>
<th>PROJECT ANNUAL</th>
<th>FISCAL YEAR ACTIVITY</th>
<th>TOTAL PROJECT BUDGET</th>
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<tbody>
<tr>
<td></td>
<td>BUDGET</td>
<td>STATE</td>
<td>NONGENERAL REVENUE</td>
</tr>
<tr>
<td></td>
<td>EXPENSES</td>
<td>SUPPORT</td>
<td>FUND</td>
</tr>
</tbody>
</table>

#### EDUCATIONAL AND GENERAL PROJECTS

**Design Phase**

- **Improve Kentland Facilities**
  - Sep 2013
  - $6,000
  - $9,363

- **Renovate Undergraduate Science Laboratories**
  - Jul 2016
  - $6,250
  - $10,000

- **Agriculture Production Facilities**
  - Oct 2016
  - $1,080
  - $22,136

- **Chiller Plant Phase II**
  - Oct 2016
  - $4,040
  - $31,024

- **Holden Hall Renovation**
  - Oct 2016
  - $3,840
  - $44,386

- **Gas-Fired Boiler at the Central Steam Plant**
  - Apr 2017
  - $3,375
  - $6,800

- **Planning: Intelligent Infrastructure and Construction Complex**
  - Apr 2017
  - $2,880
  - $6,000

- **Planning: Undergraduate Science Laboratory Building**
  - Jul 2017
  - $2,500
  - $3,084

**Construction Phase**

- **Maintenance Reserve**
  - On-going
  - $12,860
  - $20,297

- **Academic Buildings Renewal**
  - Sep 2013
  - $18,600
  - $35,029

- **Address Fire Alarm Systems and Access**
  - Jun 2014
  - $1,265
  - $4,891

- **Health Sciences & Technology**
  - Oct 2016
  - $10,200
  - $48,307

**Close-Out**

- **Classroom Building**
  - Dec 2012
  - $1,050
  - $42,652

- **Biocomplexity Data Center**
  - Sep 2015
  - $900
  - $5,900

- **Eastern Shore AREC Storage Building**
  - Apr 2016
  - $381
  - $535

**TOTAL EDUCATIONAL AND GENERAL PROJECTS**

- $75,221
- $258,085
- $50,084
- $51,090
- $359,259
- $91,569
CAPITAL OUTLAY BUDGET

Educational and General Projects

1. This project is to provide a metabolism research laboratory, an applied reproduction facility, and a building for animal demonstration, handling, and holding spaces. Bid efforts in 2016 and 2017 were more than ten percent over budget. The university will rebid in June 2018 under a modified bid package and more aggressive outreach effort. The annual budget will be underspent because it anticipated a construction start in fall 2017.

2. This project will renovate seven laboratories within Derring Hall and Hahn Hall for undergraduate science laboratory classes in biology, chemistry, physics, and microbiology. The project was bid in December 2017 and received no responses. The project will be rebid in June 2018 under a modified bid package and more aggressive outreach effort. The annual budget will be underspent because it anticipated a construction start in January 2018.

3. This project is for the first of two phases to renew the existing facilities for the livestock and poultry programs. This first phase includes an approximate total scope of 126,000 gross square feet of new and renovated facilities at the Blacksburg campus and three nearby university production and research farms. Schematic design is nearing completion with preliminary design starting in April 2018. The annual budget will be underspent because it anticipated a construction start in fall 2017.

4. This project continues the strategic infrastructure advancements initiated by the Chiller Plant, Phase I project. Phase II includes the upgrade of campus utility systems and addresses several strategic needs for shifting the campus to a lower resource consuming cooling service with improved redundancies. Preliminary design is underway with working drawings expected to start May 2018. The annual budget will be underspent because design has progressed slower than projected.

5. This project is for a complete renovation and 60,000 gross square foot expansion of Holden Hall to accommodate the instruction and research programs of Materials Science and Engineering, Mining and Minerals Engineering, and Computer Science Engineering. Preliminary design is underway.

6. This project will design, purchase, and install a new Gas-Fired Boiler within the Central Steam Plant. Preliminary design is underway. The annual budget will be underspent because design has progressed slower than projected.

7. This planning project is for Hitt Hall, the Fusion Laboratories, and the Smart Dining Center. The total project funding plan calls for $50 million to cover the three programs. Criteria document development for Design-Build is underway. The annual budget will be underspent because design has progressed slower than projected.

8. This planning project is for an entirely state funded 102,000 gross square foot science laboratory building adjacent to the new classroom building. The university is temporarily funding the project and will be reimbursed by the state once construction funding is appropriated. Schematic design is underway. The annual budget will be underspent because design has progressed slower than projected.

9. The state maintenance reserve program requires a biennial budget expenditure of 85 percent, which is $17.3 million of cumulative expenses by June 30, 2018. The annual budget amount reflects the spending level required to slightly exceed the performance requirement.

10. This project is for the renovation of Davidson Hall-Front Section, Sandy Hall, and the Liberal Arts Building. The project is under construction with substantial completion expected in summer 2018.

11. This project supports progress on fire alarm systems and accessibility improvements for E&G buildings. The final two projects, Norris Hall and Litton Reaves Hall, are underway with anticipated completion summer 2018.

12. This project is being delivered under a Public Private Partnership with Carilion Clinic and is located adjacent to the existing Virginia Tech-Carilion Research Institute facility in Roanoke, Virginia. Construction is underway and on schedule for an expected completion date of March 2019. The annual budget will be underspent because construction invoices are slower than expected.

13. The project is complete and occupied since August 2016. The project may be closed and financial accounts terminated when final invoices are received and paid.

14. The project is complete and occupied since July 2017. The project may be closed and financial accounts terminated when final invoices are received and paid.

15. The project is complete and occupied since August 2017. The project may be closed and financial accounts terminated when final invoices are received and paid.
Dollars in Thousands

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>ANNUAL YTD</th>
<th>STATE SUPPORT</th>
<th>NONGENERAL REVENUE</th>
<th>TOTAL PROJECT BUDGET</th>
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</thead>
<tbody>
<tr>
<td>Student Wellness Improvements</td>
<td>Jun 2016</td>
<td>2,259</td>
<td>943</td>
<td>$ 1,469 (1)</td>
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<tr>
<td>Creativity &amp; Innovation District Residence Hall</td>
<td>Oct 2016</td>
<td>3,200</td>
<td>102</td>
<td>$ 357 (2)</td>
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<tr>
<td>Dietrick First Floor and Plaza Renovation</td>
<td>Sept 2017</td>
<td>500</td>
<td>3</td>
<td>$ 3 (3)</td>
</tr>
<tr>
<td>ACC Network Studio</td>
<td>Mar 2018</td>
<td>250</td>
<td>0</td>
<td>$ 10,000</td>
</tr>
<tr>
<td>Student-Athlete Performance Center</td>
<td>Mar 2018</td>
<td>250</td>
<td>0</td>
<td>$ 15,165</td>
</tr>
<tr>
<td>Commonwealth Ballroom Improvements</td>
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<td>200</td>
<td>0</td>
<td>$ 3,246</td>
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<tr>
<td>Maintenance Reserve</td>
<td>On-going</td>
<td>7,000</td>
<td>6,627</td>
<td>$ 6,627 (7)</td>
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<tr>
<td>Lane Substation Expansion</td>
<td>Sept 2015</td>
<td>4,000</td>
<td>1,758</td>
<td>$ 2,485 (8)</td>
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<tr>
<td>O'Shaughnessy Renovation</td>
<td>Apr 2016</td>
<td>16,000</td>
<td>10,713</td>
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<td>Athletic Facilities Improvements</td>
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<tr>
<td>Unified Communications &amp; Network Renewal</td>
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<td>1,637</td>
<td>727</td>
<td>$ 15,598 (11)</td>
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<tr>
<td>Upper Quad Residential Facilities</td>
<td>May 2013</td>
<td>4,668</td>
<td>4,946</td>
<td>$ 88,042 (12)</td>
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<tr>
<td>Residential Door Access Improvements</td>
<td>Dec 2015</td>
<td>757</td>
<td>462</td>
<td>$ 7,440</td>
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</table>

**TOTAL AUXILIARY ENTERPRISE PROJECTS**

$ 60,721 50,160 $ 187,758 173,613 $ 311,372 $ 164,941

**GRAND TOTAL**

$ 135,942 78,527 $ 258,085 187,842 $ 224,703 670,630 $ 256,510
Auxiliary Enterprises Projects

1. This project includes improvements to War Memorial Hall for Cook Counseling; Hokie Wellness; Recreational Sports; Human Nutrition, Foods, and Exercise; and the School of Education. The scope includes deferred maintenance, code requirements, and installing air conditioning. Renovations to Schiffert Health Center in McComas Hall are included to convert the area vacated by counseling services to accommodate student health services. Schematic design is underway.

2. This project is planning a new residential community with approximately 596 beds, including 176 beds for student-athletes, and academic collaborative spaces to support creativity and innovation programs. Schematic design is underway to finalize the scope, size, and shape to fit within a $105.5 million total project budget and schedule for a summer 2021 opening. The current project authorization reflects a traditional 350 bed residential program. The authorization will need a future adjustment based on the results of the prograrming study.

3. This project includes refurbishing the first floor of Dietrick Hall, inserting a modern food service venue, enclosing 6,400 gross square feet of overhang, and improvements to the outdoor plaza. Schematic design is underway with occupancy expected fall 2019.

4. This project includes improvements and expansion of broadcasting facilities to support the new ACC Network channel to be launched fall 2019. The project was authorized March 26, 2018 and is inserted as a new item in the report for the third quarter. Programming is underway with occupancy expected spring 2019.

5. This project includes a complete renovation of the fourth floor of the Jamerson Center, construction of a balcony cantilevered from the fourth floor, and a new elevator tower. The project was authorized March 26, 2018 and is inserted as a new item in the report for the third quarter. Schematic design is underway with occupancy expected in the first calendar quarter of 2021.

6. This project refurbishes and updates outdated and nonfunctioning lighting systems, stage systems, ceiling tiles, and air handlers. Installation of a Skyfold dividing wall will increase usage capabilities of the Commonwealth Ballroom. The project was authorized March 26, 2018 and is inserted as a new item in the report for the third quarter. Schematic design is underway with completion expected spring 2019.

7. Projects are scheduled and funded by the auxiliary enterprises during the annual Auxiliary Enterprise budgeting process. The units prepare five-year plans that outline their highest priority deferred maintenance needs. The annual budget and total project budget reflect the spending plans of the auxiliary units on scheduled maintenance reserve work for fiscal year 2018. The auxiliary maintenance reserve program covers 104 assets with a total replacement value of $1.1 billion.

8. This project expands the Substation on Innovation Drive. The project includes the purchase and installation of two 28,000 kilovolt-amps (kVA) transformers, two circuit switchers, six distribution reclosers with space for an additional four reclosers, a control house and associated relay, and control equipment. Construction is underway with completion expected summer 2019.

9. This project will update O'Shaughnessy Hall’s interior; mechanical, electrical, and plumbing systems; elevators; address other deferred maintenance items as needed; and installing air conditioning. Improvements include converting O'Shaughnessy into a living-learning community to modernize the residential program. Construction started late spring 2017 with occupancy expected fall 2018.

10. This project includes construction improvements to Rector Field House and the Baseball Facilities and feasibility studies for an athletic nutrition center and tennis facilities improvements. The feasibility studies are complete. Construction for Rector Field House and Baseball Facilities is nearly complete and are in use under a temporary certificate of occupancy. Year-to-date expenses exceeded the annual budget because invoices expected in fiscal year 2017 arrived in fiscal year 2018. Resources are available and sufficient to cover the shifted cash outflows, and total expenditures and commitments are within the authorized budget.

11. This project is substantially complete. The total cost is expected to be $16.508 million. The project may be closed and financial accounts terminated when final invoices are received and paid.

12. This project is substantially complete. The total cost is expected to be $89.4 million. The project may be closed and financial accounts terminated when final invoices are received and paid. Year-to-date expenses exceeded the annual budget because invoices expected in fiscal year 2017 arrived in fiscal year 2018. Resources are available and sufficient to cover the shifted cash outflows, and total expenditures and commitments are within the authorized budget.

13. This project is substantially complete. The total cost is expected to be $7.735 million. The project may be closed and financial accounts terminated when final invoices are received and paid.

RECOMMENDATION:

That the report of income and expenditures for the University Division and the Cooperative Extension/Agricultural Experiment Station Division for the period of July 1, 2017 through March 31, 2018 and the Capital Outlay report be approved.

June 4, 2018
Educational & General Budget

- University Division
  - Tuition and Fee: $3.5 million increase for stronger than projected spring retention and winter session activity.
  - Equine Medical Center: $0.2 million increase for higher than projected patient load.
  - Milk and Cattle Sales: $0.1 million increase for stronger than projected self-supporting activity.
  - Virginia Racing Revenue: $0.1 million increase for stronger than projected racing revenue.

- Cooperative Extension/Agricultural Experiment Station (CE/AES)
  - Self-generated revenue: $0.2 million increase for stronger than projected milk, timber and miscellaneous extension revenue.
  - Federal: $0.1 million increase for drawdown of Federal carryover funds.
### Sponsored Program Expenditures

#### 2016-17 VS 2017-18

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Direct Expenditures (Millions)</th>
<th>Indirect Expenditures (Millions)</th>
<th>Other (Millions)</th>
<th>Total (Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Qtr FY17</td>
<td>$19.8</td>
<td>$69</td>
<td>$1.3</td>
<td>$90.1</td>
</tr>
<tr>
<td>1st Qtr FY18</td>
<td>$19.2</td>
<td>$70</td>
<td>$1.5</td>
<td>$90.6</td>
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<tr>
<td>2nd Qtr FY17</td>
<td>$124</td>
<td>$34.3</td>
<td>$2.7</td>
<td>$161.2</td>
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<tr>
<td>2nd Qtr FY18</td>
<td>$128</td>
<td>$32.1</td>
<td>$2.8</td>
<td>$162.5</td>
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<tr>
<td>3rd Qtr FY17</td>
<td>$181</td>
<td>$46.2</td>
<td>$4.0</td>
<td>$231.7</td>
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<tr>
<td>3rd Qtr FY18</td>
<td>$185</td>
<td>$42.6</td>
<td>$5.4</td>
<td>$233.2</td>
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<tr>
<td>4th Qtr FY17</td>
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<td></td>
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</tbody>
</table>

*Other includes Enterprise Funds, Royalty, and Research Ancillary Activity*
Auxiliary Enterprises

- **Annual Budgets**
  - Residential & Dining: increased facility improvements $1.3 million; equipment $0.7 million
  - Printing Services: decreased business volume ($0.8 million)
  - Intercollegiate Athletics
    - Increased Sports Operating $2.6 million; Facility Projects $1.6 million
    - Financial plan in place

- **Financial Performance**
  - Residence and Dining Halls: higher than budgeted occupancy
  - Telecommunications: lower than projected project volume
  - Electric: lower than projected electricity sales
  - Other activities are performing as planned
Capital Outlay

- Total capital program level currently authorized
  - $671 million over multiple years
- Cumulative program expenses
  - $257 million inception-to-date
- All spending and commitments are within authorized budgets
Project Expenses by Activity
Third Quarter
(dollars in thousands)

*This graph depicts expenses in each of the separate phases of Design, Construction, and Close Out of the capital projects.
Capital Outlay

- Planning Activity Underway
  - ACC Network Studio
  - Renovate Undergraduate Science Laboratories
  - Improve Kentland Facilities
  - Commonwealth Ballroom Improvements
  - Dietrick First Floor and Plaza Renovation
  - Student-Athlete Performance Center
  - Chiller Plant, Phase II
  - Gas Fired Boiler
  - Student Wellness Improvements
  - Agriculture Production Facilities
  - Holden Hall Renovation
  - Creativity and Innovation Residence Hall
  - Undergraduate Science Laboratory Building
  - Intelligent Infrastructure and Construction Complex

- Expected Construction
  - July 2018
  - July 2018
  - August 2018
  - October 2018
  - December 2018
  - December 2018
  - January 2019
  - January 2019
  - February 2019
  - February 2019
  - March 2019
  - June 2019
  - July 2019
  - April 2020
Capital Outlay

- Major Construction Spending
  - Athletic Facilities Improvements
  - Academic Buildings Renewal
  - O’Shaughnessy Renovation
  - Lane Substation Improvements
  - Health Sciences and Technology

- Expected Occupancy
  - April 2018
  - August 2018
  - July 2019
  - December 2020
Summary

- Operating Budget
  - On track
- Capital Projects
  - All spending and commitments are within authorized budgets

RECOMMENDATION:
That the report of income and expenditures for the University Division and the Cooperative Extension/Agricultural Experiment Station Division for the period of July 1, 2017 through March 31, 2018 and the Capital Outlay report be approved.

June 4, 2018
## Open Joint Session Agenda

**FINANCE AND RESOURCE MANAGEMENT COMMITTEE**
**AND BUILDINGS AND GROUNDS COMMITTEE**

130 A and B, Classroom Building
11:15 a.m. – 11:45 a.m.

June 4, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Approval of Resolution for Planning the Slusher Residence Hall Replacement</td>
<td>Mr. Dwight Shelton, Dr. Sherwood Wilson</td>
</tr>
<tr>
<td>2. Approval of Resolution for Dietrick First Floor and Plaza Renovation Supplement</td>
<td>Mr. Dwight Shelton, Dr. Sherwood Wilson</td>
</tr>
</tbody>
</table>

* Requires full Board approval.
Open Session

* 1. Approval of Resolution for Planning the Slusher Residence Hall Replacement: The Committees will review for approval a resolution for planning the capital project for Slusher Residence Hall Replacement.

Slusher Residence Hall was built in 1972 and is approximately 125,860 gross square feet with housing capacity for about 630 students. The facility has received few improvements since its original construction, does not meet student expectations, carries a significant deferred maintenance backlog, and requires frequent repairs that interrupt services.

The university has determined, because of Slusher Hall’s condition, that the facility should be replaced rather than renovated. The university will first build and occupy a new residential facility neighboring the existing Slusher Hall, then demolish and remove Slusher Hall, and, then build a second building on the site. The total bed count of the new facilities will equal or exceed the existing 630 beds with the intention to maximize the number of beds to the extent practical.

This request is for a $3.5 million planning authorization to complete preliminary design documents for the Slusher Hall Replacement project.

* 2. Approval of Resolution for Dietrick First Floor and Plaza Renovation Supplement: The Committees will review for approval a resolution for Dietrick First Floor and Plaza Renovation Supplement.

The Board of Visitors approved the Dietrick First Floor and Plaza renovation project with a $7 million total project cost at its September 11, 2017 meeting. The scope and budget for the project resolution were based on a feasibility study from a consultant and internal reviews. Planning work is underway, and schematic design cost reviews reveal the actual total project costs exceed $7 million for the authorized scope.

The university has reviewed and analyzed each construction cost component of the project at the conclusion of schematic design and determined the total construction costs are $6.8 million. The soft costs for design, project management, inspections,
equipment, furnishings, etc. are $1.5 million. Thus, the total project costs inclusive of design, construction, and equipment are $8.3 million. The university has reviewed and analyzed opportunities for cost controls and determined a major scope reduction, either elimination of the plaza improvements or elimination of the enclosure for the seat expansion, would be necessary to remain within the current $7 million project budget. The full project scope is necessary to meet the needs of the dining program and student expectations. The university has developed a financing plan to support the additional $1.3 million of costs necessary to complete the entire scope of work.

This request is for a $1.3 million supplement to adjust the total authorization for the Dietrick First Floor and Plaza Renovation project to $8.3 million.

* Requires full Board approval.
The overall instructional mission of Virginia Tech is the “education of the whole person” which recognizes that a significant and important part of student education happens outside of the classroom. Slusher Hall was built in 1972 and is approximately 125,860 gross square feet with housing capacity for about 630 students. The facility has received few improvements since its original construction, does not meet student expectations, carries a significant deferred maintenance backlog, and requires frequent repairs that interrupt services.

Attracting high quality students in higher education is competitive, and the Housing program is often a critical factor for students because of its link to quality of life and academic support. The residential program has a long-range plan for renovations to refurbish its housing stock. Replacing Slusher Hall is the next facility on this plan, and is part of the program for the Residential Renovations of 1000 beds by 2024 included on the university’s 2018-2024 Capital Outlay Plan approved by the Board of Visitors on September 17, 2017.

The university has determined, because of Slusher Hall’s condition, that the facility should be replaced rather than renovated. To support strategic enrollment growth goals, the university has developed a strategy to ensure maximum bed counts as soon as possible. Under this strategy, the university will first build and occupy a new residential facility neighboring the existing Slusher Hall, then demolish and remove Slusher Hall, and, then build a second building on the site. The total bed count of the new facilities will equal or exceed the existing 630 beds with the intention to maximize the number of beds to the extent practical. The actual size and occupancy of each component will be determined as part of planning activities.

At this time, the university is requesting a $3.5 million planning authorization to prepare design documents through the preliminary design phase. As with all self-supporting projects, the university has developed a financing plan to provide assurance regarding the financial feasibility of this planning project. This funding plan calls for the temporary use of internal cash resources from the Residential Program reserves. This use will be a temporary loan that may be reimbursed as part of a permanent financing package at such time as the entire project moves forward.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral fund capital outlay projects. This request is for a $3.5 million planning authorization to complete preliminary design documents for the Slusher Hall Replacement project. A subsequent request for full project funding may be submitted after designs are underway and a firm scope, cost, funding, and schedule for the entire project are determined.
RESOLUTION OF A CAPITAL PROJECT FOR
PLANNING THE SLUSHER HALL REPLACEMENT

WHEREAS, Slusher Hall was built in 1972 with a scope of about 125,860 gross square feet and housing capacity for about 630 students; and,

WHEREAS, the facility has received few improvements since its original construction, does not meet student expectations, carries a significant deferred maintenance backlog, and requires frequent repairs that interrupt services; and,

WHEREAS, the university has determined, because of Slusher Hall’s condition, that the facility should be replaced rather than renovated; and,

WHEREAS, to support strategic enrollment growth goals, the university has developed a strategy to ensure maximum bed counts as soon as practical; and,

WHEREAS, the university will first build and occupy a new residential facility neighboring the existing Slusher Hall, then demolish and remove Slusher Hall, and, then build a second building on the site; and,

WHEREAS, the total bed count of the new facilities will equal or exceed the existing 630 beds with the intention to maximize the number of beds to the extent practical; and,

WHEREAS, the university is requesting a $3.5 million planning authorization to complete preliminary design documents and to fund the planning project with 100 percent nongeneral fund resources derived from Residential Program auxiliary revenues; and,

WHEREAS, the university may submit a subsequent request for full project funding after designs are underway and a firm scope, cost, funding, and schedule for the entire project are determined; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and Virginia Tech, the Board of Visitors has authority to approve the budget, size, scope, and overall funding of nongeneral funded major capital outlay projects.

NOW, THEREFORE, BE IT RESOLVED, that the university be authorized to move forward with a $3.5 million planning authorization for the Slusher Hall replacement project.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to plan the Slusher Hall replacement project be approved.

June 4, 2018
Resolution for Planning the Slusher Residence Hall Replacement
June 4, 2018

DWIGHT SHELTON,
SENIOR VICE PRESIDENT FOR OPERATIONS AND ADMINISTRATION-INTERIM

BOB BROYDEN,
ASSOCIATE VICE PRESIDENT FOR CAPITAL ASSETS AND FINANCIAL MANAGEMENT

VIRGINIA TECH
Resolution for Planning the Slusher Residence Hall Replacement

- The university needs more residential beds to accommodate enrollment growth
- Slusher Hall (630 beds) is the next residential facility to be renewed
- Because of its condition, Slusher should be replaced rather than renovated
- The university can provide a larger facility on the current site
NOW, THEREFORE, BE IT RESOLVED, that the university be authorized to move forward with a $3.5 million planning authorization for the Slusher Residence Hall replacement project.

RECOMMENDATION:
That the resolution authorizing Virginia Tech to plan the Slusher Residence Hall replacement project be approved.

June 4, 2018
The Board of Visitors approved the Dietrick First Floor and Plaza renovation project with a $7 million total project cost at its September 11, 2017 meeting. The scope and budget for the project resolution were based on a feasibility study from a consultant and internal reviews. Planning work is underway, and schematic design cost reviews reveal the actual total project costs exceed $7 million for the authorized scope.

The university has reviewed and analyzed each construction cost component of the project at the conclusion of schematic design and determined the total construction costs are $6.8 million. The soft costs for design, project management, inspections, equipment, furnishings, etc. are $1.5 million. Thus, the total project costs inclusive of design, construction, and equipment are $8.3 million. The university has reviewed and analyzed opportunities for cost controls and determined a major scope reduction, either elimination of the plaza improvements or elimination of the enclosure for the seat expansion, would be necessary to remain within the current $7 million project budget.

The full project scope is necessary to meet the needs of the dining program and student expectations. The university has developed a financing plan to support the additional $1.3 million of costs necessary to complete the entire scope of work. The plan calls for the use of supplemental debt that will be serviced from Dining Program auxiliary revenues and will impact dining rates by approximately 0.25 percent.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral fund capital outlay projects. This request is for a $1.3 million supplement to adjust the total authorization for the Dietrick First Floor and Plaza Renovation project to $8.3 million.
RESOLUTION OF A CAPITAL PROJECT FOR
THE SUPPLEMENT OF THE DIETRICK FIRST FLOOR AND PLAZA RENOVATION

WHEREAS, Dietrick Hall, built in 1970, is the largest food service facility located in the south residential core of campus; and,

WHEREAS, the Board of Visitors approved the Dietrick First Floor and Plaza renovation project with a $7 million total project cost at its September 11, 2017 meeting; and,

WHEREAS, the scope and budget for the project resolution were based on a feasibility study from a consultant as well as internal reviews and planning work is underway and schematic design cost reviews reveal the actual total project costs exceed $7 million for the authorized scope; and,

WHEREAS, the university has reviewed and analyzed each construction cost component of the project at the conclusion of schematic design and determined the total construction costs are $6.8 million; and,

WHEREAS, the soft costs for design, project management, inspections, equipment, furnishings, etc. are $1.5 million; thus, the total project costs inclusive of design, construction, and equipment are $8.3 million; and,

WHEREAS, the university has reviewed and analyzed opportunities for cost controls and determined a major scope reduction, either elimination of the plaza improvements or elimination of the enclosure for the seat expansion, would be necessary to remain within the current $7 million project budget; and,

WHEREAS, the full project scope is necessary to meet the needs of the dining program and student expectations. The university has developed a financing plan to support the additional $1.3 million of costs which calls for the use of supplemental debt that will be serviced from Dining Program auxiliary revenues and will impact dining rates by approximately 0.25 percent; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral funded major capital outlay projects.

NOW, THEREFORE BE IT RESOLVED, that the university be authorized to move forward with a $1.3 million supplement to adjust the total project authorization for the Dietrick First Floor and Plaza Renovation project to $8.3 million and to secure temporary short-term financing through any borrowing mechanism that prior to such borrowing has been approved by the Board, as applicable, in an aggregate principal amount not to exceed the $8.3 million authorization, plus related issuance costs and financing expenses.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to supplement and complete the Dietrick First Floor and Plaza Renovation project be approved.

June 4, 2018
Resolution for Dietrick First Floor and Plaza Renovation Supplement
June 4, 2018

DWIGHT SHELTON,
SENIOR VICE PRESIDENT FOR OPERATIONS AND ADMINISTRATION-INTERIM

BOB BROYDEN,
ASSOCIATE VICE PRESIDENT FOR CAPITAL ASSETS AND FINANCIAL MANAGEMENT
Resolution for Dietrick First Floor and Plaza Renovation Supplement

- Schematic designs are complete
- Design-based cost estimates show the total project cost is $8.3 million, or $1.3 million above the initial authorization
- The budget may be managed with a substantial scope cut, or the budget may be supplemented to complete the scope
- The university has a plan to fund the incremental costs and requests to complete the originally envisioned program
NOW, THEREFORE BE IT RESOLVED, that the university be authorized to move forward with a $1.3 million supplement to adjust the total project authorization for the Dietrick First Floor and Plaza Renovation project to $8.3 million and to secure temporary short-term financing through any borrowing mechanism that prior to such borrowing has been approved by the Board, as applicable, in an aggregate principal amount not to exceed the $8.3 million authorization, plus related issuance costs and financing expenses.

RECOMMENDATION:
That the resolution authorizing Virginia Tech to supplement and complete the Dietrick First Floor and Plaza Renovation project be approved.

June 4, 2018
Open Session Agenda
GOVERNANCE AND ADMINISTRATION COMMITTEE
Room 110 A & B, New Classroom Building
3:45 – 5:30 p.m.

June 3, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Welcome and Opening Remarks</td>
<td>Mr. Mehul Sanghani, Chair</td>
</tr>
<tr>
<td>2. Consent Agenda</td>
<td>Mr. Mehul Sanghani, Chair</td>
</tr>
<tr>
<td>a. Approval of Minutes of November 6, 2017, Meeting</td>
<td></td>
</tr>
<tr>
<td>3. Update on Search for the Vice President for Human Resources</td>
<td>Mr. M. Dwight Shelton, Jr.</td>
</tr>
<tr>
<td>4. Overview/Status Report on Human Resources Transformation Project</td>
<td>Dr. Lisa Wilkes</td>
</tr>
<tr>
<td>5. Division of Information Technology Update</td>
<td>Dr. Scott Midkiff</td>
</tr>
<tr>
<td>6. Presentation on the Falcon Social Tool</td>
<td>Ms. Tracy Vosburgh</td>
</tr>
<tr>
<td>7. Presentation on Student-Athlete Demographics</td>
<td>Mr. Whit Babcock</td>
</tr>
<tr>
<td>8. Future Agenda Items and Closing Remarks</td>
<td>Mr. Mehul Sanghani, Chair</td>
</tr>
</tbody>
</table>

*Requires full Board approval
OPEN SESSION

1. Welcome and Opening Remarks. Mr. Mehul Sanghani, Chair of the Governance and Administration Committee, will welcome committee members, guests, and invited participants. He will then provide information regarding the charge given to the committee by the Rector of the Board to provide recommendations to the Task Force on Board Structure and Governance regarding the student representative selection process, governance, and committee assignments.

2. Consent Agenda. The committee will consider for approval and acceptance the items listed on the Consent Agenda.
   a. Approval of Minutes of the November 6, 2017, Meeting

3. Update on Search for the Vice President for Human Resources. Mr. M. Dwight Shelton, Jr., Interim Senior Vice President for Operations and Administration, and chair of the search committee for the new Vice President for Human Resources, will provide the committee with an update on the status of the search that is under way.

4. Overview/Status Report on Human Resources Transformation Project. Dr. Lisa Wilkes, Interim Vice President for Human Resources, will provide the committee with a status report on the ongoing Human Resources Transformation Project.

5. Information Technology Presentation. Dr. Scott Midkiff, Vice President for Information Technology and Chief Information Officer, will present to the committee on the Division of Information Technology, its mission, and its alignment with the university’s mission and strategic initiatives, with emphasis on teaching and learning and research computing.

6. Presentation of the Falcon Social Tool. Ms. Tracy Vosburgh, Senior Associate Vice President for University Relations, will present to the committee on the Falcon social tool and its ability to monitor the university’s social media footprint, as well as facilitate more effective means of sharing news with the community across various platforms. She will be joined by Chief Kevin Foust, Mr. Mike Mulhare, and Mr. Whit Babcock, who will speak to the utilization possibilities of the tool for each of their respective areas.
7. **Presentation of Student-Athlete Demographics.** Mr. Whit Babcock, Director of Athletics, will present to the committee on both Student-Athlete and Athletics’ Faculty and Staff demographics, as well as speak to the department’s diversity and inclusion initiatives.

8. **Future Agenda Items and Closing Remarks.** Mr. Mehul Sanghani, Chair of the Governance and Administration committee, will discuss future agenda items for the committee. He will then offer closing remarks and request a motion for adjournment.
Minutes

GOVERNANCE AND ADMINISTRATION COMMITTEE
Smithfield Room, The Inn at Virginia Tech
November 6, 2017
9:00 a.m.

OPEN SESSION

Board Members: Mr. Mehul Sanghani, Mr. Mehmood Kazmi, Mr. Jeff Veatch

Representatives to the Board: Mr. Seyi Olusina, Mr. Robert Sebeck

VPI & SU Staff: Ms. Kim O'Rourke, Ms. Kim Akers, Mr. Whit Babcock, Ms. Ellen Banks, Mr. Andrew Bartee, Mr. Malcolm Beckett, Mr. Allen Campbell, Ms. D'Elia Chandler, Mr. Al Cooper, Mr. Martin Daniel, Mr. Brian Daniels, Mr. Jim Dickhans, Mr. Corey Earles, Ms. Marcia Elliott, Ms. Deborah Fulton, Mr. Tom Gabbard, Ms. Debbie Greer, Ms. Hunter Gresham, Ms. Kay Heidbreder, Ms. Susan Hughes, Ms. Maria Jernigan, Ms. Angie Littlejohn, Ms. Robin McCoy, Dr. Scott Midkiff, Mr. Scott Nostaja, Dr. Kelly Oaks, Mr. Charlie Phlegar, Dr. Scot Ransbottom, Ms. Sara Simpkins, Ms. Kayla Smith, Mr. Jon Clark Teglas, Ms. Tracy Vosburgh, Dr. Lisa Wilkes, Dr. Sherwood Wilson, Mr. Brad Wurthman.

1. Welcome. Mehul Sanghani, Chair of the Governance and Administration committee, welcomed committee members, guests, and invited participants.

2. Consent Agenda. The committee unanimously approved/accepted the items listed on the consent agenda.

   a. Approval of Minutes of the September 11, 2017 Meeting

   b. Approval of Charter for the Office of Audit, Risk, and Compliance

   c. Approval of Charter for the Compliance, Audit, and Risk Committee

3. Update on the Search for the Senior Vice President for Operations and Administration. Charlie Phlegar, Vice President of Advancement and chair of the search committee for the new Senior Vice President for Operations and Administration, provided the committee with an update on the status of the search that was recently begun.

Nine search firms were considered and three interviewed before the university chose Russell Reynolds to aid in the search. The university has prior experience with this particular firm, as they were the group that aided in the most recent Presidential Search. The search committee will consist of 17 members and is to be announced in...
the week following the committee meeting. The first meeting between the committee and the search firm is set for November 16, 2017, after which the group will spend two to three weeks writing and refining the position description with the intention of advertising the position by December 1. According to the timeline, a short list of candidates will be developed by February/March of 2018, interviews would follow in March/April, and an official offer would be presented in May. It is projected that the position will be filled and effective as of July 1, 2018. Additionally, Mr. Phlegar noted that the position is common among peer institutions, as well as our own, and that non-traditional candidates will be considered in the search.

4. Athletics Presentation on ACC Network and Bowman Dining Project. Whit Babcock, Director of Athletics, presented to the committee on the topics of preparations for participation in the ACC Network/Studio and the new Bowman Nutrition/Dining facility proposed as part of the renovation scope for the fourth floor of the Jamerson Center.

a. Media Coverage of the Virginia Tech vs. Clemson Football Game on September 30, 2017 – Brad Wurthman, Sr. Associate AD for External Operations, reported that Virginia Tech hosted ESPN’s College Game Day for the first time in 10 years, coverage of which made 83 million social media impressions. Lee Fitting with ESPN tweeted that “Any school that wants to host @CollegeGameDay should take notes from VA Tech and its crowd and setting.” The game itself aired as ABC’s Primetime Game of the Week, reaching 4.7 million viewers. Overall, this combined coverage allotted the university and the Blacksburg community a total of nine hours of primetime air time.

b. Proposal for the Bowman Nutrition/Dining Facility – Tom Gabbard, Sr. Associate AD for Facilities and Operations, explained that the proposed Bowman Nutrition/Dining facility (an expansion of the existing Bowman Room) offers a central location for student-athletes and the ability to provide better opportunities for the coordination of specialized nutritional needs. The space could also generate rental income for special events. Hanbury Evans Contracting conducted a feasibility study of the location. The location is advantageous because the facility would be located on the top floor of an already existing athletics center, and if opened to all students, it could prove beneficial in aiding in the university’s growth. The financing plan for the project requires $15 million in private funds, some of which has been raised. However, there are still many questions that must be considered, such as the amount of anticipated revenue once the project is complete, the number of meals to be offered per day and staffing required to provide them, the impact construction will have on Jamerson and Cassell, and how the university will coordinate the potential overlap of the various utilizations of the space. Dining Services has expressed an interest in an operating role, but may not be able to manage the site with enrollment growth and other dining facilities coming on line in the coming years. The question of exclusivity for athletes is still being considered, and the funding model could be affected if it is decided that the facility will be open to all students.
c. Preparation for the ACC Network/Studio – Virginia Tech will be partnering with the new ACC ESPN Network set to launch in August 2019. The network will televise all Virginia Tech sporting events. This is a 17-year agreement, and the additional revenue generated is expected to pay for the cost of renovations in two years. In preparation, Athletics has visited several institutions to view existing media facilities and assess what is needed. Mr. Tom Gabbard described space in the South End Zone of Lane Stadium that will be renovated to house the studio. Angie Littlejohn, Sr. Associate AD for Internal Operations, and Mr. Babcock discussed the benefits of moving from our current television partnerships to the ACC Network, which include additional revenue and easier television viewing capabilities for Hokie Fans regardless of sport preference. Athletics plans to meet with the Communications Department and University Relations to explore possible joint use of the studio, which would also have implications for financing strategies. Still to be addressed are the issues of staffing and budgeting, how to pay for equipment and construction, and how we can help with the distribution of the ACC channel.

5. Update on Branding Rollout and Synchronization with Athletics. Tracy Vosburgh, Senior Associate Vice President for University Relations, provided an update regarding the implementation of the new brand, and Whit Babcock, Director of Athletics, discussed synchronization of the new academic logo with the existing athletic logo.

a. Launch of new brand on September 26, 2017 – The launch saw 317 vt.edu pages seamlessly updated, 85,045 people reached, 41,895 videos viewed, and a 45% open rate of the daily email that was sent to 40,000 recipients with news of the new brand. Through this outreach, University Relations sought to educate users on the academic logo, how it differs from the athletic logo, and how it should be used, while also clarifying that the athletic logo will not be changing. As expected, negative reactions are still trickling in, and University Relations is listening to and addressing these comments and concerns as they are received.

b. Unifying the university’s logos – A partnership with Athletics was established to provide feedback and guidance on the new academic logo. Athletics supported the launch of the new academic logo via events, advertisements, and the utilization of social media. Overall, other peer institutions have shown great success in the unification of their academic and athletic logos.

c. The priority currently is external outreach to draw people to Virginia Tech, but as opportunities present themselves, signage is being updated. The logo does not replace the official university seal, which will continue to be used on Virginia Tech diplomas. Mr. Sanghani thanked the Undergraduate Student Representative, Mr. Seyi Olusina, for his comments regarding branding in his constituent report given during the BOV Information Session held on November 5, 2017, and requested that Mr. Olusina and Ms. Vosburgh continue their discussions outside this meeting regarding student reactions to the branding update for as long as needed.
6. **Presentation on IT Administrative Enterprise Systems.** Scott Midkiff, Vice President for Information Technology and Chief Information Officer, explained that the mission of the IT division is aligned with the university's mission and is focused on providing robust, reliable, and secure systems.

   a. Overview of Virginia Tech's Division of Information Technology - Virginia Tech has a hybrid centralized and distributed IT organization. Central IT has a total of 362 full-time employees spanning its seven distinct units, and there are another estimated 300 IT professionals working across the university providing client computer support and specialized application support. The hybrid model is conducive to innovation at the department level and is more effective in supporting the multitude of software packages utilized across campus. Moreover, the IT professionals located in the various units understand the unique needs of their respective units and can more effectively collaborate with users to identify or develop solutions to meet those unique needs.

   b. The Evolution of Enterprise Systems – Over the course of the past ten years, Enterprise Systems has seen the evolution of Ellucian Banner, the university's Enterprise Resource Planning solution, from a limited system that required the additional development of manual processes by the Enterprise Systems Team, to a system that now cooperates with many applications for a myriad of services. In that time frame, Enterprise Systems has also grown to support the integration of cloud based services as well as to create similar services of their own. Today, they offer a much more diverse range of services which include supporting legacy VT-developed applications, business analysis, application implementation, and the integration of numerous vendor applications.

   c. Future challenges for Enterprise Systems – Challenges include ensuring that the skills and expertise levels of talent evolve as rapidly as the changing technology, prioritization of the diverse and growing influx of requests that they receive daily, and meeting increasing compliance requirements. In addition to that, they must effectively assist our “data-driven” university as new data types and sources emerge. Their goal is to build a more resilient architecture for the future.

7. **Presentation on HR in Higher Ed: A National Perspective and Planning for the Future.** Lisa Wilkes, Interim Vice President for Human Resources, introduced Scott Nostaja, Senior Vice President and National Human Capital Practice Leader of Sibson Consulting, to provide the committee with a presentation on the changing landscape of human resources across higher education as it pertains to Virginia Tech’s efforts to move the university's HR culture to a strategic, forward-facing division that engages in comprehensive workforce planning. Mr. Nostaja was part of the Sibson Consulting team that assessed the quality of the university’s Human Resources function and presented suggestions to improve its overall effectiveness.
a. Human Resources in Higher Education – Mr. Nostaja noted that 80 percent of a university’s costs is invested in its people, and all institutions are undergoing a shift in the dominance and growth of technology and the dominance of millennials in the workforce. Across the board, HR functions in higher education are operating primarily as transactional units that offer limited resources to employees outside of payroll, benefits administration, record keeping, and compliance. They are also operating with limited technology and limited automated processes, thereby creating a wider range of error and slower turnaround times. As a whole, HR processes are mostly decentralized, with the departments taking on the responsibility of delivering policies and processes, which create inequities in employment practices and the inability to effectively address strategic needs.

b. The emerging model at Virginia Tech – In order to combat inconsistencies found at Virginia Tech, the university’s HR function is working toward the implementation of a new structural model consisting of three main functions: an Administrative Center that will continue to handle all transactional processes; a Strategic Center that will handle matters of recruiting and retention; and the introduction of the HR Business Partners who will be assigned to each academic and administrative division to provide consultative services related to workplace needs and issues while reporting to central HR. This model will create consistency and equity in compensation and HR Policies, and will allow the university to become more proactive in identifying and addressing needs, as well as offer more integrated performance and employee development opportunities, and also quicken and simplify processes. Dr. Wilkes noted that four groups have been identified to pilot the HR Business Partners model, which should be in place throughout the university within the year.

8. Future Agenda Items and Closing Remarks. Mehul Sanghani, chair of the committee, will communicate individually with each committee member and the Rector to discuss items they would like to have included on the agenda for future meetings.

There being no further business, the meeting was adjourned at 11:14 a.m.
Division of Human Resources
Transformation Update

Lisa J. Wilkes, Ph.D.
Interim Vice President, Human Resources
June 3, 2018
Change vs. Transformation

- **Change** – “implementing finite initiatives, which may or may not cut across the organization.”

- **Transformation** – “reinvent[ing] the organization and discover[ing] a new or revised business model based on a vision for the future.”

What is the HR Transformation?

- Intentional, thoughtful evolution.
- Talent- and people-focused.
- Centered around university vision, mission, strategic goals.
- Multiple change management projects.
Why transform Human Resources?

- Changing workforce demographics.
- Rapidly changing environment; digital/mobile world.
- Increased competition for talent.
- Inconsistent HR practices.
- No uniform HR strategy.
- Transactional-based focus.
- Develop programs that support the university’s vision, mission and strategic goals.
• The Millennial generation (~ages 24 to 38) is expected to overtake Baby Boomers (~ages 54 to 72) in population in 2019. Millennial numbers will swell to 73 million and Boomers decline to 72 million.
• Generation X (~ages 39 to 53) is projected to pass the Boomers in population by 2028.
• 328 million new devices connect to the internet each month. By 2020, there will be 50 billion connected devices.
• There were 6.6 million job openings as of March 2018, up from 2.2 million in 2009.

These are just a few facts that are driving our HR transformation.
Future Workforce Trends

• Workforce is aging.
• Workforce is becoming more diverse.
• Workforce continues to become more educated.
• Globally, US labor force will continue to shrink.

Actions for Consideration

• Use data for workforce planning and identifying shifting demographics.
• Develop cross-generational and diverse talent pipelines.
• Develop talent strategies for workforce segments at all ages and different stages of their careers.

Source: Meet the US Workforce of the Future, Deloitte Review, July 2017
To address these imperatives, We must:

- Understand and solve for the needs of employees and managers to achieve results for the university.
- Use predictive analytics to anticipate change in the workforce and economy.
- Align HR goals with university goals.
- Design solutions and inform choices to be a strategic partner to line managers, who are primary owners of talent, leadership and culture.
- Help leaders balance risk.
Our journey towards transformation

- February 2016 – April 2016
  - Engaged Sibson Consulting to review human resource practices and processes.
  - Interviewed HR employees, key stakeholders, and executive management.

- May 2016 – March 2017
  - Reviewed findings and recommendations with key stakeholders.
  - Established HR Executive Committee – provide strategic oversight.
  - Established HR Advisory Committee – develop new HR model.

- April 2017 – July 2017
  - Formalized conceptual framework for new HR model.

- August 2017 – present
  - Established HR division and organizational framework to support new model.
  - Implementing process improvements (over 100 completed thus far).
  - Refining conceptual framework to support strategically focused HR function.
  - Implementing new programs and services in support of strategic HR.
  - Establishing HR Divisional Directors.
  - Launched national search for vice president for human resources.
The model under which we operated
The model we are moving toward

1. **Strategic Value and Leadership** (25% of all time and investments)
   - Building organizational competencies
   - Developing and delivering effective retention, succession and recruiting strategies
   - Driving culture and leading change

2. **Consultative Value** (50% of all time and investments)
   - Guiding and supporting leaders and managers on workplace needs and issues
   - Consulting with employees on workplace needs and issues

3. **Administrative Value** (25% of all time and investments)
   - Payroll and Benefits Administration
   - Record Keeping
   - Compliance
Our Vision

We claim our role in fostering an inclusive and engaged culture of excellence that enables Virginia Tech employees to serve as a force for positive change in a world without boundaries.
Our Mission

We will innovate to serve Virginia Tech as a best-in-class partner by providing:

- **Strategic** services that enhance the university’s ability to attract, retain and develop talent.
- **Consultative** services that create workplace solutions through strengthened collaboration.
- **Administrative** services that deliver simple, timely, and accurate HR processes and information.
HR Organizational Structure - Spring 2018

Vice President for Human Resources

Administrative
- HR Administration
- Benefits
- Employee Administration
- HR Applications
- Orientation

Consultative
- Divisional HR Directors
- Advancement
- CALS

Strategic
- HR Strategic Engagement
- Talent Acquisition
- Talent Development
- Talent Management

Operations
(Facilities, Finance, Program Administration, Service Center)

Initiatives and Partnerships

Policy and Compliance
Conceptual Framework - Strategic Engagement

Organizational Capacity

- Recruiting and retention strategies
  - Talent Acquisition and Talent Management
    - Staffing and Recruiting
      - Recruiting programs
      - Employer brand development
      - Pipeline development
      - Targeted recruiting
      - Internal redeployment
      - Dual career programs
      - Faculty recruiting support
      - Workforce planning
    - Total Rewards
      - Compensation planning and strategy
      - Design of new or enhanced benefits programs
      - Formal and informal recognition programs
      - Financial and non-financial rewards strategies and programs
    - Employee Success
      - On-Boarding
      - Performance management
      - Employee wellness programs
      - Employee relations
      - Culture enhancement initiatives
      - Mentoring / Coaching
      - Mediation
      - Exit interviews

Organizational Competency

- Talent Development
- Learning and development strategies
  - Organizational Development
    - Organizational design and development consultation
    - Succession planning
    - Career pathing
  - Professional Development and Training
    - Leadership and management programs
    - Professional and behavioral development programs
    - Skills and role-based training programs
    - Just-In-time, on-demand training programs
• Proactively identifies and addresses university human resource needs – right people and talent to achieve goals.

• Enhances current programs/services and develops new programs/services to retain talent and reward employees.

• Creates consistency and equity in the delivery of HR services, policies and practices.

• Reduces institutional risk by embedding HR professionals in each college/division.

• Strengthens morale and employee engagement.

• Aligns faster, simpler HR processes that are aligned to university goals.
• Ensure HR is a strategic, collaborative partner.

• Ensure that the university has the workforce capacity and competencies to achieve our mission, vision, and strategic priorities.

• Design, develop, and deliver strategic HR programs and services that are accessible, inclusive, and support all faculty and staff.

• Ensure that HR supports the goal of being effective and responsible stewards of university resources.

• Use data and metrics to make informed workforce decisions.

• Manage transformation and multiple change initiatives.
Manage/embrace change – significant cultural and operational change.
Develop strategic partnerships/collaborations.
Maintain “current state” while also building “future state.”
Ensure transformation decisions are thoughtful and intentional.
Allocate resources – significant investments will be required (e.g., positions, programming support, IT infrastructure).
Sustain action – multi-year initiative.
Understand HR data and establish metrics and analytics to drive decisions.
Address immediate workforce needs and plan for future workforce.
Communicate “future state” HR programs, services, structure.
Engage employees.
Summary

• Organizational framework is developed.
• Resources have been allocated to support new service delivery model in benefits, service center, leave, and employee administration.
• Business process redesign on-going.
• Strategic Engagement and consulting teams are emerging and developing new programs and services.
• University is well-positioned to be national leader in human resources.
• Our people are our greatest asset.
2018 Service Award Program

776 employees
14,400 years of service
Questions?
Division of Information Technology
Update

Board of Visitors
Governance & Administration Committee
June 3, 2018

Scott F. Midkiff
Vice President for IT & CIO
midkiff@vt.edu
https://it.vt.edu
Topics

- About the Division of Information Technology
- Aligning Information Technology with Virginia Tech’s mission and strategic initiatives
  - Teaching and learning
  - Research
  - Operations and administration
  - Security
- Key takeaways
About the Division of Information Technology
The mission of Virginia Tech’s Information Technology (IT) organization is to serve the university community and the citizens of the Commonwealth of Virginia by applying and integrating information resources to:

- Enhance and support *instruction, teaching and learning*;
- Participate in, support and enhance *research*;
- Foster *outreach*, develop *partnerships* with communities and promote the capabilities of advanced networking and communications; and
- Provide, secure, and maintain *systems* allowing the university to accomplish its missions.
Supporting the mission of the university

- Pillar 1: Enabling networked learning in the networked university
- Pillar 2: Providing competitive advantage through sustainable advanced cyberinfrastructure and collaboration
- Pillar 3: Leveraging information technology to distinguish the Virginia Tech experience
- Pillar 4: Advancing information technology for enterprise effectiveness

Positioning IT for the future

- Pillar 5: Ensuring the security and resilience of information technology resources
- Pillar 6: Improving communication with customers and partners
- Pillar 7: Strengthening the information technology organization

Division of IT Organization (2/3)

- **Administration & Planning (A&P):** Provides communications, facilities, financial management, IT purchasing, personnel services, and project management for the Division of IT and the university (under the Deputy CIO and Chief of Staff)

- **Advanced Research Computing (ARC):** Provides services and support for high-performance computing, large-scale storage, and advanced visualization for the university’s research community

- **Collaborative Computing Solutions (CCS):** Supports customer-focused services and infrastructure for collaboration tools, Microsoft technologies, and use of public cloud

- **Enterprise Systems (ES):** Provides enterprise-level services to the university including Ellucian Banner and application information systems, information warehousing and business intelligence, document management systems, database administration, application administration and integration, and web content administration and hosting

- **IT Experience & Engagement (ITE²):** Serves as the “front door” for user support, coordinates user support activities across the Division of IT and beyond, and collaborates across the Division of IT to assess and improve user experience

- **IT Security Office (ITSO):** Provides tools and services, awareness, and guidance to help university units, faculty, staff, and students achieve a safe and secure IT environment for teaching, learning, research, outreach, and the conduct of university business (The associated IT Security Laboratory conducts and supports research and education in cybersecurity and provides students with experiential learning opportunities.)
Division of IT Organization (3/3)

- **Network Infrastructure & Services (NI&S):** Provides network infrastructure for the university including wireless, Ethernet, voice services, high-data rate research connectivity, campus backbone, and wide-area networking; operates the university data center including enterprise, high-performance computing, and storage systems; collaboratively provides safety and security services; and leads special initiatives including a cellular distributed antenna system

- **Secure Identity Services (SIS):** Supports the university’s online identity management and authentication processes and services to enable secure access to information resources and systems

- **Technology-enhanced Learning & Online Strategies (TLOS):** Works with programs and faculty to design effective learning experiences; provides training to enhance faculty digital fluency; explores innovation in teaching and learning using technology; and supports innovative physical and virtual learning environments for traditional, distance, and hybrid courses

- **Virginia Cyber Range:** Collaborates with Virginia universities, community colleges, and K-12 schools to make the Commonwealth of Virginia a national resource for cybersecurity education by operating a virtual environment for experiential learning, maintaining a repository of teaching resources, and building a community of practice in cybersecurity education

- **Office of the Vice President for Information Technology:** Leads the Division of IT and collaborates across the university and beyond to grow and transform the institution through technology; and provides specific support for the university’s technology architecture, technology futures, IT policy, and engagement
Aligning IT with Virginia Tech’s mission and strategic initiatives
Teaching and Learning
Selected Recent Accomplishments

- Transition to Canvas learning management system (LMS)
  - More modern user interface
  - More flexible integrations
  - Hosted system

- Video for instruction transition
  - Zoom for videoconferencing; Kaltura for video content management
  - More modern and flexible capabilities
  - Improved cost containment

- Tools for academic integrity
  - iThenticate for checking originality of manuscripts, theses, and dissertations
  - Feedback Studio for checking originality of assignments (coming soon)

- Increased support for faculty innovation
  - Revamped faculty development program
  - Transition of InnovationSpace to Innovation and Outreach Studio
  - Creation of TLOS Learning Studio
  - Revamped faculty grant programs – 4-VA, course design and development, and innovation grants

- Virginia Cyber Range
  - State-funded cyber security education initiative for public K-12, community colleges, and universities
Teaching and Learning
Video for Instruction

Current Usage (Annual)

>150,000 attendees/students
>3.6 million minutes of content
>40,000 meetings
>160 courses recorded

Planning & Implementation

2016
Video for Instruction Working Group Formed

Spring 2017
Testing of Software & Hardware Options

Fall 2017
RFP

Nov.- Dec. 2017
Product Comparisons & Pilot

Dec. 2017 - Jan. 2018
Purchase Decision & Contract Negotiations

Jan.- May 2018
Implementation & Stakeholder Communication

May 2018
New Platforms Enter Production

Summer 2018 & Beyond
Refine Self-Service Video Solutions

Deepen Integration with Canvas and Other VT systems
Replace Expiring Contracts for WebEx & Echo360
Provide Upgraded Video Services for All Users
Allow for Asset Management & Data Collection

Deepen Integration with Canvas and Other VT systems
Replace Expiring Contracts for WebEx & Echo360
Provide Upgraded Video Services for All Users
Allow for Asset Management & Data Collection

Current Contracts Expire June 2018

Analysis of Needs & Report
Teaching and Learning
Innovation/Outreach Studio

Consolidates Student-Facing Media Services in Newman Library
Updated Grant Programs Help Faculty Explore New Technologies
Strengthens TLOS’s Focus on Building Faculty Digital Fluency
Expands User Experience and Design Thinking Offerings
Student Fellows Partner with Faculty on “Sandbox Projects”
Provides Venue for Collaboration and Faculty Media Needs

1140 Torgersen Hall
Teaching and Learning
The Virginia Cyber Range

Courseware Repository
Courses, modules, and exercises for use in Virginia high school, community college, and university cybersecurity curricula

Exercise Area
Isolated network environments where students can safely complete hands-on cybersecurity exercises and competitions

Community of Purpose
Encouraging a community of cybersecurity educators to share best practices and improve cyber education in Virginia

- 85 Virginia Cyber Range courses supported this year
  - 55 courses at 40 Virginia high schools
  - 17 courses at 6 community colleges
  - 13 courses at 7 universities
- Over 500 student and instructor accounts
- Executive committee partners: Virginia NSA Centers of Academic Excellence in Cybersecurity Education
  - Danville CC
  - George Mason University
  - James Madison University
  - Longwood University
  - Lord Fairfax CC
  - Norfolk State
  - Northern Virginia CC
  - Radford University
  - Thomas Nelson CC
  - Tidewater CC

https://virginiacyberrange.org/
Models

- Fully online courses – asynchronous
  - Example: Master of Information Technology
- Fully online courses – synchronous
  - Example: Commonwealth Graduate Engineering Program (CGEP)
  - Example: School of Public and International Affairs (SPIA) graduate program
- Hybrid courses/flipped classrooms
  - Example: Biology courses
  - Example: Multiple Winter Session courses
- Technology-mediated learning
  - Example: Math Emporium
- Technology-assisted learning using lecture capture
  - Example: College of Veterinary Medicine
Capabilities – Focus on people and ideas

- Enabling innovation in teaching and learning
  - Innovation/Outreach Studio
  - “Sandbox” grants
  - Innovation in Learning grants

- Enabling course re/design and credentialing faculty for SACS
  - Learning Experience Design services
  - Design and Develop Awards
  - 4-VA grant initiatives

- Promulgating best practices
  - Networked Learning Initiative classes, workshops, and seminars

NLI (2016-2017)
1,405 unique participants
13,884 credits earned
Capabilities – Focus on technology

- Example technologies
  - Learning management system: Canvas
  - Lecture capture: Kaltura (was Echo 360)
  - Video content management: Kaltura (was Echo 360)
  - Videoconferencing: Zoom (was WebEx)
  - Connected classrooms
93% of our graduating students have taken at least one online class.

66% of our graduating students have taken at least one technology-assisted course.
Teaching and Learning
Enabling New Models for Teaching and Learning

Enrollments in Online Course Sections, 2008-2017

Graduate  Undergraduate
Research

Selected Recent Accomplishments

- Enabling access to advanced research computing
  - Shared high-performance computing (HPC) systems
  - Addressing needs of multiple research domains
- Enabling data and IT security compliance for researchers
  - Secure research environment
- Meeting growing demands for network capacity
  - 100-gigabit per second connection to national research networks
  - 10-gigabit per second VT-Research Network for on-campus connections
- Meeting growing demands for storage
  - VT-Archive
  - Parallel file systems
Open access to high-performance computing systems and storage
- BlueRidge
- NewRiver
- DragonsTooth
- Cascades
- Huckleberry

Investment Computing Program
- Joint investment for priority access for participating researchers

Huckleberry cluster for deep machine learning
### System Production Nodes Cores GPUs Research Domains

<table>
<thead>
<tr>
<th>System</th>
<th>Production</th>
<th>Nodes</th>
<th>Cores</th>
<th>GPUs</th>
<th>Research Domains</th>
</tr>
</thead>
<tbody>
<tr>
<td>BlueRidge</td>
<td>2013</td>
<td>408</td>
<td>3,264</td>
<td>260</td>
<td>General HPC workloads</td>
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<tr>
<td>NewRiver</td>
<td>2015</td>
<td>134</td>
<td>3,288</td>
<td>94</td>
<td>Diverse workloads</td>
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<tr>
<td>Cascades</td>
<td>2016</td>
<td>196</td>
<td>6,352</td>
<td>8</td>
<td>Diverse workloads</td>
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<tr>
<td>DragonsTooth</td>
<td>2016</td>
<td>48</td>
<td>1,152</td>
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<td>General HPC workloads</td>
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<tr>
<td>NewRiver Addition</td>
<td>2017</td>
<td>39</td>
<td>1,092</td>
<td>78</td>
<td>Deep learning and GPU-based computations</td>
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<tr>
<td>Huckleberry</td>
<td>2018</td>
<td>14</td>
<td>224</td>
<td>56</td>
<td>Deep learning</td>
</tr>
<tr>
<td>Cascades Addition</td>
<td>2018</td>
<td>40</td>
<td>960</td>
<td>80</td>
<td>Deep learning and GPU-based computations</td>
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<tr>
<td><strong>TOTALS</strong></td>
<td></td>
<td><strong>879</strong></td>
<td><strong>16,332</strong></td>
<td><strong>576</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Notes:**
1. BlueRidge contains Intel MIC cards rather than GPUs.
2. Huckleberry’s Power8 processors support additional parallelism using hardware threads.
3. Not all core are equivalent, but this provides rough notion of system capabilities.
Research Computing
Broad Use of HPC Resources

<table>
<thead>
<tr>
<th>College of Engineering</th>
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<td>College of Science</td>
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<tr>
<td>College of Agriculture and Life Sciences</td>
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</tr>
<tr>
<td>Agriculture &amp; Life Sciences-College</td>
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</tr>
<tr>
<td>College of Business</td>
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<tr>
<td>College of Natural resources</td>
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<tr>
<td>Information Technology</td>
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<tr>
<td>VT Research Institutes</td>
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</tr>
<tr>
<td>College of Veterinary Medicine</td>
<td>&gt;0.01</td>
</tr>
<tr>
<td>Virginia Tech Carilion Research Institute</td>
<td>&gt;0.01</td>
</tr>
</tbody>
</table>

139 faculty members
249 projects
Security and compliance are increasingly important for all of our data, but research data is on the front edge of demands

- HIPAA/PHI
- ITAR
- CUI

Research and Innovation and the Division of IT are collaborating to address the full scope of compliance needs for data associated with sponsored programs and non-sponsored research

- Division of IT services
  - Security and data compliance consultation
  - Security reviews
  - Compliant environments as solutions
Virginia universities collaborate for competitive advantages for research

Shared cyberinfrastructure resources and expertise
- Statewide network partnership with MBC
- Private optical networks
- Research Computing Technical Committee

Research and Education Exchanges in DC and Atlanta
- Access to Internet2, national and international research networks
- Direct peering with content and cloud service providers
- Low-cost commodity services
VT-RNet: High Data-Rate Research Network

- VT-RNet provides 10-Gbps network connections to dramatically reduce times for large data transfers
- 21 connections in 10 buildings to date
- Request for proposal process used to select locations
- Funded through an NSF grant (Award 1541338) plus Division of IT
Seeking to enable operational effectiveness
- Increasing operational effectiveness within IT services
- Leveraging IT for to provide broader benefits to the university’s operational effectiveness

Transition to Banner 9
- New underlying technology to improve integration and maintenance
- Improved user experience

Blackbaud implementation for Advancement

Summit research administration system

Simplifying finding and accessing services

Service partnerships

Meeting the demands for connectivity
Operations and Administration
Transition to Banner 9

- ES working closely with functional partners
- Banner 9, Phase 1
  - Administrative pages
  - To be completed by end of CY 2018
- Banner 9, Phase 2
  - Web applications
  - Three-year project
  - Opportunity to better manage and meet growing set of enterprise applications
Operations and Administration
Blackbaud Deployment for Advancement
Operations and Administration
Summit Research Administration System

The new research administration system

1. Initiate

Get Started

Ready to get started? We will walk you through the process of initiating work with the Office of Sponsored Programs.
Operations and Administration
Making it easier to find and access services

OneCampus (onecampus.vt.edu)

Service Catalog (4help.vt.edu)
Service partnerships provide a more seamless support experience for users

ServiceNow enables coordination between local IT support and enterprise (Division of IT) support

Participants to date
- President’s Office (BAMS)
- Provost’s Office
- Office of Assessment and Evaluation
- Office of the Vice President for Research and Innovation
- Graduate School
- University Libraries
- College of Agriculture and Life Sciences
- College of Veterinary Medicine
- Pamplin College of Business
- VTC School of Medicine
- Mining and Materials Engineering Department
Operations and Administration

Meeting the Growing Demand for Wireless

- Peak daily wireless traffic

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td># of academic bldgs with WiFi</td>
<td>104</td>
<td>184</td>
<td>+77%</td>
</tr>
<tr>
<td># of AP’s deployed in academic bldgs</td>
<td>929</td>
<td>4871</td>
<td>+424%</td>
</tr>
<tr>
<td>Avg SF coverage per AP</td>
<td>5682</td>
<td>1648</td>
<td>-70%</td>
</tr>
</tbody>
</table>
Security

Selected Recent Accomplishments

- Two-factor authentication
- Account creation, securing Google applications
- Central logging service
- Network threat awareness
Security

Two-factor Authentication

- University-wide deployment
  - Employees
  - Students
  - Alumni and others where they use university services
- Reduction in compromised accounts
- Positioned for compliance
Security
Account Creation, Securing Google Applications

- Two major changes on January 29, 2018
  - Improved account creation process
  - Moving university Google applications (Google Suite) behind our single sign-on service and two-factor authentication
- Significant improvements in security and usability
- Significant change for many users
- Collaborative effort
Function

- Ingest logging data from network devices, servers, and applications from across the university
- Store data for operational and forensic analysis
- Provide monitoring and analysis tools

Scale [Fall 2017 data – Update needed]

- 3,804 sources
- 20 different log types
- 550 gigabytes of data for 750 million events per peak day
Re-architecting network threat monitoring infrastructure

Better support for distributed locations: Blacksburg, NVC, VTRC-A, and VTC

Increased global awareness

Reduction in recurring costs with return on investment in just over one year
Key Takeaways
Key Takeaways - 1

- The mission and goals of the Division of IT are to support and enable the mission and goals of the University
  - Teaching and learning
  - Research and innovation
  - Administrative and operational effectiveness
  - Differentiation and competitive advantage
Key Takeaways - 2

- Opportunities and challenges
  - IT is an enabler for innovation in learning, research competitiveness, and effectiveness – resulting in growing opportunities and demands
  - A key challenge is recruiting, retention, and technical and professional development of our workforce
  - Changes in technology and needs require changes in funding models – shifts from “buy” to “subscribe”
Key Takeaways - 3

- Collaboration and coordination – within Virginia Tech and beyond – are key to:
  - Cost-effectively increasing capabilities, and
  - Meeting growing demands for IT services and systems
June 3, 2018

Virginia Tech & Falcon

Partners: University Relations, Office Of Emergency Management, Virginia Tech Police, and Athletics
Social Media Management

- Currently we do not have a shared system for social media management across the university.

- We do not have a shared space to monitor analytics across all the university social media platforms.

- Units manually monitor and manage various social media in an uncoordinated manner.

- Falcon is a robust tool that will allow us to be collaborative, both proactively and reactively.
Sharing good news

This tool will help with informing our community members about positive news and new university initiatives, such as:

- VT Alumni showing Ut Prosim around the world
- Major gift announcements
- Executive hiring announcements
- New living-learning communities and student scholarships

Currently, news and announcements are published on social channels using the separate currently available tools. We engage with our community members on those separate tools and have to aggregate the overall sentiment and reach of the news manually.
Case study from the Office of Emergency Management

vt.edu Website traffic
Case study from the Office of Emergency Management

vt.edu Website traffic
VTPD Basic Uses for Falcon

VTPD has not had any social media management tools.

Threat Assessment
- Enhance collaboration with University Relations regarding flagged social media posts of concern to public safety
- Minimize email communication and create more efficient work process

Engage
- Monitor specific posts
- Gather multi-platform information to see the social landscape
- Align communicate with other VT Falcon users for appropriate response

Publish
- Scheduled messaging and coordinated effort on safety posts and social media campaigns ahead of time
- Measure and assess effectiveness of posts
Key Takeaways

- Having a comprehensive social media management tool allows for more efficient and effective work to be done to enhance and defend Virginia Tech’s online reputation.
- More sophisticated social media monitoring tools can help police, emergency management, and public relations personnel to be more proactive on issues and crisis management.
- The insights and analytics gained from a comprehensive tool will allow for better data-driven decision making across many areas of the university.
2016-17
539 Total Student-Athletes

**Athletics**
- White: 61.78%
- Black: 19.85%
- Asian: 0.74%
- Hispanic: 1.11%
- American Indian: 0.00%
- Native Hawaiian: 0.37%
- Two or More: 6.12%
- Unknown: 8.91%
- Nonresident Alien: 1.11%

**University**
- White: 66.47%
- Black: 3.95%
- Asian: 9.98%
- Hispanic: 5.93%
- American Indian: 0.17%
- Native Hawaiian: 0.12%
- Two or More: 4.48%
- Unknown: 2.92%
- Nonresident Alien: 5.98%
## Student-Athlete Demographic Summary

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>61.33%</td>
<td>59.49%</td>
<td>61.57%</td>
<td>61.59%</td>
<td>61.78%</td>
</tr>
<tr>
<td>Black</td>
<td>16.76%</td>
<td>18.61%</td>
<td>19.03%</td>
<td>18.12%</td>
<td>19.85%</td>
</tr>
<tr>
<td>Asian</td>
<td>0.92%</td>
<td>0.55%</td>
<td>0.75%</td>
<td>0.91%</td>
<td>0.74%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>0.18%</td>
<td>0.36%</td>
<td>0.19%</td>
<td>1.45%</td>
<td>1.11%</td>
</tr>
<tr>
<td>American Indian</td>
<td>0.18%</td>
<td>0.18%</td>
<td>0.19%</td>
<td>0.18%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Native Hawaiian</td>
<td>0.00%</td>
<td>0.18%</td>
<td>0.37%</td>
<td>0.36%</td>
<td>0.37%</td>
</tr>
<tr>
<td>Two or More</td>
<td>3.13%</td>
<td>3.28%</td>
<td>4.10%</td>
<td>4.53%</td>
<td>6.12%</td>
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<tr>
<td>Unknown</td>
<td>9.58%</td>
<td>16.97%</td>
<td>13.81%</td>
<td>11.23%</td>
<td>8.91%</td>
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<tr>
<td>Nonresident Alien</td>
<td>7.92%</td>
<td>0.36%</td>
<td>0.00%</td>
<td>1.63%</td>
<td>1.11%</td>
</tr>
<tr>
<td></td>
<td>2013</td>
<td>2014</td>
<td>2015</td>
<td>2016</td>
<td>2017</td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
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<tr>
<td><strong>White</strong></td>
<td>88.89%</td>
<td>86.96%</td>
<td>85.47%</td>
<td>84.90%</td>
<td>83.33%</td>
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<tr>
<td><strong>Black or African American</strong></td>
<td>8.19%</td>
<td>9.24%</td>
<td>10.61%</td>
<td>9.90%</td>
<td>12.22%</td>
</tr>
<tr>
<td><strong>Hispanic of Any Race</strong></td>
<td>1.17%</td>
<td>1.63%</td>
<td>1.68%</td>
<td>1.56%</td>
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<tr>
<td><strong>Asian</strong></td>
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<td>0.54%</td>
<td>1.12%</td>
<td>1.56%</td>
<td>1.11%</td>
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<td><strong>Two or More Races</strong></td>
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<td>0.00%</td>
<td>0.00%</td>
<td>1.04%</td>
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<tr>
<td><strong>American Indian or Alaska Native</strong></td>
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<td>0.54%</td>
<td>0.56%</td>
<td>0.52%</td>
<td>0.56%</td>
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<tr>
<td><strong>Nonresident Alien</strong></td>
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<td>1.09%</td>
<td>0.56%</td>
<td>0.52%</td>
<td>0.56%</td>
</tr>
</tbody>
</table>
2016-17
Student-Athlete Demographics

Athletics
- Male: 60.30%
- Female: 39.70%

University
- Male: 57.21%
- Female: 42.79%
### Student-Athlete Demographic Summary

<table>
<thead>
<tr>
<th>Year</th>
<th>Male (%)</th>
<th>Female (%)</th>
</tr>
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<tbody>
<tr>
<td>2012-13</td>
<td>60.41%</td>
<td>39.59%</td>
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<tr>
<td>2013-14</td>
<td>62.77%</td>
<td>37.23%</td>
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<tr>
<td>2014-15</td>
<td>62.31%</td>
<td>37.69%</td>
</tr>
<tr>
<td>2015-16</td>
<td>61.41%</td>
<td>38.59%</td>
</tr>
<tr>
<td>2016-17</td>
<td>60.30%</td>
<td>39.70%</td>
</tr>
</tbody>
</table>
Head Coach Hires
2012 - Present

Lopez Miro (Swimming)
Sung (Lacrosse)
Wilson (Volleyball)
Brooks (Women’s Basketball)
Fuente (Football)
Robertson (Women’s Golf)

Szefc (Baseball)
Robie (Wrestling)
Williams (Men’s Basketball)
Mason (Baseball)
HIRING PRACTICES: JULY 1, 2017 TO APRIL, 2018  TWENTY-THREE PERCENT OF THE HIRES BELOW ARE FROM UNDER REPRESENTED GROUPS

- Senior Director, Business and Fiscal Operations
- Senior Associate AD, External Operations and Engagement
- Assistant Coach, Baseball
- Assistant Coach Baseball
- Director, Operations, Baseball
- Head Coach, Baseball
- Director, Sports Medicine
- Director, Sports Medicine
- Assistant Coach, Track/Field/Cross Country
- Director, Student-Athlete Development
- Senior Associate AD, Internal Operations
- Assistant Director, S/C Football
- Assistant Head Coach/Executive Director, Player Development Football
- Director, Player Development, Football
- Director, On-Campus Recruiting, Football
- Head Coach/Director, M/W Swimming/Diving Program
- Director, Equipment Services, Football
DIVERSITY & INCLUSION INITIATIVES:

- Study Abroad Course – established 2011 (Dominican Republic, Switzerland, Rwanda 2017 & 2018)
- Athletics Diversity and Inclusion Committee established -Spring 2017
- Men’s Basketball trip to National Museum of AA History -Summer 2017
- Dr. Menah Pratt-Clarke spoke with Student-Athlete Advisory Committee (10/9/17), men’s basketball (11/1/17), women’s tennis (11/9/17)
- Collaboration with Black Male Excellence Network (BMEN) and Multicultural Academic Opportunities Program (MAOP)
- Promoting #supportwomenssports in collaboration with Dr. Menah Pratt-Clarke – Spring 2018
- Diversity Newsletter established Feb 2018 – Department-wide resource which provides information and educational opportunities related to inclusion and diversity.
- Financial contribution and participation in the Virginia Tech Uplifting Black Men Conference – February 2018
- Collaboration/sponsorship for Understanding Barriers to Reaching Underserved Populations: Best Practices for Gender-Based Violence Prevention- Feb 2018
- Staff and student-athlete Title IX trainings
- Diversity education at department senior staff meeting (3 meetings - February and March 2018)
DIVERSITY & INCLUSION INITIATIVES:

- Safe Zone Training by various staff (Compliance and Student-Athlete Development)
- Staff participation in Diversity Ally Course through UOPD
- Orientation and onboarding for freshmen and transfer student-athletes
- Representation on SVPC – Sexual Violence Prevention Council
- Title IX Trainings
  - Kelly Oaks @ all department meeting 8.29.17
  - Head Coaches 1.16.18
- Title/VAWA – athletics and university onboarding requirement for all new employees
- Diversity education by Yolanda Avent, Senior Director of Cultural Community Centers and Lacrosse Team 4.6.18
- S.M.A.R.T. – Sexual Misconduct and Relationship Violence Training which discusses issues surrounding alcohol, consent, bystander intervention, retaliation and campus resources.
- One Love – Workshop illustrating the signs and effects of relationship abuse, followed by honest and empowering discussions.
1. We are one of the most diverse units or groups on campus and our Student-Athletes’ enhance the entire student body population.

2. We are recruiting in non-traditional high schools in the state of Virginia that Virginia Tech wants more exposure in and access to.

3. We will continue to strive to have staff reflective of our student-athlete demographics/population, thereby making our Department even more dynamic, creative and responsive.
Closing Remarks

Q & A